CHIEF PAY CLERKS

Le Ribeus, Francis
Miller, Junice W.
Stalls, Henry M.

The below-named officer to be a second lieutenant in the United States Marine Corps from the 6th day of June 1947:

Roscoe F. Good, Jr.

The below-named officer to be a second lieutenant in the United States Marine Corps to correct his given name, James J. Bozek, as previously nominated and confirmed:

John J. Bozek

POSTMASTERS

The following-named persons to be postmasters:

ARKANSAS

Jack B. Carter, Elkins, Ark., in place of Dewey Carter, deceased.

Myrtle H. Dowell, Tuckerman, Ark., in place of F. B. Dowell, deceased.

CALIFORNIA

Chester N. Frost, Etiwanda, Calif., in place of W. H. Frost, retired.

Paul R. Todd, Garberville, Calif., in place of D. E. Knapp, deceased.

GEORGIA

Myrtice T. Skinner, Midland, Ga., in place of J. W. Miller, transferred.

Eda M. McDonell, Thunderbolt, Ga., in place of E. E. Starkey, resigned.

W. Cecil Crew, Whigham, Ga., in place of D. P. Trulock, resigned.

IDAHO

Harold E. J. Wayne, St. Maries, Idaho, in place of M. H. Moshinsky, resigned.

ILLINOIS

LaVerne E. King, Ashkum, Ill., in place of Fred Rohr, transferred.

Irwin C. Stoltz, Bellmont, Ill. Office became Presidential July 1, 1945.

William P. Hohs, Skokie, Ill., in place of W. K. Lyon, deceased.

INDIANA

Ralph N. Smith, Atlanta, Ind., in place of L. B. Morehead, retired.

IOWA

William G. Strunce, Creston, Iowa, in place of T. M. Conway, deceased.

Fred J. Ehrhardt, Sac City, Iowa, in place of C. L. Anderson, resigned.

Zita L. Humbert, Volga, Iowa, in place of Otto Germar, resigned.

KENTUCKY

Denzil F. Stumbo, Martin, Ky., in place of Anna Vincent, resigned.

LOUISIANA

Ernest B. Martin, Baldwin, La., in place of M. M. Rogers, retired.

Clarfie J. Trosclair, Harvey, La., in place of F. J. Orgeron, transferred.

MICHIGAN

Marjorie V. Hammond, McMillan, Mich., in place of H. J. Skinner, resigned.

MISSOURI

Paris M. Hill, Glenwood, Mo. Office became Presidential July 1, 1945.

Stella Siebert, Pilot Knob, Mo. Office became Presidential July 1, 1946.

MONTANA

David C. Bryan, Whitehall, Mont., in place of T. E. Devore, retired.

NEW JERSEY

Thomas L. Edsall, Hamburg, N. J., in place of L. B. Vail, resigned.

William J. Morris, Newton, N. J., in place of Walter McCracken, transferred.

OHIO

Frank Edwin Treon, Miamisburg, Ohio, in place of William Alexander, retired.

George J. Stoll, Piketon, Ohio, in place of G. E. Leist, resigned.

OKLAHOMA

Florence S. Campbell, Castle, Okla., in place of H. B. Sitz, removed.

OREGON

Joseph Omlin, Jr., Gold Beach, Oreg., in place of Vincent Byram, deceased.

PENNSYLVANIA

Adeline Lobb, Brisbin, Pa. Office became Presidential July 1, 1945.

George E. Myers, Cowansville, Pa. Office became Presidential July 1, 1945.

Israel M. Ziders, Laughlintown, Pa. Office became Presidential July 1, 1946.

Mildred E. Thomas, Shelocta, Pa. Office became Presidential July 1, 1944.

SOUTH CAROLINA

Nelle C. Wells, Manning, S. C., in place of R. R. DuRant, Jr., resigned.

SOUTH DAKOTA

Laddie E. Kostel, Tabor, S. Dak., in place of C. D. King, transferred.

TEXAS

Euna C. Kelly, Freer, Tex., in place of M. H. Freeman, resigned.

Louise E. Gordon, Talpa, Tex., in place of C. H. Grounds, deceased.

VIRGINIA

Arthur G. Ware, Jr., Amherst, Va., in place of R. H. Mahone, removed.

WASHINGTON

Daniel F. Coulter, South Bend, Wash., in place of H. M. Connor, removed.

Raymond D. Spurrell, Willapa, Wash., in place of J. H. Owens, resigned.

WEST VIRGINIA

Charles A. Cabell, Carbon, W. Va., in place of R. M. Yeager, resigned.

WISCONSIN

Louis W. Kurth, Neillsville, Wis., in place of L. W. Kurth. Incumbent's commission expired April 26, 1942.

Estelle H. Beck, Rolling Prairie, Wis. Office became Presidential July 1, 1946.

WYOMING

Signe S. Mackinen, Frontier, Wyo., in place of R. M. Turner, retired.



# SENATE

## MONDAY, MARCH 10, 1947

*(Legislative day of Wednesday, February 19, 1947)*

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

The Chaplain, Rev. Peter Marshall, D. D., offered the following prayer:

Our Father, as we come into Thy presence this morning, we are saddened by the announcement of the great loss and bereavement sustained by one of the most distinguished Members of this body. Our sympathy goes out to him, deep and tender, as we stand at his side sharing his sorrow as far as friends may and joining our prayers that he may feel even now the everlasting arms upholding him and Thy grace and Thy love sustaining him in this dark hour.

We give Thee thanks for his constant devotion, for the courage and the fidelity to duty that has marked these last years when he was called upon by Thy strange and mysterious providence to walk a hard road; and we give Thee thanks for the beauty and inspiration that his helpmeet provided in the difficult experiences they shared together.

We thank Thee for her charm and for the winsome beauty of her life and spirit, and we pray that Thy grace may be sufficient now for him who was her partner and for the members of the family who mourn her going.

We thank Thee for the hope Thou hast given us that there will come a day when the lost chords of life may be found again in that happy land, and all that is dark and mysterious now shall be revealed and its purposes made plain.

We pray that in this great sorrow, shared by each Member of this body, we may be drawn closer to each other in true comradeship and fellowship. May sympathy unite our hearts to each other, and bind us to Thee, who dost mark our tears and hast promised to wipe them away.

So may Thy blessing be upon our brother now and upon all who are with him in the fraternity of sorrow, that their faith may be strengthened and their hope made bright and triumphant. Through Jesus Christ our Lord. Amen.

### THE JOURNAL

On request of Mr. WHERRY, and by unanimous consent, the reading of the Journal of the proceedings of Friday, March 7, 1947, was dispensed with, and the Journal was approved.

### MESSAGES FROM THE PRESIDENT—APPROVAL OF BILL

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on March 7, 1947, the President had approved and signed the act (S. 234) to authorize the Secretary of the Navy to convey to the Central of Georgia Railway Co. an easement for railway purposes in certain Government-owned lands situated in Bibb County, Ga.

### TRIBUTES TO MRS. ALBEN W. BARKLEY

Mr. COOPER. Mr. President and Members of the Senate, it was with deep regret that I learned, just a little while ago, of the death this morning of the wife of the distinguished senior Senator from Kentucky [Mr. BARKLEY]. I am aware that no eulogy of her is necessary to those who knew her, and I realize that little can be said in sympathy which can be helpful. I should like to say, however, that throughout the years the people of her native State, Kentucky, have held in affection and respect the wife of our distinguished colleague. They have known the strong and beautiful qualities of her character and intellect, her devotion and helpfulness to her husband, and their respect and affection have been deepened by the knowledge of her long and patient suffering.

They have known, also, of his selflessness and devotion to her. And so today, in a very inadequate manner, I desire to express my own sorrow and the sorrow of the people of my State upon the death of Mrs. Barkley, and to extend to our colleague, Senator BARKLEY, deep and heartfelt sympathy.

Mr. MORSE. Mr. President, I wish to extend, in behalf of myself and Mrs. Morse, deep sympathy to the distinguished Senator from Kentucky [Mr.

BARKLEY] in this hour of sorrow. I am conscious of the great spiritual values which sustain him at this moment of bereavement.

Mr. GEORGE. Mr. President, a large circle of friends is saddened today by the announcement of the death of Mrs. Alben Barkley at her home in this city. Mrs. Barkley had been a part of the life of the city of Washington for more than 30 years. During the days of her strength and good health she was constantly with her friends and enjoyed the respect and the love and admiration of a very large circle of men and women in public life and men and women from all sections of the United States. She possessed those peculiar womanly charms and the strength of character which made her the center of a beautiful and delightful home.

Her husband, who served for a long period of years in the National House of Representatives, and who served as majority leader of this body for a longer period of time than any other man in the history of the Senate, and who is at the present time the minority leader, was constantly weighted with the care of his own responsibilities as well as the illness of the wife who had meant so much to him in his home and in his life. Mrs. Barkley had been indeed a tower of strength to the distinguished senior Senator from Kentucky.

Those of us who knew Senator BARKLEY well throughout the years, and who had the opportunity to observe him and who knew with what fidelity he met his responsibilities as majority leader and as a Member of the Senate, often wondered how he managed to do so in view of the long-continued illness of the wife to whom he was so sincerely devoted. There was a strong tie of affectionate love between Senator BARKLEY and his wife.

She was not only a popular woman here in Washington, but in her own native State of Kentucky as well. Those of us who have served here with Senator BARKLEY and those who have had the privilege of knowing Mrs. Barkley through the years have the deepest sympathy for the bereaved family, and for the Senator himself, on whom the loss falls with peculiar force.

Mr. President, a woman who rears a delightful family, who is the center of honor within the family group, and who through a long life retains the affection and deepest respect of a good husband has not lived in vain. The passing of Mrs. Barkley today not only has saddened a large circle of friends here and elsewhere, but has brought keenly to our minds and to our imagination the burdens under which the distinguished Senator from Kentucky has labored in this body during the years of her protracted illness.

Mr. CONNALLY. Mr. President, I am most happy that the senior Senator from Georgia should have made this most appropriate and eloquent address dealing with the passing of Mrs. Alben W. Barkley.

When I first became a Member of the House of Representatives—it will soon be 30 years ago—in company with the Senator from Maine [Mr. WHITE], who entered that body on the same day I entered it, I became acquainted with Senator BARKLEY, then a Member of the House, and shortly thereafter I became acquainted with Mrs. Barkley. Mr. President, our families were very intimate for a great number of years. I learned to know Mrs. Barkley and found her to be a gracious, intelligent, charming woman, possessed of all the graces and fine qualities which ornament noble womanhood. She was an inspiration to her husband in his public career and in his private life.

I happen to know that some years ago they purchased an old estate near Paducah, Ky., remodeled and refurnished it with all of the period furnishings which would revive its ancient splendor. They took great pride in providing a home back in Kentucky, their native State.

I am personally deeply grieved at the passing of Mrs. Barkley. I profoundly sympathize with Senator BARKLEY, because I know the great loss which he has suffered. I am sure that, as already suggested, Mrs. Barkley did not live in vain. She made a distinct contribution to the age in which she lived, and she ennobled and uplifted every circle in which she moved.

Mr. President, I shall not prolong these remarks, but I wished to say this much so that the record might bear testimony to my admiration for Mrs. Barkley and for the wonderful life she lived.

Mr. LUCAS. Mr. President, it was with a sense of profound sorrow that I learned this morning of the passing of the wife of our esteemed minority leader, the Senator from Kentucky [Mr. BARKLEY]. Modest and retiring by nature, she was loved by all who knew her. Her devotion to her husband and family was a source of strength and inspiration which will be sorely missed. She pursued the arts of the home with grace, and brought dignity and character to the raising of a fine family which will always remain a tribute to her.

She was known and admired throughout the State of Kentucky for her kindness and character. When she came to Washington to be at her husband's side during his service in the Congress, she won the esteem and affection of all who were privileged to know her. Her married life extended over almost 44 years. The unmatched devotion of Senator BARKLEY and his wife to each other throughout their lives, and especially during the long illness of Mrs. Barkley, became a matter of public comment.

I do not suppose that any words of ours at this moment can serve to lessen the deep sorrow which has thus befallen our colleague and his family. We can only extend to them our deepest sympathy in this hour of their loss.

Mr. WHITE. Mr. President, we on this side of the aisle—and I know it to be equally true of Senators on the other side—learned this morning with the keenest regret of the tragic loss suffered by our colleague the distinguished minority leader [Mr. BARKLEY].

For more than 40 years Mrs. Barkley has been an affectionate mother, a loving and helpful wife, a companion in fellowship with the Senator from Kentucky in the trials and vicissitudes, as well as the triumphs, of his long and honorable public career. Through the years Mrs. Barkley has won the hearts and the enduring respect of all who have been privileged to know her. To our colleague goes the assurance of a sympathy which we feel in full measure, but which we can express but inadequately. There goes to him assurance of our respect and affection as he meets with courage and faith this great affliction visited on him.

Mr. BROOKS. Mr. President, it was not my privilege to know Mrs. Barkley. It has been my privilege to know her husband. Knowing Mrs. Barkley through those who have spoken so kindly of her, it seems to me that she typifies those wonderful women who have come to the Capital of the greatest country on earth, and sometimes humbly, and many times quite unknown, carried the burden of the heart and the work of their husbands. I wish to pay my tribute to this lady whom I did not know, and express my deep and sincere sympathy to her distinguished husband.

## LEAVE OF ABSENCE

Mr. CAIN. Mr. President, I ask unanimous consent to be absent from the Senate on Wednesday of this week.

The PRESIDENT pro tempore. Without objection, the leave is granted.

## ROBERT MONTGOMERY

Mr. TOBEY. Mr. President, I take just 30 seconds to point out that in the recent war remarkably fine service was rendered by some of those engaged in the great professions of our country. There is in the gallery to my right one who rendered valiant and distinguished service in our naval forces in the war, the movie actor, Robert Montgomery. I point this out for the edification and interest of my colleagues. A tribute to whom tribute is due.

## EXECUTIVE COMMUNICATIONS, ETC.

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

### G. F. ALLEN

A letter from the Acting Secretary of the Treasury, transmitting a draft of proposed legislation for the relief of G. F. Allen, former Chief Disbursing Officer, Treasury Department, and for other purposes (with accompanying papers); to the Committee on the Judiciary.

### REGIONAL DISBURSING OFFICERS OF TREASURY DEPARTMENT

A letter from the Acting Secretary of the Treasury, transmitting a draft of proposed legislation to provide for the orderly transaction of the public business in the event of the death, resignation, or separation from office of regional disbursing officers of the Treasury Department (with an accompanying paper); to the Committee on Expenditures in the Executive Departments.

## PETITIONS AND MEMORIALS

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

By the PRESIDENT pro tempore:

A joint resolution of the Legislature of the State of Wisconsin; to the Committee on Banking and Currency:

"Senate Joint Resolution 13

"Joint resolution memorializing the Congress of the United States to remove all controls upon the production and sale of sugar

"Whereas sugar is one of the most important food items used in the American home and without it housewives are seriously hampered in supplying their families with a properly balanced diet; and

"Whereas the lack of sugar for canning during the past season caused housewives to curtail their fruit and vegetable canning, thereby causing great quantities of Wisconsin grown fruit and vegetables to go to waste which would otherwise have been preserved for winter use by canning; and

"Whereas there is every reason to believe that this waste of Wisconsin fruit and vegetables will be repeated during the coming growing season if the present system of sugar controls is continued; and

"Whereas labor in the food processing industry has been thrown out of work and the producers of fruits and vegetables have suffered great financial loss because of the sugar shortage; and

"Whereas in 1946 the sugar under the direct control of the United States increased by more than one-half million tons and no portion of this increase was made available to the American people; and

"Whereas black-market operators in sugar have flourished and grown rich during the period of sugar rationing and will continue to aggrandize themselves at the expense of the general public so long as controls on the production, sale, and consumption of sugar are continued: Now, therefore, be it

*"Resolved by the senate (the assembly concurring)*, That the Congress of the United States is respectfully requested to provide by law for an immediate decontrol of sugar for home consumption and for industrial use; and be it further

*"Resolved*, That Congress is respectfully requested to remove all controls from the production, distribution, rationing, sale, and importation of sugar; and be it further

*"Resolved*, That duly attested copies of this resolution be immediately transmitted to the clerks of both Houses of the Congress of the United States and to each Member of the Congress from this State."

A joint memorial of the Legislature of the State of Wyoming, memorializing Congress to strengthen the present sanitary requirements governing the importation of livestock from the Republic of Mexico; to the Committee on Agriculture and Forestry.

(See joint memorial printed in full when presented by Mr. O'MAHONEY on March 7, 1947, p. 1762, CONGRESSIONAL RECORD.)

A joint memorial of the Legislature of the State of Wyoming, memorializing the Congress to enact legislation relating to employers' sinking funds and reserves and taxability thereof; to the Committee on Finance.

(See joint memorial printed in full when presented by Mr. O'MAHONEY on March 7, 1947, p. 1762, CONGRESSIONAL RECORD.)

A resolution adopted by the Louisiana Legislative Committee on Educational Survey, Baton Rouge, La., praying for the enactment of the bill (S. 472) to authorize the appropriation of funds to assist the States and Territories in financing a minimum foundation education program of public elementary and secondary schools, and in reducing the inequalities of educational opportunities through public elementary and secondary schools, for the general welfare, and for other purposes; to the Committee on Labor and Public Welfare.

A letter in the nature of a petition from the United Home Owners of Illinois, Chicago, Ill., praying for the enactment of legislation to abolish rent controls; to the Committee on Banking and Currency.

By Mr. DWORSHAK:

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

"Senate Joint Memorial 3

"Joint memorial to the President and the Congress of the United States of America in opposition to the policy of the Secretary of the Department of the Interior, Mr. J. A. Krug, as announced on February 2, 1947, accompanying his first annual report, of keeping all federally owned mineral lands in permanent Federal ownership, permitting development only under leasing laws, and that the present mining laws which permit the patenting of mineral lands should be repealed

"Whereas because of a number of circumstances continuing since the early 1930's and up to the beginning of World War II, such as low metal prices and restrictive legislation bearing most heavily upon the mining industry, the development of old mines languished and few new mines were discovered. Not the least amongst these hindrances to prospecting and exploration for new sources of metals has been the policy of the Department of the Interior which has practically made it impossible to acquire title to mineral lands, thus thwarting the intent of Congress and the interpretations of the courts; and

"Whereas the mining industry, as well as all other industries of this country, made every effort to produce the utmost for the needs of war and handicapped as they were by a shortage of man power, it became necessary to concentrate on production of ore and sacrifice the development of additional areas to replace those which had been extracted; and

"Whereas we now find because of this series of circumstances that the normal ore reserves of this country have been depleted to a very considerable degree and by various means of propaganda this thought that our ore reserves have approached complete exhaustior has largely been promulgated by various bureaus under the Department of the Interior: Now, therefore, be it

*"Resolved by the Senate and the House of Representatives of the State of Idaho (the Governor concurring therein)*, That we bitterly reject and condemn what appears to us to be a subtle conspiracy of the Department of the Interior, and of which this gaining absolute autocratic control of the mineral resources is but the entering wedge, as a theory utterly foreign to the philosophy of the Government of this country. To those whom we address, we respectfully call attention to the fact that despite the acknowledged scholastic abilities and integrity of members of the United States Geological Survey and the Bureau of Mines, and the years of effort and the millions of money spent by these departments, the mineral resources of this country have been discovered and developed by the adventurous resident population of these Western States and the function of these departments has been largely a compilation of the history of these undertakings. We believe a lease law covering all the multitudinous variations of ore deposits is a thing impossible of accomplishment; that it will result in flagrant abuses and concentration of power and rather than adding to our reserves of mineral resources will have exactly the contrary effect. The proposal of Secretary Krug to spend a billion dollars in taking an inventory of our mineral resources appears to be but a repetition of the way these departments operate. The compilation of data is not nearly so important as the finding of ore; the mining companies of Idaho and all the Western States are spending large sums of money for exploration and development with hope of finding new ore bodies to insure the Nation's metal requirements. The expenditure of such vast sums by men of energy, experience and ability in finding and developing new deposits will largely correct our present shortages. These companies could hardly be expected to spend millions in the development of new ground unless they could obtain title to these grounds if ore bodies should be developed. Leasing system as proposed would kill all prospecting. The title to mining claims must be granted to promote good sound business in mining. We feel the expenditure of such a sum of $1,000,000,000 by the Department of the Interior to write the obituary of the mining industry is somewhat amusing if it were not so tragic; 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 Hon. Harry S. Truman, President of the United States; Hon. J. A. Krug, Secretary of the Interior; Hon. President of the Senate and Speaker of the House; Hon. Henry Dworshak, chairman of Mines and Mining; Hon. Edward V. Robertson, chairman, Public Lands Committee; Hon. Andrew L. Somers, chairman, House, Public Lands Committee; Hon. Hugh Butler, chairman, Public Lands Committee; and to the Senators and Representatives of Idaho in the two Houses of Congress."

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

"Senate Joint Memorial 4

"Joint memorial to the President and the Congress of the United States of America in opposition to the policy of the State Department to reduce tariffs on mineral products under the Trade Agreements Act

"Whereas because of the heavy depletion of mineral resources during the war years and the lack of new exploration for and discovery of mineral deposits for many years it is now recognized, as announced by the Secretary of the Interior Department, J. A. Krug, that search for new ore deposits and mines is of vital importance to the national welfare. The prospecting and exploration for new mineral deposits has been held back by lack of manpower during and since World War II, by low OPA metal ceilings and other restrictive Government legislation and also by the constant threat of tariff reductions under the Trade Agreements Act. Private industry is willing to take the gamble of spending large amounts of capital in mineral exploration if it can be guaranteed adequate tariff protection against the competition of lower labor costs and richer natural deposits in foreign countries when conditions in these countries return to normal; and

"Whereas there is a serious world shortage of many metals and with postwar demand far higher than prewar demand, this country will of necessity have to be more dependent on its own mineral resources. The metals produced in Idaho (antimony, copper, lead, mercury, tungsten, and zinc) are badly needed in both war and peace and the encouragement of the mining and the search for these metals is therefore in the national interest. One method of encouragement is by a real protective tariff; and

"Whereas the present threat of tariff cuts presents a serious problem to the mining industry. Due to the possibility of tariff concessions, the present tariffs on minerals no longer can be considered to offer any future protection. The development of new ore in

old mines and the opening up of new mining enterprises call for long-term planning and large capital expenditures and with the lack of any guaranty as to future tariff protection, the incentive for mine development disappears completely in many cases. Mining is a big enough gamble, in itself, without in addition gambling on whether or not the State Department is going to cut tariffs; and

"Whereas the actual reduction in tariffs would not only discourage the search for and development of new mines, but would also shut down many mines that are now producing; and

"Whereas although it is argued that tariff concessions will remove trade barriers to imports and allow free access to the world's raw materials, it is a fact that most important metals can be shipped to this country without difficulty and sold here at world price plus duty. There are certain trade barriers on exports from this country, however. For example, the United States Government prohibits the export of antimony produced domestically; and

"Whereas in addition to harming the mining industry, tariff cuts which cause the shut-down of domestic mines could result in our country being at the mercy of foreign cartels which could then dictate their own terms as to quantities and prices of certain metals shipped to this country; and

"Whereas the development of new mining and smelting operations in this country not only contributes to the national security, but also creates new jobs and adds to the national wealth: Now, therefore, be it

"*Resolved by the Senate and the House of Representatives of the State of Idaho (the Governor concurring therein)*, That we believe, from the standpoint of national security, special tariff consideration should be given to our mineral resources and that no further tariff reductions on mineral products should be made under the Trade Agreement Act; 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 Hon. Harry S. Truman, President of the United States; Hon. President of the Senate and Speaker of the House; Hon. Henry Dworshak, chairman of Mines and Mining Committee; Hon. Edward V. Robertson, chairman of Public Lands Committee; Hon. Andrew L. Somers, House Public Lands Committee; Hon. Hugh Butler, chairman of Public Lands Committee; F. Morton Leonard, Chief, Metals Division, United States Tariff Commission, Washington, D. C.; and to the Senators and Representatives of Idaho in the two Houses of Congress."

By Mr. GREEN (for himself and Mr. McGRATH):

A joint resolution of the Legislature of the State of Rhode Island; to the Committee on Public Lands:

"Joint resolution memorializing the Senators and Representatives from Rhode Island in the Congress of the United States with relation to the establishment of a national cemetery in the State of Rhode Island and Providence Plantations

"*Resolved*, That the Senators and Representatives from Rhode Island in the Congress of the United States be and they are hereby earnestly requested to use their best efforts to obtain acquiescence in the matter of the will of the General Assembly of the State of Rhode Island and Providence Plantations in its unanimous desire to have a national cemetery established in the State of Rhode Island and Providence Plantations for the interment of any veteran of any of the wars in which the United States has been or may in the future be engaged; and be it further

"*Resolved*, That the secretary of state is hereby authorized and directed to transmit duly certified copies of this resolution to His Excellency John O. Pastore, Governor of Rhode Island and to the Senators and Representatives from Rhode Island in the Congress of the United States."

A joint resolution of the Legislature of the State of Rhode Island; to the Committee on Finance:

"Resolution requesting the Senators and Representatives from Rhode Island in the Congress of the United States to use their good offices to secure prompt passage of the George bill, so-called, or a similar measure, to restore to the veterans of World War II the benefit rights to which they are justly entitled

"Whereas it is regrettable that Congress has failed to pass a bill to restore to veterans the social-security status they would have had if war had not interrupted their employment in insurable industry; and

"Whereas the Social Security Act should have been worded in such a way that service in the armed forces would not adversely affect the rights of workers, but it was not so worded; and

"Whereas time out for military service is not considered insurable employment and has prevented veterans from reaching a fully insured status; and

"Whereas this oversight is seriously affecting the benefit rights to which veterans, or their dependents, are by every right entitled; and

"Whereas legislation restoring to veterans the social-security credits which have been jeopardized by their military service should be enacted with the least possible delay; and

"Whereas there is now pending before the Congress of the United States a bill known as the George bill, which would protect the veterans prewar social-security credits and arbitrarily credit his account with an amount equal to that which he would have earned if he had spent his military service in an insurable employment; and

"Whereas the members of the Rhode Island General Assembly feel that the abovementioned bill, or a similar one, should be enacted with the least possible delay: Now, therefore, be it

"*Resolved*, That the Senators and Representatives from Rhode Island in the Congress of the United States are hereby requested to use their good offices to secure prompt passage of the now pending George bill, so-called, or a similar measure, to restore to veterans of World War II the benefit rights to which they are justly entitled; and be it further

"*Resolved*, That the secretary of state be, and he is hereby, authorized and directed to transmit to the Senators and Representatives from Rhode Island in the Congress of the United States duly certified copies of this resolution."

By Mr. GEORGE:

A resolution of the Legislature of the State of Georgia; to the Committee on Labor and Public Welfare:

"Senate Resolution 24

"Whereas in initiating, supporting, and maintaining the national school lunch program, the Government of the United States has rendered invaluable aid to the cause of public education, from which the common school system of Georgia has enjoyed its full participation since this wise legislation was originally fostered and the benefits thereof first became available to the pupils in our public schools; and

"Whereas it is essential to the realization of Georgia's ambitious plans for the full development of its educational program and the adequate instruction of the children of our State, that these Federal grants which were so auspiciously launched and so successfully maintained during recent years, whereby nourishing food at lunch time may be available to the growing generation of America's future citizens, shall continue without interruption; and

"Whereas in the movement for retrenchment in national expenditures now so widely advocated, there is grave danger that this essential service shall be placed in jeopardy or sacrificed to the serious detriment of our educational interests: Therefore be it

"*Resolved by the Senate of the State of Georgia (the House of Representatives concurring)*, That we hereby memorialize and urgently bespeak the favorable consideration of the Congress of the United States of suitable appropriations that will insure the continuance and maintenance of the national school lunch program upon substantially the same basis which has heretofore represented such an important contribution to the institution of public education as it has come to be recognized among the paramount obligations assumed by the public treasury; be it further

"*Resolved*, That copies hereof be transmitted at once to the Members of Georgia's delegation in the Senate and House of Representatives of the Congress of the United States."

## ADMISSION OF JEWS INTO PALESTINE

Mr. GREEN. Mr. President, on behalf of my colleague the junior Senator from Rhode Island [Mr. MCGRATH] and myself, I ask unanimous consent to present for appropriate reference and printing in the RECORD a resolution adopted by the City Council of the City of Providence, R. I., recommending the immediate admission of 100,000 European Jews into Palestine.

There being no objection, the resolution was received, referred to the Committee on Foreign Relations, and ordered to be printed in the RECORD, as follows:

Whereas the United States has already gone on record, by congressional resolution and Executive statement, as favoring the establishment, in Palestine, of an independent democratic Jewish commonwealth, as set forth in the Balfour Declaration; and

Whereas such a program has been heartily endorsed by both our great political parties in their last national convention platforms; and

Whereas the recent Anglo-American Commission recommended the immediate admission of 100,000 European Jews into Palestine, which recommendation is favored and approved by President Truman; and

Whereas there are hundreds of thousands of displaced persons in Europe, rapidly losing all hope for the future, of which about one-third are Jewish refugees seeking an opportunity to enter Palestine to start life there anew: Now, therefore, be it

*Resolved*, That this council, in recognition of the suffering endured by such refugees, and the need for some prompt action, does hereby memorialize, implore and entreat the Congress, its Members and the President, to take immediate steps to implement the report of said Commission; to act at once, by resolution, diplomatic channels or otherwise, in the name of justice and humanity to the end that the solemn declaration of the mandatory power be fulfilled, thus permitting the mass entrance of refugee Jews into Palestine and restoring peace in the Holy Land; and be it further

*Resolved*, That this resolution be spread upon the records, and that copies thereof be sent to the President of the United States and to the Rhode Island Members of the United States Senate and House of Representatives.

A true copy.

Attest:

[SEAL] D. EVERETT WHELAN,
*City Clerk.*

## COMMEMORATION OF POLISH UPRISING IN 1863

Mr. MYERS. Mr. President, I ask unanimous consent to present for printing in the RECORD a resolution which was adopted in Philadelphia on February 9 by a group of Americans of Polish descent, assembled at the Polish Home of Philadelphia, to commemorate the uprising of the Polish people against tyrants and oppressors in 1863.

I also ask unanimous consent that a letter written by me in reply to the resolution be printed in the RECORD.

There being no objection, the resolution and letter were received and ordered to be printed in the RECORD, as follows:

We, Americans of Polish descent, assembled at the Polish Home of Philadelphia, 211 Fairmount Avenue, Philadelphia, to commemorate the uprising of the Polish people against their tyrants and oppressors in 1863, on this day, Sunday, February 9, 1947, unanimously adopted the following resolution:

"Whereas the Moscow-engineered Polish elections were held under complete communistic control and were characterized by arrests, intimidations, terrorism, and murder; and

"Whereas the elections were a fraud and mockery and gone through as a pretense in order to propitiate the powers that believe in democracy and the rights of man; and

"Whereas from the notes exchanged with the Warsaw government and the principles enunciated therein, it is evident that our Government is aware of this sham and mockery of democratic principles and the dangers this entails; and

"Whereas these alleged elections clearly demonstrate the dangers and risks to those whose political beliefs are opposed to communistic principles and practices, and therefore the inability of the displaced persons to return to their native land.

"Now, therefore we, assembled here, appeal to and urge our Government to stand fast on the principles set forth in the Warsaw notes, to repudiate the fake elections and to withhold recognition of the counterfeit government imposed upon the Polish Nation by a foreign power; and we further urge that our Government in recognition of the principles of democracy and the rights of men, do its utmost that the despairing plight of the displaced persons be alleviated, and a safe haven be found for them in this country, or any other friendly Allied nation."

MARTIN DABROWSKI,
*Chairman.*
ALEXANDER BUCZEK,
*Secretary.*

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MARCH 6, 1947.

MR. ALEXANDER BUCZEK,
*Secretary, National Committee of Americans of Polish Descent, Inc.*
*Philadelphia, Pa.*

DEAR MR. BUCZEK: I should like to convey to the members of your organization my appreciation for receiving a copy of a resolution adopted by Philadelphians of Polish descent on February 9, 1947, the anniversary of the uprising of 1863.

You know, of course, that my views on the recent Polish "elections" coincide with yours. The whole thing was a farce. In unprecedentedly strong language President Truman said substantially the same thing in his anything but cordial acceptance of the credentials of the new Polish Ambassador. I am sure we will continue all our efforts to see to it that Poland recaptures the control of her own destiny.

As for the problem of Polish displaced persons who understandably are unwilling to return to their homeland under its present regime, I have advocated for some time that this country offer a haven for many of these unfortunate refugees from tyranny by use of unused immigration quotas. I think it is to the credit of our Government that despite the expense of caring for these displaced persons, we have resisted every effort to force them to return against their will to Poland.

I think it would be advisable for an organization such as yours to express to President Truman your appreciation for the efforts he has already made in this tragic situation. So often, Mr. Truman receives only complaints. I know he would appreciate hearing how his efforts in the Polish situation are being appreciated by Americans of Polish descent.

Sincerely yours,

FRANCIS J. MYERS.

## ECONOMY AND SOUND BUSINESS POLICIES IN GOVERNMENT

Mr. CAPPER. Mr. President, I have received a fine letter from F. W. Spaeth, of the Wyatt Manufacturing Co., Salina, Kans., setting forth the need of economy and sound business policies in Government affairs. I ask unanimous consent to have the letter printed in the RECORD.

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

THE WYATT MANUFACTURING CO.,
*Salina, Kans., February 18, 1947.*

HON. ARTHUR CAPPER,
*United States Senate,*
*Washington, D. C.*

DEAR SENATOR CAPPER: Today in Washington there seems to be a lot of wavering, compromising, or otherwise drifting away from the clearly defined program imparted by the millions of voters who have been completely fed up with the spend-crazed and leftish principles of the New Deal.

These voters have not in the least swayed away from their original objectives and the changes which must be made in Washington, but they are beginning to wonder if the new Congress is going to achieve the necessary changes, or will Congress use half-measures and continue to compromise with those who have been so power drunk and extravagant for so many years.

I believe there were four major objectives which the voters wanted, and which created the election reversal, as follows:

1. Adopt new labor legislation which will definitely remove the existing labor monopoly. Congress should stop being lolled into complacency by the apparent conciliatory "dove-of-peace" feeling now proffered by dictator union leaders. It is a guaranteed fact that they will remain holed up only so long as they are assured Congress will continue to weaken and forgive them—and make no important remedial changes in existing labor laws. They are hopeful that by staying out of sight Congress will again resort to half-measures—and as soon as those inedaquate compromises are written into law, it is also a guaranteed fact that there will be another long cycle of serious labor strife—continuing an upward inflation cycle.

2. Reduce the budget to a point, for practical comparisons, equal to that existing prewar, adding enough to cover defense needs, VA, and higher national debt interest—with a top ceiling around $30,000,000,000. No one, including many of those in high offices in bureaus, will not admit that there exists 15 to 20 percent pure waste in practically all legislative departments. Anyone who has been in Washington or in any Federal department, such as War Assets, will readily understand this statement. If the waste alone were eliminated, our budget would be less than thirty billion—without affecting to any degree any required program.

Voters hope the time has come when every dollar in the national budget should produce 100 cents for its service, and they have no reason to feel that a bureau head might not just as easily spend $2 or $3 for the $1 job, if Congress gives him $2 or $3 to spend. Voters feel that a ceiling on personnel might be a start, and then next they would like to know why the earning capacity of the bureau head depends on how many people are employed in his department. Many departments—many parasitic hangers-on which continue to mushroom, and which only seem to create more work for one another, rather than serve the people, should be eliminated instantly. A new psychology in the Government should be adopted that economy is to replace frenzied, idiotic extravagance.

3. Provide for national-debt reduction. We are entering a declining period with a national debt of two hundred and sixty billions. When will there be a better time than now, and possibly for a few more years, to reduce this figure? Unless there is a drastic budget reduction which can reduce the debt, and possibly provide some token-tax reduction, the present Republican Congress will be rightly blamed for having plunged the country into financial ruin within 10 years. This is not a farfetched statement in any sense of the word.

4. There should be a certain token reduction in taxes. Congress should get together on this, and stop playing politics. This should be a flat, across the board reduction, no matter what the percentage is—to help the working man make his pay check go further and to relieve the confiscatory taxes now on large incomes, thus permitting more incentive capital for plant and product expansion, guaranteeing more employment and higher working standards in the future, or at the very least permit many companies to have a narrow margin to cushion the shock when times change.

I feel that these four measures crystallize the expectations of the hopeful voters who held a minor revolution at the polls last November. Immediately before and after the election, a number of the successful Congressmen indicated that these things would be done, but apparently since then things have happened which have tended to befog these major issues.

Sincerely,

F. W. SPAETH.

## REDUCTION IN TAXES AND GOVERNMENT SPENDING

Mr. CAPPER. Mr. President, I have received a letter from C. M. Hayman, 8201 Nall Avenue, Overland Park, Kans., offering several excellent suggestions with a view to encouraging tax reductions and reducing Government spending. I ask unanimous consent to have his letter printed in the RECORD.

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

FORUM CAFETERIAS OF AMERICA, INC.,
*Kansas City, Mo., February 28, 1947.*

HON. ARTHUR CAPPER,
*Senator, Senate Office Building,*
*Washington, D. C.*

DEAR SIR: First, I would like to tell you that I think you are doing a grand job and that your efforts in our behalf are appreciated. Then I would like to express my opinion on the tax-relief situation and Government spending.

I favor the Knutson bill (H. R. 1) for a 20-percent across-the-board tax cut. This would make more money available for business expansion, which would mean more jobs. Our taxes are too high, anyway.

I believe that Government expenditures could, and should, be lowered. There are too many employees on the Government pay rolls. These people are needed in private industries.

Thank you for any consideration you may give the above.

Sincerely,

C. M. HAYMAN.

## PORTAL-TO-PORTAL PAY—REPORT OF A COMMITTEE

Mr. WILEY. Mr. President, on March 3, 1947, by unanimous consent, Senate bill 70 was taken from the calendar and recommitted to the Committee on the Judiciary for further study. In lieu thereof, from the Committee on the Judiciary, I ask unanimous consent to report favorably with an amendment, House bill 2157, to define and limit the jurisdiction of the courts, to regulate actions arising under certain laws of the United States, and for other purposes, the so-called portal-to-portal bill, and I submit a report (No. 48) thereon. In the House bill 2157 as now reported from the Committee on the Judiciary, all after the enacting clause of the bill as it came from the House is stricken out and the language agreed to by the Senate Committee on the Judiciary is inserted in lieu thereof.

The PRESIDENT pro tempore. Without objection, the report will be received, and the bill will be placed on the calendar.

## STRIKING OF MEDALS, IN LIEU OF COINS, FOR COMMEMORATIVE PURPOSES

Mr. FLANDERS. Mr. President, from the Committee on Banking and Currency, I ask unanimous consent to report an original bill to provide for the striking of medals, in lieu of coins, for commemorative purposes, and I submit a report (No. 49) thereon.

The PRESIDENT pro tempore. Without objection, the bill and report will be received, and the bill will be placed on the calendar.

The bill (S. 865) to provide for the striking of medals, in lieu of coins, for commemorative purposes, was received, read twice by its title, and ordered to be placed on the calendar.

## EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDENT pro tempore 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 A COMMITTEE

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. WILEY, from the Committee on the Judiciary:

A. Devitt Vanech, of Connecticut, to be an assistant attorney general, to fill an existing vacancy; and

John D. Clifford, Jr., of Maine, to be United States district judge for the district of Maine, vice John A. Peters, retired.

## ATOMIC ENERGY COMMISSION—REPORTS ON NOMINATIONS

Mr. HICKENLOOPER. Mr. President, as in executive session, on behalf of the members on the part of the Senate of the Joint Committee on Atomic Energy, I ask unanimous consent to report favorably the nomination of Carroll L. Wilson, of Massachusetts, to be the General Manager within the Atomic Energy Commission, and the nominations of David E. Lilienthal, of Tennessee, Robert F. Bacher, of New York, Sumner T. Pike, of Maine, Lewis L. Strauss, of Virginia, and William W. Waymack, of Iowa, to be members of the Atomic Energy Commission.

The PRESIDENT pro tempore. Without objection, the reports will be received, and the nominations will be placed on the Executive Calendar.

Mr. HICKENLOOPER subsequently said: Mr. President, there was sent to the desk this morning the reports of the members on the part of the Senate on the Joint Committee on Atomic Energy on the nominations of the members of the Atomic Energy Commission and of the General Manager. I wish to announce at this time upon the conclusion of the business now pending before the Senate I shall ask that the question of confirmation be considered.

## BILLS AND JOINT RESOLUTIONS INTRODUCED

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

By Mr. TOBEY:

S. 828. A bill to amend the Federal Reserve Act, and for other purposes; and

S. 829. A bill to provide for control and regulation of bank holding companies, and for other purposes; to the Committee on Banking and Currency.

By Mr. IVES:

S. 830. A bill to permit certain displaced persons under 14 years of age orphaned as a result of World War II to enter the United States as nonquota immigrants; to the Committee on the Judiciary.

By Mr. CAIN:

S. 831. A bill to provide a temporary increase in the tax on gasoline sold in the District of Columbia;

S. 832. A bill to fix the amount of the annual payment of the United States toward defraying the expenses of the government of the District of Columbia;

S. 833. A bill authorizing the United States and District of Columbia Governments to pay for water and water services secured from the District of Columbia water system, and authorizing loans from the United States Treasury for the expansion of the water system;

S. 834. A bill to exempt from taxation certain property of the Robert E. Lee Memorial Foundation, Inc., in the District of Columbia;

S. 835. A bill to exempt from taxation certain property of the Department of the District of Columbia, the American Legion, situated in the District of Columbia;

S. 836. A bill to provide additional revenue for the District of Columbia by imposing a tax on admissions paid in the District of Columbia;

S. 837. A bill to provide additional revenue for the District of Columbia by imposing a tax on gas and electricity used in the District of Columbia and telephone service originating in the District of Columbia;

S. 838. A bill to raise additional revenue for the government of the District of Columbia by levying a tax on the sale of cigarettes in the District of Columbia, and for other purposes;

S. 839. A bill to provide revenue for the District of Columbia, and for other purposes;

S. 840. A bill to amend the act entitled "An act to provide for a tax on motor-vehicle fuels sold within the District of Columbia, and for other purposes," approved April 23, 1924;

S. 841. A bill to amend subsection (a) of section 23 and subsection (a) of section 40 of the District of Columbia Alcoholic Beverage Control Act, approved January 24, 1934, as amended;

S. 842. A bill to amend an act entitled "An act to provide for the annual inspection of all motor vehicles in the District of Columbia," approved February 18, 1938; and

S. 843. A bill to provide additional revenue for the District of Columbia; to the Committee on the District of Columbia.

By Mr. BUCK (by request):

S. 844. A bill to authorize the establishment of a band in the Metropolitan Police Force; to the Committee on the District of Columbia.

By Mr. COOPER:

S. 845. A bill to exempt from taxation certain property of the American Legion, Department of the District of Columbia; to the Committee on the District of Columbia.

By Mr. HILL (for himself and Mr. SPARKMAN):

S. 846. A bill to provide that schools constructed under the act entitled "An act to expedite the provision of housing in connection with national defense, and for other purposes," approved October 14, 1940, as amended, my be donated to local school agencies; to the Committee on Banking and Currency.

By Mr. WHERRY:

S. 847. A bill for the relief of Guy Albert Wheaton; and

S. 848. A bill to amend section 421 of the Internal Revenue Code so as to provide for the refund of income taxes paid for taxable years beginning after December 31, 1941, by persons who die while serving in the armed forces; to the Committee on Finance.

By Mr. McGRATH:

S. 849. A bill to provide for the preservation of the frigate *Constellation;* to the Committee on Armed Services.

(Mr. WILEY introduced Senate bill 850, to provide for the care and custody of insane persons charged with or convicted of offenses against the United States, and for other purposes, which was referred to the Committee on the Judiciary, and appears under a separate heading.)

By Mr. BYRD:

S. 851. A bill for the relief of Belmont Properties Corp.; to the Committee on the Judiciary.

By Mr. ECTON:

S. 852. A bill authorizing and directing the Secretary of the Interior to issue a patent in fee to John Takes Gun; to the Committee on Public Lands.

By Mr. EASTLAND:

S. 853. A bill to increase loan rates on basic agricultural commodities, to extend and increase price support on nonbasic agricultural commodities, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. O'MAHONEY (for himself and Mr. TOBEY):

S. 854. A bill to amend section 502 (a) of the act entitled "An act to expedite the provision of housing in connection with national defense, and for other purposes"; to the Committee on Banking and Currency.

By Mr. McFARLAND:

S. 855. A bill to permit veterans receiving educational benefits under the Servicemen's Readjustment Act of 1944, as amended, to receive subsistence allowance for dependents on account of brothers or sisters dependent because of minority or physical or mental incapacity; to the Committee on Finance.

By Mr. McMAHON:

S. 856. A bill to provide for the relief of Orlando DiTomasso; to the Committee on the Judiciary.

(Mr. KILGORE introduced Senate bill 857, to provide a correctional system for youth offenders convicted in courts of the United States, which was referred to the Committee on the Judiciary, and appears under a separate heading.)

(Mr. MORSE introduced Senate bill 858, to amend the National Labor Relations Act, which was referred to the Committee on Labor and Public Welfare, and appears under a separate heading.)

(Mr. MORSE introduced Senate bill 859, to provide for keeping the Congress fully informed on current developments in the field of collective bargaining and labor-management relations; to provide basic information needed by management and labor organizations when engaged in collective bargaining; and to aid conciliation, mediation, arbitration, and other Government agencies in the process of settling or preventing labor-management disputes and work stoppages, which was referred to the Committee on Labor and Public Welfare, and appears under a separate heading.)

By Mr. HATCH:

S. 850. A bill to amend the Surplus Property Act of 1944, as amended, with respect to disposal of property to meet the needs of small business; to the Committee on Armed Services.

By Mr. LANGER:

S. 861. A bill to change the law of Congress to permit the Indians of the United States to select the Commissioner of Indian Affairs;

S. 862. A bill to make possible "home rule" and administrative autonomy on Indian reservations and to repeal existing law to that effect;

S. 863. A bill to provide for the leasing of the allotted lands of Indians; and

S. 864. A bill to provide for the payment to Indians of their individual moneys under the control of the Secretary of the Interior; to the Committee on Public Lands.

(Mr. FLANDERS from the Committee on Banking and Currency, reported an original bill (S. 865) to provide for the striking of medals, in lieu of coins, for commemorative purposes, which was ordered to be placed on the calendar.)

By Mr. TAFT (for himself, Mr. ELLENDER, and Mr. WAGNER):

S. 866. A bill to establish a national housing objective and the policy to be followed in the attainment thereof; to facilitate sustained progress in the attainment of such objective and to provide for the coordinated execution of such policy through a National Housing Commission, and for other purposes; to the Committee on Banking and Currency.

By Mr. PEPPER:

S. 867. A bill for the relief of the alien, Michael Soldo; and

S. 868. A bill for the relief of Harry V. Ball; to the Committee on the Judiciary.

By Mr. IVES:

S. J. Res. 83. Joint resolution to strengthen the common defense by maintaining an adequate domestic rubber-producing industry; to the Committee on Banking and Currency.

By Mr. TAFT (for himself and Mr. TYDINGS):

S. J. Res. 84. Joint resolution to provide for the restoration and preservation of the Francis Scott Key mansion; to establish the Francis Scott Key National Monument; and for other purposes; to the Committee on Public Lands.

## CARE AND CUSTODY OF CERTAIN INSANE PERSONS

Mr. WILEY. Mr. President, I ask unanimous consent to introduce for appropriate reference a bill to provide for the care and custody of insane persons charged with or convicted of offenses against the United States, and for other purposes, and I request that a letter from the Acting Attorney General in connection with the bill may be printed in the RECORD.

The PRESIDENT pro tempore. Without objection, the bill will be received and appropriately referred, and, without objection, the letter will be printed in the RECORD.

There being no objection, the bill (S. 850) to provide for the care and custody of insane persons charged with or convicted of offenses against the United States, and for other purposes, introduced by Mr. WILEY, was received, read twice by its title, and referred to the Committee on the Judiciary.

There being no objection, the letter presented by Mr. WILEY is as follows:

OFFICE OF THE ATTORNEY GENERAL,
*Washington, D. C., March 6, 1947.*

Hon. ALEXANDER WILEY,
*Chairman, Committee on the Judiciary, United States Senate, Washington, D. C.*

MY DEAR SENATOR: For the past several years the need for improvement in the manner of dealing with delinquents suffering from mental disorders has become increasingly apparent. A disturbing number of persons are being sentenced for Federal offenses and sent to prison who, because of insanity, should not have been convicted, and who, because of their mental incapacity to participate rationally in their defense, should never have been brought to trial. There is another group of persons whose mental deficiency is not discovered until after trial and conviction but whose mental condition gives rise to the probability that they should never have been tried. A third group includes those who develop insanity while serving sentence and who have not recovered at the expiration of their terms of confinement but who cannot with saftey be set at large in their communities.

Of course, conviction of an insane person is void and open to attack on habeas corpus. Federal statutes, however, prescribe no procedure for determining the accused's mental competence to stand trial. The courts have dealt with the problem in various ways and it seems most desirable that a definite procedure be established for raising the question as to the competence of an accused to stand trial and for the determination of such issue. It is equally important that a procedure be available when preexisting insanity becomes manifest only after a person has been convicted and sent to the penitentiary. Likewise there should be some provision of law authorizing the continued restraint of such persons after their sentences expire.

By act approved May 13, 1930 (46 Stat. 270; 18 U. S. C. 871–880) the Congress authorized the establishment of a hospital for defective delinquents. This hospital is located at Springfield, Mo., and existing law includes authority for the placing therein of mentally defective Federal prisoners. The law also provides that when the sentence of an insane prisoner is about to expire, the prison officials shall notify the proper authorities of the State of his residence and deliver him into their custody. A most serious problem arises, however, when the legal residence of an insane prisoner cannot be determined or when the State authorities refuse to accept custody or fail to accord him proper care and treatment.

A committee of the judicial conference of senior circuit judges working in close cooperation with representatives of this Department has had this entire matter under consideration for a number of years. As a result of careful study a bill has been evolved which is designed to solve the present difficulties. I enclose a copy of the bill and recommend its enactment.

I have been advised by the Director of the Bureau of the Budget that this recommendation is in accord with the program of the President.

Sincerely yours,

DOUGLAS W. MCGREGOR,
*Acting Attorney General.*

## CORRECTIONAL SYSTEM FOR JUVENILE OFFENDERS

Mr. KILGORE. Mr. President, at the request of the judicial conference I ask unanimous consent to introduce for appropriate reference a bill to provide a correctional system for youthful offenders, and I should like 1 or 2 minutes to explain the bill.

In the Seventy-ninth Congress, at the request of the judicial conference, I introduced a bill providing for a correctional system for youthful offenders, and establishing a probationary system for the United States courts. Because of objections on the part of the district courts, action was not taken in the Seventy-ninth Congress.

After further discussion by the judicial conference, and in agreement with the district courts, the bill I am now introducing was prepared. It is applicable to youthful offenders only, but permits the commission which is created to act in cases involving adult first offenders.

A few nights ago on a Nation-wide broadcast over the Columbia Broadcasting System, on a program called the Eagle's Brood, the question of juvenile delinquency within the United States was discussed. One cannot pick up a morning newspaper without reading something about juvenile delinquency, of acts committed within the District of Columbia, in the city of New York, in Detroit, in Pittsburgh, and all over the country. The purpose of this bill is to enable a study to be made, which may serve as the basis for necessary corrective action.

The bill, it is true, raises the age limit of a juvenile delinquent to 24 years. I think that is highly important at this time. Recently in the Nation's stress boys were taken at the ages of 17 and 18, juveniles; they were taught that results were the only things that counted, and that methods, violent or otherwise, necessary to attain the desired results, were excusable, so long as results were attained. With such a mental background and with such a training, which was forced upon them, to attempt now to punish them would be highly unfair. For that reason, I think the age level of juvenile delinquents should be for some time at least raised, to make allowance for those who were inducted at 18 or who enlisted at the age of 17, who were taught to kill and to commit acts of violence, so that now when they find themselves in a tight place they sometimes resort to force.

That is one of the principal purposes of the bill. It merely creates a Commission of three, one of whom would be the Superintendent of the Bureau of Prisons, working under the Department of Justice; another would be appointed by the United States Supreme Court, who would, of course, work in conjunction with the judiciary; the third would be appointed by the President of the United States, with the advice and consent of

the Senate. The first of the three would draw no salary whatever. It would be the duty of the Commission, in conjunction with the Department of Justice, to devise a system for the handling of juvenile delinquents and such other cases of first offenders as might be referred to the Commission by the district courts, the idea being to return juvenile delinquents to society as useful citizens rather than to punish them unduly, to make of these youthful offenders worth-while citizens, rather than merely to lock them up as habitual criminals.

There being no objection, the bill (S. 857) to provide a correctional system for youthful offenders convicted in courts of the United States, introduced by Mr. KILGORE, was received, read twice by its title, and referred to the Committee on the Judiciary.

THE PRESIDENTIAL TERM—AMENDMENT

Mr. LANGER (for himself and Mr. TAYLOR) submitted an amendment in the nature of a substitute intended to be proposed by them, jointly, to the joint resolution (H. J. Res. 27) proposing an amendment to the Constitution of the United States relating to the terms of office of the President, which was ordered to lie on the table and to be printed.

PRINTING OF SPECIAL REPORT ENTITLED "THE PRESENT TREND OF CORPORATE MERGERS AND ACQUISITIONS" (S. DOC. NO. 17)

Mr. O'MAHONEY. Mr. President, last Friday, pursuant to the provisions of the Clayton Act, the Federal Trade Commission sent to the Senate a special report entitled "The Present Trend of Corporate Mergers and Acquisitions." The report involves a matter of very great importance and I think it should be available to all Members of the Senate. I have consulted the majority leader, and I therefore request that the report be printed as a Senate document.

The PRESIDENT pro tempore. Without objection, it is so ordered.

AMERICAN CITIZENS HELD IN POLISH PRISONS

Mr. BROOKS. Mr. President, I ask unanimous consent to submit a resolution, and ask that it be read.

The PRESIDENT pro tempore. Without objection, the resolution will be read.

The resolution (S. Res. 92) was read, as follows:

Whereas Arthur Bliss Lane, formerly the American Ambassador to Poland, who has been recalled as a part of the American protest against the Provisional Polish Government's failure to grant free elections in accordance with the agreement made at Yalta, has stated publicly that despite his insistent efforts he was denied the opportunity to confer with approximately 100 American citizens held in Polish prisons for political reasons: Therefore be it

*Resolved*, That the Committee on Foreign Relations is authorized and directed (1) to obtain a complete report regarding the status of these American citizens, (2) to ascertain what steps are necessary to obtain their liberation, and (3) to report to the Senate thereon at the earliest practicable date.

Mr. BROOKS. I ask that the resolution be appropriately referred.

The PRESIDENT pro tempore. Without objection, the resolution submitted by the Senator from Illinois will be received and referred to the Committee on Foreign Relations.

Mr. BROOKS. Mr. President, I ask unanimous consent to have printed in the RECORD as a part of my remarks two resolutions which were adopted by the Polish-American Congress on February 14, 1947, in the city of Washington.

There being no objection, the resolutions were referred to the Committee on Foreign Relations and ordered to be printed in the RECORD, as follows:

WHY POLAND'S CASE SHOULD GO TO UNITED NATIONS

A petition to the United States Senate and the United States House of Representatives, adopted at the Second Annual Convention of the Supreme Council of the Polish American Congress, Inc., at Hotel Statler, Washington, D. C., February 14, 1947.

AN UNFULFILLED PLEDGE

On February 4, 1947, while receiving the mock-ambassador sent to Washington by the usurpers of Poland's sovereignty and the oppressors of the Polish Nation, the President of the United States declared that the United States joined with Great Britain and Soviet Russia at the Yalta and Potsdam Conferences in guaranteeing free elections in Poland. "It is a cause of deep concern to me and to the American people"—the President said—"that the Polish provisional government has failed to fulfill that pledge."

This statement of the President of the United States was corroborated fully and officially by the State Department on January 28, 1947, when it declared that, "* * * the provisional government (of Poland) * * * employed (during the election campaign) widespread measures of coercion and intimidation against democratic elements which were loyal to Poland although not partisans of the government bloc. In these circumstances the United States Government cannot consider that the provisions of the Yalta and Potsdam agreements have been fulfilled."

TERRORIZED ELECTION REFUTES WAR AIM

In the words of the Honorable ARTHUR H. VANDENBERG, President pro tempore of the United States Senate, delivered on the floor of the Senate on January 29, 1947, "* * * a world war which started in behalf of Polish liberty is something more than a rigged and terrorized election which defies and defeats every elementary concept of autonomy, self-determination and democracy and which nullifies the most solemn pledges of which Britain and the United States and Soviet Russia are capable. This finding now seems to be officially confirmed to a controlling degree by the statement issued by the State Department in Washington."

It was always the opinion of the 6,000,000 Americans of Polish descent, united in the Polish American Congress, that what Senator VANDENBERG rightly calls "defeat of every elementary concept of autonomy, self-determination, and democracy" actually was the result of the Yalta agreement which was never ratified by the United States Senate and is therefore null and void. Under this perfidious agreement Poland, deprived of its national sovereignty, partitioned by her allies, had a government imposed upon her people by a foreign power. The only point which was designed to conceal the fact that the Yalta agreement was a complete capitulation to Russian aggressive imperialism at the expense of Poland was the proviso under which free and unfettered elections were to be held in Poland.

The leading United States authorities have now declared this proviso was violated. They express the view of the majority of Americans that the Yalta agreement, fraught with mortal dangers for the peoples of Europe and the Western Hemisphere, the United States included, has lost its validity.

THE CASE CANNOT REST

The Supreme Council of the Polish American Congress, assembled at its annual convention in Washington, D. C., desires to point to the conclusions reached by Senator VANDENBERG in his speech of January 29, 1947, namely, that there cannot be any thought "of resting the case upon the mere filing of an unpursued indictment, when the indictment charges basic violation of the very fundamentals of the Atlantic Charter and the United Nations Charter. There must be a more convincing answer." The Supreme Council of the Polish American Congress, fully shares Senator VANDENBERG's conviction that the United States cannot rest the Polish case after having filed an indictment.

The above-mentioned statements of President Truman and Senator VANDENBERG, substantiated and corroborated by eye-witness reports of numerous American correspondents who observed the "vicious travesty upon the promised freedom and democracy in Poland"—reveal a flagrant violation of the Charter of the United Nations.

HUMAN RIGHTS OF UNITED NATIONS CHARTER VIOLATED

The Government of Soviet Russia, indulging since 1939 to this day in threat or use of force against the territorial integrity or political independence of any state, stands accused of this violation under article 2, paragraph 4, of the Charter. Moreover, the conduct of the Government of Soviet Russia clearly violates the stipulations of the preamble of the Charter of the United Nations, to wit: "We the peoples of the United Nations are determined * * * to reaffirm faith in fundamental human rights, in the dignity and worth of the human person, in the equal rights of men and women and of nations larger and small, and to establish conditions under which justice and respect for the obligations arising from treaties and other sources of international law can be maintained."

This conduct also violates stipulations of paragraphs 1 and 2 of article 1 of said Charter, to wit: "The purposes of the United Nations are: (1) To maintain international peace and security and to that end to take effective collective measures for the prevention and removal of threats to the peace, and for the suppression of acts of aggression or other breaches of the peace * * *. (2) To develop friendly relations among nations based on respect for the principle of equal rights and self-determination of peoples."

CASE IS TEST FOR UNITED NATIONS FUNCTION

Being deeply convinced that American security and the value of official pledges as well as basic principles of conduct in international affairs are at stake in the test case of Poland, the Supreme Council of the Polish-American Congress, Inc., expresses its confidence that the case of Poland, temporarily closed by the illegal, null, and void Yalta agreement, will be reopened before the supreme international body of the General Assembly of the United Nations as a first step toward restoration of justice and principles of decency in international relations.

The Supreme Council of the Polish American Congress, therefore respectfully petitions the Senate and the House of Representatives to take all necessary steps in order to have the case of Poland submitted to the General Assembly of the United Nations.

However, it is not Poland that shall stand accused before the United Nations. The people of Poland cannot be brought to justice and punished for what has been and is being done to them by their alien oppressors. The Polish people should not be penalized by withdrawal of relief from abroad or by any similar actions, because they are not guilty of the crimes perpetrated upon them by the totalitarian regime of Soviet Russia and its

agents acting in Poland. Action should be taken against the oppressor and his agents and not against the oppressed.

Having carefully considered all the facts and circumstances of the case of Poland as presented by official United States Government statements and bearing in mind that very recently, namely on December 12, 1946, the General Assembly of the United Nations acted with regard to a country, which is not occupied by a foreign power, on a case in which a distinction was made between the interests of the people and those of a government, the Supreme Council of the Polish American Congress, Inc., is convinced that the United States Government should submit the case of Poland to the General Assembly of the United Nations, thus paving the way to further action aiming at recall of Russian occupational troops and full restoration of Poland's sovereignty and territorial integrity.

For the Supreme Council of the Polish American Congress, Inc.

CHARLES ROZMAREK,
*Chairman.*
JOHN A. STANEK,
*Secretary.*

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RESOLUTION ADOPTED BY THE SUPREME BOARD OF THE POLISH AMERICAN CONGRESS AT ITS ANNUAL MEETING ON FEBRUARY 14 IN WASHINGTON, D. C.

On March 15 1947, at a peace conference to be held in Moscow, our foreign policy and the future of the world will be put to a test. The main subject will be the role Germany is to play among the nations of Europe, whom they ruthlessly destroyed.

The result of this conference will not only determine the basis on which peace and stability will be founded in Europe, but it also will constitute a true measure of our victory and moral achievements of this war.

As Americans of Polish descent, we are deeply concerned with our position and result thereof concerning the United States and Poland.

It is unfortunate that the United States will again be on the defensive in Moscow, due to grave political errors committed during the war, by accepting the road of retreat through appeasement and sacrifices, at Teheran, Yalta, Moscow, and Potsdam.

Today we learn of demonstrations against the United States in China and Italy, the Yugoslavs shoot down our planes, in Poland a campaign to disseminate hatred of the United States has become one of the principal aims of the Soviet-dominated puppets and the puppets in other countries. We have agreed to relinquish such important strategic positions as the southern part of Sakhalin and some of the Kurile Islands; we are being constantly harassed at the United Nations where attempts are being made to wrest the control of the atomic bomb from the United States; in Germany we have yielded every political, military, and moral advantage. We are going to Moscow carrying the fatal heritage of Yalta. In other words, we are going to Moscow to salvage whatever is left after these grave losses.

It will be in Moscow that the United States will again be challenged and again, as before, the cause of Poland will be the testing stone.

Whatever happens in Poland and to Poland is to a great extent our responsibility.

It was only recently, in connection with the outcome of elections in Poland, that the President and our State Department acknowledged our responsibility.

Had it not been for the United States, half of Poland and 12,000,000 Polish citizens would not have been delivered into Soviet bondage. Had we not agreed to destroy Poland from within by accepting the Russian fifth column in the form of a puppet government—Poland would still be our free ally instead of being a tool of Russia.

Had Poland been protected by the United States, the Soviet would not have been able to reach the heart of Europe over prostrated Poland. Poland—the first to fight—the last to quit—has lost half of its territory—by a secret agreement—not her own—reached at Yalta. The people of the United States join the people of Poland denying the validity of such an agreement. History will some day demand an account why half of Poland was given to Soviet Russia. It would be our shame to admit that this happened against the will of the Polish people, without the approval of the Senate of the United States. Therefore, our delegates to the conference in Moscow should not recognize Yalta as binding the United States; they should not accept the eastern boundaries of Poland as definitely established, they should denounce and repudiate Yalta and invoke the four freedoms, the Atlantic Charter, and the Charter of the United Nations.

Our delegates must not accept the enslavement of Poland as an accomplished fact. It is not accomplished. It has no moral or legal basis, it is against the will of our peoples; it violates every principle for which we fought and, above all, it endangers the peace and reaches the very foundations of the United Nations organization.

To start out by discussing the boundaries of Germany—without reviewing the eastern boundaries of Poland, would be tantamount to accepting the pattern of Munich and Yalta instead of the Atlantic Charter and the aims of the United Nations.

The United States' moral line of defense in Europe is in Poland's eastern boundaries. It is there that we have been defeated—it is there that we must win: Be it therefore

*Resolved*, That this resolution be transmitted to the Secretary of State, to the Members of the United States House of Representatives, to the Members of the United States Senate, and to the American delegates to the United Nations organization.

Resolutions committee: Adam Olszewski, Chairman; Peter P. Yolles, Z. Stefanowicz, K. Piatkiewicz, J. Trzaska, Mrs. M. Korpanty, Rev. W. Sikora, Rev. S. Zjawinski, L. Lesnicki, F. J. Wazeter, A. Gadek, W. Kosicki, J. Przymusinski, Mrs. J. Karlowiczowa, M. Kowalski, Rev. F. Burant, S. W. Warakomski.

Mr. BROOKS. Mr. President, from what we hear in the corridors of the Congress and what we read in the press, we learn that great decisions are impending; and as we look to our responsibility for the future, I belive that the resolution which I have submitted and those which were adopted by the Polish-American Congress might well be brought to the attention of America to remind us of the things which we have allowed to happen in the past.

THE SONG OF THE CARDINAL—ARTICLE BY THE LATE SENATOR JOSIAH W. BAILEY

[Mr. UMSTEAD asked and obtained leave to have printed in the RECORD an article entitled "The Song of the Cardinal," written by the late Senator Josiah W. Bailey, and an article by Clarence Poe, president and editor of the Progressive Farmer, which appear in the Appendix.]

AMERICAN FOREIGN POLICY—ADDRESS BY HON. SAMUEL B. PETTENGILL

[Mr. BREWSTER asked and obtained leave to have printed in the RECORD a radio address on "Our Foreign Policy," delivered on March 9, 1947, by Hon. Samuel B. Pettengill, former Representative from Indiana, which appears in the Appendix.]

FARMER COOPERATIVES' VIEWS ON TAXATION

[Mr. CAPPER asked and obtained leave to have printed in the RECORD a radio broadcast by Arthur Gaeth and Karl D Loos, on Tuesday, March 4, 1947, presenting the views of farmer cooperatives on taxation, which appears in the Appendix.]

TAXATION OF COOPERATIVE ORGANIZATIONS—EDITORIAL FROM ARKANSAS DEMOCRAT

[Mr. MCCLELLAN asked and obtained leave to have printed in the RECORD an editorial entitled "Tax Those Giant Co-ops," published in the Arkanasas Democrat of February 12, 1947, which appears in the Appendix.]

PUBLIC EDUCATION—ARTICLE BY FRED BRENCKMAN

[Mr. BYRD asked and obtained leave to have printed in the RECORD a statement regarding public education, by Fred Brenckman, Washington correspondent for the National Grange Monthly, which appears in the Appendix.]

GOVERNMENT SUBSIDIES—ANALYSIS BY MISS SEGRID ARNE

[Mr. BYRD asked and obtained leave to have printed in the RECORD an analysis prepared by Miss Segrid Arne, of the Washington Associated Press staff, with respect to the various kinds of subsidies being paid by the Federal Government, which appears in the Appendix.]

RELATIONS WITH RUSSIA—ARTICLE BY JAMES RESTON

[Mr. LODGE asked and obtained leave to have printed in the RECORD an article entitled "United States Is Making a Crucial Decision on Russia," written by James Reston, and published in the New York Times of March 9, 1947, which appears in the Appendix.]

MILITARY BUDGET CAUTION—ARTICLE BY HANSON W. BALDWIN

[Mr. LODGE asked and obtained leave to have printed in the RECORD an article entitled "Military Budget Caution," written by Hanson W. Baldwin, and published in the New York Times of March 9, 1947, which appears in the Appendix.]

VISIT BY PRESIDENT TRUMAN TO MEXICO—ARTICLE BY FELIX BELAIR, JR.

[Mr LUCAS asked and obtained leave to have printed in the RECORD an article by Felix Belair, Jr., from the New York Times of March 5, 1947, having to do with the visit of President Truman to Mexico, which appears in the Appendix.]

COLOR STREAMERS OF CONFEDERATE REGIMENTS

[Mr. TYDINGS asked and obtained leave to have printed in the RECORD an editorial entitled "A Chance for Congress To Make a Graceful Gesture," published in the Baltimore Sun of March 10, 1947, which appears in the Appendix.]

SELECTIVE TRAINING AND SERVICE—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 168)

The PRESIDENT pro tempore laid before the Senate a message from the President of the United States, which was read and referred to the Committee on Armed Services.

(For President's message, see today's proceedings of the House of Representatives on p. 1897.)

REPORT OF DEPARTMENT OF STATE ON PROGRAM OF INTERNATIONAL EDUCATIONAL EXCHANGES (H. DOC. NO. 167)

The PRESIDENT pro tempore laid before the Senate a message from the President of the United States, which was read, and, with the accompanying report, referred to the Committee on Foreign Relations.

(For President's message, see today's proceedings of the House of Representatives on p. 1872.)

THE PRESIDENTIAL TERM

The Senate resumed the consideration of the joint resolution (H. J. Res. 27), providing an amendment to the Constitution of the United States relating to the terms of office of the President.

The PRESIDENT pro tempore. The question is on the first amendment reported by the committee.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had agreed to a concurrent resolution (H. Con. Res. 28) providing that the two Houses of Congress assemble in the Hall of the House of Representatives on Wednesday, March 12, 1947, at 1 p. m., for the purpose of receiving such communications as the President of the United States shall be pleased to make to them.

JOINT MEETING OF THE TWO HOUSES

Mr. WHERRY. Mr. President, I ask the Chair to lay before the Senate House Concurrent Resolution 28, and I ask unanimous consent for its present consideration.

The PRESIDING OFFICER (Mr. IVES in the chair) laid before the Senate the concurrent resolution (H. Con. Res. 28), providing that the two Houses of Congress assemble in the Hall of the House of Representatives on Wednesday, March 12, 1947, at 1 p. m., which was read, considered, and agreed to, as follows:

*Resolved by the House of Representatives (the Senate concurring)*, That the two Houses of Congress assemble in the Hall of the House of Representatives on Wednesday, March 12, 1947, at 1 p. m., for the purpose of receiving such communications as the President of the United States shall be pleased to make to them.

VIEWS AND PROPOSALS ON LABOR LEGISLATION

Mr. MORSE. Mr. President, I desire to discuss at some length today some of my views and proposals on labor legislation. The Senate Committee on Labor and Public Welfare has just completed several weeks of public hearings on the multitude of suggestions and recommendations which witnesses and Members of the Congress have offered as legislative remedies for some of the Nation's labor ills. These have been excellent hearings which I have attended as faithfully as my other Senate duties have permitted.

When I have not been able to be in attendance at the committee hearings, I have read the prepared statements of witnesses which have been filed with the members of the committee, in most instances 24 hours before the testimony was given. I have followed the transcript of the record of the hearings very carefully. I wish to commend the chairman of the committee the senior Senator from Ohio [Mr. TAFT] for the way the hearings have been conducted and for their thoroughness, in spite of the limited time which could be set aside for public hearings.

It seems to me that the hearings have covered just about every conceivable point of view that could be presented on labor legislation. As the chairman of the committee suggested when the public hearings were closed last Saturday, we could go on and hold hearings on this subject for many more weeks, and I am sure there would be plenty of additional witnesses to hear, but such a procedure would be cumulative because the record we have already made in the few weeks we have conducted hearings contains much repetition of the same points of view and suggestions.

Furthermore, it should be noted that the committee will have the benefit in its executive meetings and discussions of the records of the public hearings which the Senate Committee on Education and Labor conducted on proposed labor legislation during the Seventy-ninth Congress. The chairman of our committee has made it very clear that the views of those witnesses who testified at our hearings during the Seventy-ninth Congress, but who were not recalled at the hearings of the Senate Committee on Labor and Public Welfare just closed, will be made available to the members of the committee.

Of course, it should be recognized by all that the most important work of the committee must now be done in executive sessions, at which meetings and discussions their job will be to thrash out the merits of the conflicting points of view of the many witnesses who have been before us, as well as the differences of points of views of the members of the committee itself, to the end of trying to come forward with the most fair, reasonable, and effective proposals for labor legislation that a majority of us can agree upon.

In other words, I think that our task is to write a committee legislative program rather than recommend as a committee, without any changes, any of the bills now pending before the committee—including my own.

I do not know how many of the other members of the committee feel the way I do about it, but I shall not be surprised to find that such a view is pretty much the consensus of opinion. I do not know of any member of the committee who wants to do injury to the legitimate rights of either labor or industry. If the result of some of the legislation proposed would do grievous injury to the legitimate rights of labor, industry, and the public—and I think the passage of some of the legislation would result in such injuries—I am convinced that no member of the committee is motivated by any desire to accomplish such undesirable and unfair results.

I know how easy it is to attribute motives and designs to holders of public office, because each one of us in the Senate is frequently victimized by such unfair tactics. However, differ as we may within the committee, I am satisfied that each and every member of the Committee on Labor and Public Welfare is motivated by only one desire, and that is to do what he thinks is best for his country, by way of labor legislation, without any motivation to injure the rights of labor, employers, or any other group in the country.

As I have listened to the witnesses appearing before our committee, I have at the same time been working on a series of proposals for amendments to the Wagner Act. I would be less than honest if I did not say that the many conflicting points of view which have been presented at the hearings; the myriad of legal technicalities that must be considered in drafting legislation if the legislation is to meet the tests of our constitutional system; the implications and economic effects of labor legislation in such a complex field of human relations as labor relations; all have made the task I have undertaken a very difficult one.

I am afraid I have not helped the paper shortage any by the number of wastebaskets I have filled with discarded legislative work sheets. However, as we have gone through the hearings I have tried out some of my ideas on the various experts who have come before us, with the result that I think each suggestion by way of amendments to the Wagner Act, which I shall make in this speech today has been discussed to a greater or less extent in the hearings.

I have waited to introduce my amendments until now primarily for two reasons. First, I simply have not been able to complete the work until now because the views and arguments which have been presented at the hearings have compelled me time and time again to study some new angle of the problem as raised by the hearings, and frequently to discard previously held views.

Second, I thought it highly desirable to take advantage of the hearings themselves as an aid to drafting the legislation and then make available to the committee for its most important work in executive session my proposed legislative recommendations.

In offering certain specific amendments to the Wagner Act today, I wish to make very clear that they are not final with me. My mind is completely open regarding them, and I shall consider changes in them as we debate them in committee and here on the floor of the Senate.

Next, I want to make clear that the proposals I offer today are not the only proposals I will consider favorably when it comes to voting upon labor legislation in this session of Congress. There are other legislative proposals pending which involve some suggestions which I shall favor when the final vote is taken. Nevertheless, I hope that as a result of executive sessions of our committee we shall be able to iron out many of these proposals in legislative form in a manner so satisfactory that a vote for them will be absolutely sound and justifiable.

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

The PRESIDING OFFICER (Mr. IVES in the chair). Does the Senator from Oregon yield to the Senator from New Jersey?

Mr. MORSE. I yield.

Mr. SMITH. In view of the statement the Senator from Oregon has just made, I ask him whether he feels that the right approach to labor legislation should be by amendment of the Wagner Act or by both such amendment and additional labor legislation?

Mr. MORSE. I think we must have legislation over and above amendments to the Wagner Act.

Mr. SMITH. Does the Senator think that primarily we should amend the Wagner Act itself?

Mr. MORSE. The contribution I am trying to make is by way of amendments to the Wagner Act, and then I shall be very happy to cooperate with the Senator from New Jersey and other Senators to perfect additional legislation going over and above amendments to the Wagner Act.

Mr. SMITH. I thank the Senator.

Mr. MORSE. Mr. President, for example, I am not offering anything on the portal-to-portal pay problem, but surely we must have some legislation in this field. I intend to vote for some legislation in this field, but I hope it will be legislation that will limit itself to the portal-to-portal pay issue rather than to seek to use that issue as a device for destroying any of labor's hard-won, legitimate rights under the Fair Labor Standards Act.

I have not given an intensive study to all the recommendations of the Subcommittee of the Judiciary Committee which has been working on the portal-to-portal-pay problems, but I shall be very much surprised if we shall not be able to take the legislation finally proposed by that committee and pass at least its main provisions. I say that because I know that the senior Senator from Missouri [Mr. DONNELL] and his colleagues on the subcommittee have been giving to the portal-to-portal-pay problems the type of conscientious study and thorough analysis which in my opinion is bound to result in a legislative analysis of the problems on which we can base sound legislation.

Furthermore, I am not introducing any legislation such as that prohibiting mass picketing, as I believe that is going to be covered in some other legislation. Moreover, I have not as yet been able to make up my mind as to just how we should handle mass picketing if we are to handle it at all, by way of Federal legislation. I certainly hold no brief for mass picketing but I am inclined to think that as far as a legislative remedy for its abuses is concerned it is one which should be solved primarily by State legislation.

However, it may be that when we come to discuss the problem in executive sessions of our committee, we can reach some agreement as to what should be done, if anything, by the Federal Government with the problem of mass picketing. It has always been my view that mass picketing is an abuse of, rather than in keeping with, the constitutional right of free speech and free assemblage. Nevertheless, I think it is a matter which falls primarily within the province of the police powers of the State rather than within any of the delegated powers of the Federal Government.

There are certain practices of unions not specifically covered by the amendments I am offering today, which other Members of the Congress are attempting to regulate by other pieces of legislation they have introduced. I hope we can work out, by way of conscionable compromises, modifications of their proposals so that the legitimate objectives they seek can be accomplished without destroying the basic right of workers to organize into unions and run their own affairs without having constantly to fight a battle against unfair restrictive legislation.

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

Mr. MORSE. I yield.

Mr. DONNELL. May I ask the distinguished Senator whether, in the event it be developed that mass picketing interferes with interstate commerce and with the flow of such commerce, he would regard it as beyond the power of the Federal Government to legislate upon that subject?

Mr. MORSE. Not at all. I think it is on that premise that any Federal legislation respecting mass picketing should be founded. I think an examination of the record of some of our important labor disputes will disclose indisputable evidence that the type of picketing indulged in has in fact interfered with free flow of interstate commerce.

Mr. DONNELL. I thank the Senator.

Mr. MORSE. Mr. President, just how to strike the balance between too little Government control and too much Government control in this complex field of labor relations presents a real test of the legislators' statesmanship. I wish I could say that I know for a certainty just exactly how far the Government should go by way of legislation in these matters, but the fact is I am not at all sure about it. I suspect that most of those who are speaking with such finality on the subject are no nearer to a sound answer to the problem than are those of us who frankly say we do not know for a certainty what should be done.

However, the fact that we recognize the limitations of the legislative approach to the solution of our labor-employer problems is no justification for our taking the position that we should not at least try to draft some legislation that will be helpful in meeting the public demand for greater stability in employer-labor relations. Hence, as a matter of principle, I shall not oppose fairly worded legislation which seeks to protect the rights of the individual worker to the type of protection which would flow from guaranteeing to him certain democratic procedures in the conducting of union affairs.

For example, I have always been at a loss to understand why unions particularly object to making public their financial statements. Most good unions for many years have made their financial statement a matter of public record. Likewise, I shall certainly be open-minded on the legislative suggestion that the check-off system should rest upon the written consent of the individual worker; and in the absence of that consent the employer should not be required to check off his union dues. I think I know the pros and cons of this issue, but I think the right of the individual to protection from having money taken away from him for any purpose without his consent is paramount to the matter of the dues-collecting convenience to the union in having an automatic check-off system.

Operating a check-off system without the written consent of the individual worker causes many people to think that some unions are more interested in union dues than they are in union service to their members. I think that, by and large, this is an unfair criticism but an understandable one whenever the automatic check-off system results in friction in labor relations—and certainly it has done that in a multitude of instances.

I mention the point that I am not introducing legislation on certain labor subjects this afternoon in order to make clear that I am not offering any omnibus labor bill. There are those in my State who seem to think that I should offer a catch-all omnibus labor bill designed to cover all possible legislative approaches to labor problems under one bill. I am very much opposed to that approach to passing legislation, not only in the field of labor relations but in most legislative fields dealing with human relations and economic problems.

Rather, I think the best approach to such problems is to handle each labor issue in a separate bill or at least include in one bill only those issues which can be separated from the rest of the bill and voted upon as separate and individual sections of the bill. Thus in the proposals I make this afternoon, insofar as amending the National Labor Relations Act is concerned, it would be possible for us to consider them together or consider each one separately.

In my judgment there are many reasons for making such a legislative approach, all of which are well known to my colleagues in the Senate but often overlooked by our citizenry generally.

First, I would mention the one of legislative strategy. An omnibus bill, as a matter of legislative form, is not the best type of law to be on the statute books, because our law reports are full of decisions in which the courts have thrown out all or part of such bills because of inconsistencies, ambiguities, and irreconciliabilities within them. I know of no more beautiful example of what I mean than the Case bill of the Seventy-ninth Congress. I felt that it would provide a field day for lawyers, and before American employers got through with all the litigation that would be stirred up by that omnibus bill, they would wish they never had heard of it.

In fact, I noticed that the longer employers studied the Case bill of the last Congress the more they reached the conclusion that it was a legal monstrosity—or at least a full-employment bill for industrial relations lawyers. On this point I think it important to point out that the adoption of legislation as drastic as the Case bill type of legislation is going to throw into litigation a great many well-established principles of American labor law. If such legislation passes, it

will not be very long before the charge will be made that many antilabor employers are attempting to litigate their unions out of existence.

That will not produce industrial peace in America. We are not going to solve our problems of industrial unrest by enacting legislation which will bring employers and unions into antagonistic relationships in the courts of America. I see no hope of solving labor problems by litigation, and I am fearful that much of the legislation that is being proposed would result in a great multiplicity of court actions which would not be conducive to harmonious employer-employee relations.

Court litigation over labor relations is somewhat different from the usual situation between plaintiff and defendant. Usually when two citizens in a civil action get to the point that they find themselves opposed to each other in court, it is not to be expected that following the court action they are to be thrown together again in further business relations with each other. Usually at least they try to avoid such future relationships.

However, that is not true of the parties to labor litigation. In most instances economic circumstances force them to continue to try to work together, and that is bound to be made more difficult if they resort to litigation against each other through the courts.

All I am trying to point out here is that conflicts in the field of labor relations between parties who must continue, in the very economic nature of things, to work together as a usual thing cannot best be solved by trying to beat each other in the courts.

I have met very few persons who were satisfied when they lost a case in court, or who felt very friendly toward the opposing party who beat them in court action. Hence I merely wish to point out that various omnibus labor bills that seek to solve our labor problems by court procedures and sanctions will in the long run not prove to be very much of a boon to American industry.

Furthermore, I do not like the omnibus labor bill approach because from the standpoint of legislative strategy in passing legislation, the task is made more difficult because such bills tend to rally the opponents of each section of the bill into a combination of effective opposition against the entire bill. Too frequently an omnibus bill puts a legislator in a position in which he has to decide whether he will vote against the entire bill, because of his disapproval of certain parts of it, or vote against his own convictions as to the objectionable parts in order to pass some legislation on the general subject covered by the bill.

Legislators differ in their points of view as to how they should vote under such circumstances. It seems to me that unless one's objections to some parts of an omnibus bill are only minor objections and do not involve matters of vital principle, he has no other choice but to vote against a bill which he cannot support in its entirety. Hence I think it is much easier to work out conscionable legislative compromises in support of bills that are much more limited in scope than omnibus bills.

I speak of conscionable compromises because I think we should try to make clear to the American people that the very essence of the legislative process is compromise and our task is to work out the fairest and most reasonable compromises we can in this field of labor legislation, so long as they do not do irreparable injury to the basic rights of labor and industry. I think it is much easier to do that when we try to handle only a limited segment of labor problems in an individual bill rather than try to cover the whole alphabet of labor issues from A to Izzard in one bill.

In addition, it should be said that as a general practice the omnibus type of bill usually goes much further than is necessary to accomplish the objectives which need to be accomplished. I think that is due to a basic drafting problem which is inherent in constructing an omnibus bill. When one tries to cover in a single bill a great many issues with varying degrees of relationships to each other, it becomes necessary to use language so broad in scope in many places in the bill, so as to include within it, as we say, everything but the kitchen sink. Thus the result is that when one gets through he usually finds that the bill, particularly if it is a labor bill, has so restricted freedom of action that the proposed law becomes an enforcement impossibility.

In the proposals I am making today I am not offering any labor code by way of an omnibus labor bill. I hope that my suggestions will prove to be as constructive as I think they are, and that when considered along with other reasonable proposals which I am sure we shall work out together as a result of our deliberations on the Labor Committee, we shall be able to offer to the Senate and to the people of the country some legislative proposals that can be characterized as being moderate, fair, and reasonable.

Personally, I think that should be our objective in this session of Congress. I think we should try to pass legislation which will be moderate, fair, and reasonable. We have a duty of trying to persuade the American people to see that we cannot solve labor problems by passing legislation based on emotional attitudes or out of a spirit of revenge or an angry desire to punish labor for some of its excesses.

We in Congress have been criticized frequently because we have not pulled some legislative rabbit out of a hat and thereby, with a stroke of the magician's wand, given our people at least an imaginative relief or illusionary remedy on the stage of labor relations. It has been my policy to work conscientiously with those of my Senate associates who recognize that the important job is not to perform a legislative magician's act that will fool the people into believing that the country's labor ills can be solved by legislation, but rather that our job is to produce such changes in our procedural machinery for settling labor disputes as will make successful and effective the operation of the voluntary principles of free collective bargaining within the framework of such reasonable controls by law as are necessary to protect the legal and property rights of the parties to a given dispute as well as the public.

To that end I made certain specific proposals in the last session of Congress, but in many instances we did not even get to the point of submitting a committee report to the Senate. In the Seventy-ninth Congress I felt that we should pass a resolution which called for a Senate investigation of both employer and union practices and policies which were and are causing labor difficulties. In fact, in a meeting of the Committee on Education and Labor I offered an amendment to the Kilgore resolution which broadened that resolution to cover an investigation of union practices and policies as well as employer practices and policies.

A majority of the members of the committee agreed with me on this amendment, with the result that when we made our report to the Senate the resolution was so broadened. However, as the record shows, our bill did not get very far on the floor of the Senate. I think that if we had made such an investigation last year as proposed by our resolution, our task in this session would be an easier one. I was satisfied that it was only a matter of time before the demand for labor legislation would be so great that Congress in keeping with democratic pressures and processes—and rightly so—would deem it absolutely necessary to pass some sort of labor legislation.

I wanted investigative groundwork laid for that legislation last summer and fall so that there could be no question whatsoever about our legislation resting upon sound, objective data. However, that was not done, and now we find ourselves in the position where I think legislation will be passed on the basis of such information as we have at hand.

Also, in this last session of Congress I urged, when the proposed new minimum wage bill was before the Committee on Education and Labor that it be amended so as to provide for a 2-year statute of limitations in retroactive-pay cases. Officials of the Wage and Hour Division in the Department of Labor opposed my views, as did the principal labor leaders of the country and some of the members of the Labor Committee.

However, those of us who favored such a 2-year statute of limitations prevailed in the committee, and the bill which was reported to the floor of the Senate contained such a proposal. Nevertheless, as the Senate knows, the bill was lost in the legislative shuffle, and we came out of the Seventy-ninth Congress with no bill at all.

At that time the Gwynne bill, with its proposed 1-year statute of limitations, was pending in the House. I think this is entirely too short a period and would result in anything but a moderate, fair, and reasonable solution to the problem. Be that as it may, the fact is that at least part of the portal-to-portal pay crisis would not have confronted this session of Congress if those of us who fought for a 2-year statute of limitations amendment to the Fair Labor Standards Act, insofar as retroactive-pay cases are concerned, had succeeded in having our views prevail in the Seventy-ninth Congress.

I digress for a moment to point out that we have not the slightest idea of the effect which such a 2-year statute of limitations might have had on the judicial decisions which have been rendered since the adjournment of the Seventy-ninth Congress. I deeply regret that we were not able in that session of the Congress to pass such a statute of limitations with such retroactive-pay provisions as were recommended and as the majority of my colleagues supported on the floor of the Senate.

Likewise in the Seventy-ninth Congress there were many of us who favored the creation of an independent mediation, conciliation, and arbitration board. Again in this session of Congress we are making the same proposal in two or three different forms. Here again I am perfectly willing to go along with any reasonable compromise, but I think it is very important that we set up an adequate mediation, conciliation, and arbitration service. I say that because, after many years of experience in the field of arbitration, I think there is a great opportunity for the development of a set of procedures for the settlement of labor disputes through conciliation, mediation, and arbitration which, when put into practice, would materially reduce the use of economic action in the settlement of labor disputes.

I simply refuse to dismiss from my mind the thought and hope that American labor and employers will have the good sense to recognize that they must stop trying to take advantage of each other by resorting to Government compulsions. They should see the handwriting on the wall and recognize that they must make free collective bargaining work by acting in good faith toward each other.

A Federal as well as State conciliation, mediation, and arbitration service, operating through a board which offers its services on a purely voluntary basis, is in keeping with my very deep conviction that the only long-time hope for peaceful settlement of labor disputes is through the voluntary action of the parties to those disputes.

I care not what legal machinery we set up so long as it rests on Government compulsion it will be causative to some degree—and I fear to a much greater degree than most people suspect—of serious friction between employers and labor when either one resorts to Government compulsion and sanctions for the settlement of difficulties.

I readily admit that in some cases it will be necessary to use some such sanctions in order to force settlements of differences in labor relations as to which both labor and employers have demonstrated that they cannot be counted upon to reach amicable solutions. In those instances in which the public interest is damaged by a failure of labor and employers to live up to their obligations I shall never hesitate, now or in the future any more than I have in the past, to take the position that Government must protect the public interest.

I believe that the Government must step in and act in such cases. By doing so it protects not only the public's interest but, in the long run, the best interests of labor and employers and the best interest of the American system of free collective bargaining. I say that because when the negotiations of major labor disputes break down to the degree that a very large segment of our economy is threatened with paralysis, then neither labor nor industry has the right in the name of freedom to bring suffering upon a large segment of the Nation or upon the entire Nation.

I think we can preserve free collective bargaining in this area of so-called essential industry without permitting either labor or employers to paralyze the Nation by prolonging strikes. I would not destroy labor's right to strike in such instances, because I recognize that there are times and circumstances when the attention of the country needs to be directed to the plight of some of our workers in these industries by strike action.

We cannot ignore the fact that the use of economic action in some of our great major industries in this country over the period of our history has been necessary to educate the American people to an understanding of the intolerable conditions that some of our fellow citizens have had to endure in these industries.

I wonder where the mine workers of America, or even our railroad workers, would be today from the standpoint of their standard of living if they had not had the right to strike. On this point it should be mentioned that of course the public itself is not a very good employer when its economic toes are stepped on.

The record is clear that the public has from time to time resisted paying increased rates for various types of public service when the increase has been necessary to provide a decent standard of living for the workers in those services. Frequently it has been necessary to stage a rather tough strike in order to educate the public into an understanding as to why it should itself be a better employer. However, here again we are dealing with the problem of degree as to how far we need or should go with economic action in essential industries where a stoppage causes great national suffering and loss.

I cannot ignore the fact that when there is such a break-down in a system of voluntarism covering the relations between employers and labor, governmental intervention and compulsion are always at the cost and loss of some freedom; but if labor and employers, by conduct which jeopardizes the public interest, insist upon abusing their freedom, I do not know what else our Government can do but attempt to restrict such harmful actions by passing the most reasonable legislation necessary to accomplish that end.

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

Mr. MORSE. I yield.

Mr. SMITH. Does the Senator have in mind the possibility of extending that part of the Smith-Connally Act which provides for the Government's taking over in those cases and possibly handling them along the line of a recent decision of the Supreme Court of the United States?

Mr. MORSE. I will say to the Senator from New Jersey that I do not have in mind extending any part of the Smith-Connally Act, because I think it should die.

Mr. SMITH. I agree with the Senator.

Mr. MORSE. I think it should have been repealed long before this; indeed, I think it never should have been passed because, in my opinion, it has not been very helpful in producing labor harmony. But, to answer the Senator's question directly, I believe we will have to give consideration to new legislation which embodies the principle of the right of the Government to step in in the so-called national paralysis cases and exercise governmental control of the industries involved for the benefit, let me say, of neither party, whether labor or industry, so far as the financial rewards are concerned, until such time as the parties sit down and work out between themselves a free collective-bargaining contract.

Mr. SMITH. Mr. President, I am glad to hear the Senator from Oregon make that statement because my own thinking has been running along the same general line. I remind the Senator that at the hearing last Saturday, when Mr. LaGuardia, who was one of the authors of the Norris-LaGuardia Act, was present, he took exactly the same position, namely, that there might arise a crisis in which the Government would have to intervene, and in which even the injunctive process might have to be used, despite the fact that the use of that process is prohibited by the act of which he was a cosponsor—the Norris-LaGuardia Act.

Mr. MORSE. Mr. President, a little later in my remarks I shall make a comment on that principle.

Let me say, however, that as legislators we need to be careful that we do not go along with those who advocate legislation which would put the Government in the business of union busting. We must not support legislation, for example, which would make it profitable for either labor or industry to have the Government take over the railroads or the coal fields or public utilities as the result of a failure on the part of the parties to participate in good-faith collective bargaining. I think the Government should intervene in such cases only to the extent of protecting the public interest in an endeavor to do whatever it can by the use of governmental powers to provide the public with the minimum services necessary to alleviate their suffering until a settlement of the case can be reached—preferably by negotiations between the parties themselves.

It seems to me that the facts and circumstances of such cases are always going to vary to such a great degree that it is practically impossible to devise any piece of legislation that can be automatically applied to such cases. What I think we should try to work out is legislation which seeks to define the powers of Government in such cases, and thereby make perfectly clear to the parties, both labor and industry, that it is not the intention of the Government to stand idly by, impotent to act because of the failure of Congress to confer the power to do

whatever the Government finds necessary to be done, under such circumstances, in order to protect the public interest. One of the sad commentaries about such major disputes as those involved in railroads, coal, and public utilities is that the parties themselves and everyone else in the country affected by such disputes know very well at the start of the stoppage that eventually the dispute will be settled on some reasonable terms—usually on terms closely approximating some of the sensible suggestions for settlement made at the very time the stoppage occurred. In fact, in most instances the stoppage itself has very little effect upon determining the terms of settlement. That is why in my opinion it is so important that we provide the parties to such disputes with whatever procedural machinery will be helpful to them in settling their disputes on a voluntary basis of free collective bargaining, mediation, conciliation, and arbitration, making clear to them that in the last analysis if they attempt to throw the country into an economic tailspin, the people, through their Government, will step in and will exercise the rights of the public which are superior to the selfish interests of the disputants.

I believe that in the executive sessions of our committee we are going to be able to reach some conscionable compromises on this type of legislation which will not go too far, but which at the same time will meet the demand of the public for greater Government participation in the settlement of such disputes.

However, one of the points I desire to stress today in this speech is that the American people are expecting entirely too much of labor legislation as a panacea for industrial ills. I am afraid that too many in the Republican Party, both in and out of Congress, have misled themselves into thinking that a maximum of industrial freedom in this country can be attained by putting American labor into a legislative strait-jacket. They have not stopped, I fear, to study the history of either the American labor movement or of the experiences which have resulted in the passage from time to time of restrictive, punitive labor legislation in some of our States.

Legislation of a punitive, restrictive, prohibitive type in the field of labor relations has invariably met with great resistance. It always provides the agitator and radical labor leader with plausible propaganda against employers. It permits of the emotion-arousing type of argument that "industry and your employers control the State legislatures, the Congress, and the courts, and through their political power even use the law to deny you economic justice." Unsound as such arguments are, the fact is that, when confronted with an unjust law, it is only natural that working people resent its passage and find it easy to attribute bad motives to both employers and public officials.

I think it is a fair statement to say that unfair restrictive labor legislation will always cause more labor trouble than it will ever be successful in preventing. What happens after the passage of such legislation is that, for a time, usually only for a brief time, labor suffers a setback; and then it begins to dig in along a united front, inspired by the single objective of freeing itself from the shackles of such unfair legislation.

Applying the old saying that "There is more than one way to skin a cat," clever devices of indirection, sympathetic resistance, noncooperation, and economic action are adopted. In other words, under such conditions labor unites to fight for what it considers to be its just and free rights. It is an old pattern that has been repeated over and over again throughout the history of the American labor movement; and it will always be repeated, in my judgment, so long as we attempt to do by legislation what American employers and workers should do by good-faith, free, collective bargaining.

We should remember that good faith cannot be legislated. A desire on the part of employers and labor to deal fairly with each other cannot be legislated. A conviction that our system of private enterprise is dependent upon a high standard of living and a high purchasing power for all groups in America, including labor, cannot be legislated. Unselfishness cannot be legislated. In other words, we should remember that the weaknesses of human nature cannot be corrected by legislation. However, we can and should set up by legislation the minimum standards and controls necessary to protect the commonly accepted rights of individuals and groups from being exploited and transgressed either by industry or by labor or by anyone else.

When we come to vote upon and pass labor legislation in this session of Congress, I hope we shall not forget that legislation in the social and economic fields should be tested by the question: Is enforcement of this law feasible? It is bad legislative policy and it is not in the interest of government by law to pass legislation which is going to be so opposed by such a large number of people that its enforcement becomes next to impossible. Of course, it is easy for anyone to say that if labor wants to make a test between itself and Government, then Congress should rise up and pass legislation in order to force that test; but there is not very much realism in such an attitude, because, when any law is unacceptable to such a large number of people that it cannot be enforced successfully, then it becomes a dead-letter law. We have many such laws on our statute books, and such a condition of nonenforceability does not breed a respect for government by law.

What I am trying to point out is that in a democratic society we cannot afford to place upon the administration of justice a greater strain than it can well bear. We do not strengthen government by law by passing legislation which is certain to break down in its enforceability.

As I listened to the witnesses testifying at our hearings on labor legislation during the past few weeks, I felt that many of them were making the mistake of thinking that a plausible paper plan for the handling of labor problems is synonymous with a workable plan. So many of them seemed to miss the vital difference between static theory and dynamic practice. They overlooked the human equation which is the most vital ingredient in the kettle of fish in which we now find ourselves, insofar as the labor crisis is concerned. Men just do not act the way they would have them act under their nicely drawn paper plans for settling labor controversies.

When we start tinkering legislatively with the livelihood of millions of our fellow-Americans we should know from experience that in organizational unity there is economic strength. We should not be so naive as to think that the passage of restrictive labor legislation which weakens both the unity and economic strength of organized labor is going to result in their sending us flowers of appreciation.

I think this is as good a place as any to direct attention to the main objective of the free labor movement as we have it in America. I appreciate the fact that it has many objectives, and now I am speaking of the objectives of a free labor movement as contrasted with the personal power objectives of some of the labor leaders in the country. However, in fairness to labor leaders it should be said that by and large the labor leaders of the country, big and small, are motivated primarily by the desire to improve the economic lot of the producers of the wealth which flows from the operation of American industry under our system of private property economy.

Their endeavors in that respect spring from the economic essence of the labor movement, and that is to secure for the workers a greater share of the wealth produced by their labors. I am not at all frightened by that objective. I recognize it as essential to preserving our capitalistic economy. I want to see that economy preserved, because, as I have said before, I think political democracy cannot be separated from economic democracy. By economic democracy I mean our American system of a private property economy which is the very heart of our competitive capitalistic system.

Here again we must look at the alternatives. What other type of economy could we have? Move away from a private property capitalistic economy and you move in the direction of a totalitarian economy. Call it what you will—national socialism, fascism, communism—they are one and the same thing insofar as their effects upon the rights, liberties, freedoms and dignities of the individual are concerned. In practice they spell out statism. They can survive only on the basis of an economy regimented, directed, and absolutely controlled by the state. They are synonymous with economic dictatorship. Neither American labor nor American employers should forget that their rights as individuals disappear under any system of totalitarianism.

It is a deep conviction of mine, and I have expressed it for many years, that a high standard of living for American workers is dependent upon making our capitalistic system work and fulfill its maximum economic potentialities. I do not think we have more than scratched the surface of the pontentialities of our economic system. There are still great economic frontiers for us to explore in advancing our American civilization under our system of political and economic democracy.

It is a mistake for people to brand as socialistic the objective of organized labor to secure for itself a more equitable share of the product of its labor. In fact, I think that if progress toward that objective will only keep pace with increased production of national wealth we shall have a complete rebuttal answer to those agitators and leftists who in some small cells of American labor are trying to convince workers that our capitalistic system denies them their economic rights.

When such propaganda is passed out against our American private property economy system it can be answered by pointing out that the individual does not have any rights as an individual economically, politically or otherwise under a totalitarian government with its economy of statism. Under a police state, the rights of the individual are subordinated to and subject to the dictates of the small group of dictators who run the country. Employers and businessmen, too, have no rights under the system of a totalitarian economy. Employers and businessmen of Germany and Italy learned that sad fact too late. They finally discovered that when they played into the hands of Hitler and Mussolini in helping those dictators destroy free trade-unions in Germany and Italy they thereby also helped destroy their own economic freedom as well. They were next on the list, and such a pattern marks all movements toward fascism.

In a communistic state freedom of employers and businessmen are destroyed first, and then the rights of workers become so circumscribed by police methods that they are destroyed next. Resistance means liquidation. Thus we find no free trade unionism under communism. It would be well for American workers always to remember that fact, even in moments of discontent. Likewise national socialism in its variety of forms also sacrifices liberties of the individual, and substitutes an economic dictatorship by government for individual incentive and ingenuity.

I am not one who believes that any of these totalitarian ideologies are a serious threat to a continuation of our American economic system based upon private property and the right to make fair profits from the investments of capital and wealth-producing enterprises. I do think that if we are to keep our system secure and economically healthy we must avoid depressions and the cycle of boom and bust. We cannot afford the economic loss which flows from such breakdowns in our economic machinery. We cannot justify the human suffering resulting from the unemployment, the hunger and the fears of economic insecurity which result from such breakdowns. They are unnecessary if American labor, industry, agriculture and all other segments of our economic population will recognize that it is not regimentation to develop cooperative planning between and among a friendly government, labor, industry, farmers and all the rest of us to the end of maintaining full employment, high production, and a fair distribution of profits. There is no other answer if our American system is to accomplish the great economic objectives of which it is capable.

I do not agree in any degree whatsoever with those who argue that depressions are a part of the price of freedom, or that economic insecurity for millions of our fellow American citizens is unavoidable under a free-enterprise system. If that were true, then the system would be for the enterprisers with little freedom for the rest of us. Those who hold to the views that depressions, unemployment, and economic insecurity are unavoidable social and economic results of our capitalistic system perform a great disservice to that system by so contending. They should recognize that depressions produce tremendous discontent, and greatly increase the number of people who in the midst of their troubles, fears, and panic reach the conclusion that they have little if anything to lose from an economic change. We saw signs of that during the early thirties, when some segments of our population showed some manifestations of direct action. It is out of such social phenomena that great political and economic changes can take place in a country.

However, I submit that the major objective of the American labor movement has served over our history as a great stabilizer of our capitalistic system. As our workers have joined themselves together in effective labor-union organizations for the advancement of their economic welfare they have succeeded over the years in raising the level of real wages to a point far above that of any other workers in the world.

It is not my intention in this speech to dwell at any length on the part that organized labor in America has played in improving the standard of living for all Americans but I do want to say in passing that, in my judgment, the standard of living of all Americans has benefited greatly from the economic campaign which organized labor has waged over the years for better wages, hours, and working conditions. I know of no group in our country who has benefited more from organized labor's endeavors to raise the standard of living of the workers of the country than American employers, businessmen, and industrialists themselves.

Our system of competitive enterprise can sustain itself only on the purchasing power of the consumers of the country. Lower that purchasing power and the charts and graphs of our economic statisticians begin to show immediately serious distortions in the movement of economic goods through the channels of trade. Paradoxical as it may seem the fact is that our profit system depends upon distributing profits into the pockets of the consumers of America. This includes for the most part the workers, the farmers, and the millions of people who make up our so-called white collar class. The base of that distribution of profits must be a wide one because upon the purchasing power of the American consumer depends the expansion and ever greater productivity of our private-enterprise system. Profits cannot be made out of a contracting and declining production. It is increased production and expansion through new industry which develops the economic power of our system and makes possible a higher purchasing power through a greater distribution of profits among our consumers.

However, labor has some grave responsibilities and obligations in connection with the operation of our capitalistic system. It has no more right to seek to profiteer at the expense of a stable economy than have the employers and the industrialists. Labor can destroy its own house if it listens to those radicals in its midst who would misrepresent the extent of profits being made by industry. The old adage about the goose that laid the golden egg sets forth a great and simple truth.

The need for applying a fair share of profits to new capital investments is too frequently ignored by some labor leaders when making their demands upon employers. Such capital investments are essential if we are to meet the needs at all times of full employment and increased production of national wealth out of which new tax dollars can flow. Labor must recognize that if we are to protect the value of the American dollar we are going to have to increase the production of new wealth out of which we can get the taxes necessary to reduce our national debt which in its present amount threatens the standard of living of all of us in the country, including labor.

Although this discussion of mine about basic objectives of the American labor movement and the relation of those objectives to the preservation of our capitalistic economy may seem somewhat remote from the problem of passing labor legislation in the Eightieth Congress, it is not in fact nearly so remote as it may seem at first glance. If we are to make our American system work we must remember that it will not and cannot work independent of reasonable governmental regulations and controls over all groups within the system.

The reason for that is that human beings are what they are. They tend to seek to advance their own selfish interests by taking advantage of the other fellow's interests. Labor is no exception to that rule of human conduct. It is no more entitled to exemptions from legal checks upon its excesses than are employers, businessmen, and corporations. It too must be required to advance its legitimate interests within a framework of law approved by the people as a whole. It does not follow that reasonable legal restrictions which protect the individual worker and the public from union excesses deny any fundamental freedoms to organized labor.

Certainly the principle of reasonable legal regulations and control, necessary to check excesses, does not in the abstract deny labor any basic rights. It is the application of the abstract principle in the form of specific legislation which presents the real test to us as legislators. However, the main point I wish to make in this part of my speech is that labor too, in a government of law rather than of men, must recognize that its rights are relative and not absolute, in that they must be exercised in a manner that will

promote the common good and not just the selfish good of labor alone.

Our economic system cannot function in a prosperous way unless the Government, through friendly cooperation manifested through the democratic processes imposed upon all of us by the elected representatives of the people, sees to it that no economic group is allowed to take advantage of, transgress upon or exploit the rights of the public. I am afraid that sometimes some labor leaders and some labor groups so concerned about the economic difficulties which confront American workers make the mistake of thinking that the workers' economic interest can be considered separate and apart from our other national economic problems.

They overlook the fact that we must balance the interests of all groups in our economy or we cannot have long-time prosperity for any group. I want to see all consumer groups in the country progress steadily and as rapidly as possible consistent with national economic stability toward a higher standard of living, but that never will be accomplished if labor and industry fail to settle their problems through good-faith collective bargaining and stop resorting to all unnecessary economic action.

There is no denying the fact that legislation is going to be passed by the Eightieth Congress. I hope it will be constructive and helpful legislation rather than restrictive and punitive legislation. I hope that the Congress will exercise leadership rather than yield to pressure for punitive legislation in its attempts to improve industrial relations. It is to be regretted that much of the need for corrective legislation grows out of the failure on the part of labor to do voluntarily some of the things which now I am satisfied it must be required by law to do.

Although I shall discuss it at much greater length later in this speech, I wish to mention, as an example of what I mean, namely, jurisdictional disputes. In my judgment American labor cannot excuse itself for not settling jurisdictional disputes without resort to economic action. This is especially true of disputes between affiliates of the same parent, such as the A. F. of L. The right to organize, the right to strike, the right to carry on union activities, like all other rights which we as free Americans enjoy and are entitled to, are not absolute rights. It is basic to our system of law that rights must be exercised in such fashion as not to destroy or unreasonably to impinge upon the rights of others.

It is elementary that one of the cherished rights of our American system is the right to own private property, as contrasted with some forms of totalitarianism, such as communism. However, I must exercise my rights of private ownership of property in a manner which does not injure unwarrantedly either the property rights of others or the individual liberties of others.

Thus I have the right to buy a vacant lot on Sixteenth Street, but I do not have the right to build a slaughterhouse on the lot.

I have the freedom and the right to defend my home as my castle, but I do not have the right to use unreasonable force in ejecting a trespasser from my property.

All of us have to exercise our property rights and our personal liberties within a legal framework of law which imposes upon those rights and liberties many limitations necessary in order to protect the fair rights of others and the public welfare. When we abuse our rights to the detriment of others—and in many instances to the detriment of ourselves—then government through law steps in and checks our course of action on the very sound theory that there is a difference between freedom and license.

Unfortunately some of the practices and abuses of labor are doing violence to our concepts of freedom and liberty because they are, through the exercise of license, injuring the common good. The jurisdictional dispute is a good example of what I mean. It violates the property and personal rights of innocent third parties, including both employers and the general public.

Mr. President, I ask unanimous consent to have published at this point in my remarks an analysis of existing types of jurisdictional disputes. In this memorandum I have tried to make available to the Members of the Senate a description of the various types of jurisdictional disputes. There is so much misunderstanding about jurisdictional disputes and what they involve that I thought it would be helpful to include in my remarks some descriptive and definitional material. I shall not take time to read the memorandum now, but ask to have it printed in the RECORD at this point as exhibit 1.

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

JURISDICTIONAL DISPUTES

The term, "jurisdictional disputes," has been used very loosely to cover a great variety of situations that have as their common ingredient a controversy between two or more labor unions. Before discussing the specific provisions of the proposed bill on this subject, it will be useful to consider the type of disputes commonly labeled as jurisdictional disputes and the decisions of the National Labor Relations Board dealing with such controversies.

The following controversies have at one time or another been termed "jurisdictional disputes."

TYPE OF JURISDICTIONAL DISPUTES

1. Disputes over territorial jurisdiction: This type of dispute results when two or more locals of the same international union have been allotted the right to organize employees within the same community. As a result they may come into conflict. However, this type of dispute is not common because the international union is generally able to force an agreement between its subordinate locals.

2. Trade jurisdiction: Trade jurisdiction is the converse of territorial jurisdiction, inasmuch as the former implies that a union has the right to organize given workers in a particular territory. The assignment of specific trade jurisdiction to one union presumably excludes other unions from seeking to enroll workers performing the same type of work. When two or more subordinate unions of the same international assert that, by reason of the jurisdiction granted them in their charter, each has the right to organize workers performing the same type of work, "a dispute arises which is properly termed a jurisdictional dispute."

3. Demarcation disputes: These usually arise over work which borders on two or more crafts belonging to the same central organization and trades which are closely related. Changes in the methods of machinery frequently furnish a basis for claims of one group against another.

4. Dual union disputes: A dual union is commonly referred to as an organization which claims to maintain itself as an independent body rivaling another organization that has control over the same class of workmen and operates within the same territory. Such unions usually arise as a result of schism within the parent organization.

5. Rival union disputes: These arise from the existence of two central labor organizations. Thus the A. F. of L. and the CIO are frequently in competition for the allegiance of the same group of workers, and they stand ready to assume the representation of workers currently represented by the other. Disputes arising between the CIO and the A. F. of L. have generally been termed "jurisdictional disputes," but strictly speaking they do not fall within this category.

NATIONAL LABOR RELATIONS BOARD POLICY

The early policy of the National Labor Relations Board was to refuse to undertake to resolve a jurisdictional dispute between unions affiliated with the same parent organization. In the leading case on this subject (Aluminum Co. of America, 1 N. L. R. B. 580) the Board stated that it "should not interfere with the internal affairs of labor organizations" and that the affairs of the A. F. of L. and its chartered bodies "can best be decided by the parties themselves."

With the advent of the CIO the Board was faced with the question of deciding whether it would handle cases presenting disputes between A. F. of L. unions and CIO unions that were still technically affiliated with the A. F. of L. The Board recognized that the CIO unions had ceased to be under the authority of the A. F. of L., and consequently rejected the contention that the policy it had announced in the Aluminum Co. case was applicable (Interlake Iron Corp. 2 N. L. R. B. 1036).

Present Board practice is to proceed with cases involving representation disputes between two unions affiliated with the same parent organization. This is especially true in situations presenting controversies of long standing between A. F. of L. affiliates, such as the rivalry between the brewery workers and the teamsters and between the printing pressmen and the lithographers. However, the Board does ask the parent organization what steps are being taken to resolve the controversy between its affiliates before proceeding with the case. Presumably if the parent organization advises that it is making efforts to settle the dispute the Board will, at least temporarily, refrain from processing the case.

NATIONAL LABOR RELATIONS BOARD POLICY

The United States Bureau of Labor Statistics divides its data concerning so-called jurisdictional strikes into two groups: jurisdictional strikes and rival-union strikes. Although the Bureau has not officially defined these classifications, apparently a jurisdictional strike means a strike resulting from a dispute between two or more unions concerning the right to organize or retain membership in a particular trade or industry. Since the A. F. of L. and the CIO do not recognize jurisdictional boundaries between them, it follows that A. F. of L.-CIO disputes are not included in the Bureau's statistics on jurisdictional strikes. It appears that the Bureau's definition of rival-union disputes includes controversies between two or more unions as to which shall represent a particular group of workers. Thus a rival-union dispute differs from a jurisdictional dispute in that the latter is concerned with

claims to jobs or kinds of work; whereas in a rival-union dispute the unions recognize no jurisdictional boundaries between them, but each claims the right to represent the same workers. Of course, the rival-union dispute is not limited to A. F. of L. and CIO controveries but extends to disputes between independent unions and affiliated unions as well.

The following table, prepared from figures compiled by the Bureau of Labor Statistics, shows the total number of strikes, the workers involved, and the man-days of idleness caused by jurisdictional and rival-union strikes:

*Jurisdictional and rival union strikes and percent of total for all causes, 1935 to June 1946*

PART A. TOTAL JURISDICTIONAL AND RIVAL UNION STRIKES

| Year | Strikes ending in the year | | | | | |
|---|---|---|---|---|---|---|
| | Number of strikes | | Workers involved | | Man-days idle | |
| | Number | Percent | Number | Percent | Number | Percent |
| 1935 | 37 | 1.8 | 11,640 | 1.0 | 266,628 | 1.8 |
| 1936 | 39 | 1.8 | 8,276 | 1.2 | 75,716 | .6 |
| 1937 | 179 | 3.7 | 87,356 | 4.5 | 737,655 | 2.4 |
| 1938 | 150 | 5.4 | 34,513 | 5.1 | 851,591 | 9.5 |
| 1939 | 156 | 5.9 | 49,539 | 4.2 | 633,634 | 3.4 |
| 1940 | 158 | 6.3 | 26,641 | 4.6 | 208,808 | 3.1 |
| 1941 | 272 | 6.3 | 155,322 | 6.6 | 1,355,317 | 5.9 |
| 1942 | 159 | 5.2 | 67,272 | 7.9 | 415,795 | 8.8 |
| 1943 | 130 | 3.6 | 37,278 | 1.9 | 199,603 | 1.5 |
| 1944 | 159 | 3.3 | 95,889 | 4.5 | 815,845 | 9.2 |
| 1945 | 149 | 3.3 | 135,600 | 4.5 | 1,188,400 | 4.9 |
| 1946 (January to June) | 74 | 3.4 | 20,700 | .7 | (1) | (1) |

PART B. JURISDICTIONAL STRIKES ONLY

| | | | | | | |
|---|---|---|---|---|---|---|
| 1935 | 25 | 1.2 | 3,535 | 0.3 | 63,025 | 0.4 |
| 1936 | 37 | 1.7 | 4,236 | .6 | 62,236 | .5 |
| 1937 | 54 | 1.1 | 6,013 | .3 | 90,026 | .3 |
| 1938 | 54 | 1.9 | 4,495 | .7 | 62,162 | .7 |
| 1939 | 75 | 2.8 | 8,671 | .7 | 68,809 | .4 |
| 1940 | 77 | 3.1 | 8,087 | 1.4 | 59,016 | .9 |
| 1941 | 93 | 2.2 | 37,410 | 1.6 | 260,985 | 1.1 |
| 1942 | 50 | 1.6 | 8,956 | 1.1 | 41,599 | .9 |
| 1943 | 53 | 1.4 | 9,362 | .5 | 40,544 | .3 |
| 1944 | 70 | 1.4 | 17,551 | .8 | 56,656 | .6 |
| 1945 | 72 | 1.6 | 49,100 | 1.6 | 645,800 | 2.7 |
| 1946 (January to June) | 24 | 1.1 | 12,200 | .4 | (1) | (1) |

PART C. RIVAL UNION STRIKES ONLY

| | | | | | | |
|---|---|---|---|---|---|---|
| 1935 | 12 | 0.6 | 8,105 | 0.7 | 203,603 | 1.4 |
| 1936 | 2 | .1 | 4,040 | .6 | 13,480 | .1 |
| 1937 | 125 | 2.6 | 81,343 | 4.2 | 647,629 | 2.1 |
| 1938 | 96 | 3.5 | 30,018 | 4.4 | 789,429 | 8.8 |
| 1939 | 81 | 3.1 | 40,868 | 3.5 | 564,825 | 3.2 |
| 1940 | 81 | 3.2 | 18,554 | 3.2 | 149,792 | 2.2 |
| 1941 | 179 | 4.1 | 117,912 | 5.0 | 1,094,332 | 4.8 |
| 1942 | 109 | 3.6 | 58,316 | 6.8 | 374,196 | 7.9 |
| 1943 | 77 | 2.2 | 27,916 | 1.4 | 159,059 | 1.2 |
| 1944 | 89 | 1.9 | 78,338 | 3.7 | 759,189 | 8.6 |
| 1945 | 77 | 1.7 | 86,500 | 2.9 | 542,600 | 2.2 |
| 1946 (January to June) | 50 | 2.3 | 8,500 | .3 | (1) | (1) |

[1] Not available.

Compiled and computed from data supplied by the U. S. Bureau of Labor Statistics.

REGULATION OF DISCHARGES OVER CLOSED-SHOP CONTRACTS

The proviso to section 8 (3) of the National Labor Relations Act provides that an agreement requiring union membership as a condition of employment shall not be unlawful if the requirement is made pursuant to an agreement with a labor organization not company dominated or assisted, and provided further that the organization is the exclusive representative of the employees in an appropriate bargaining unit at the time the agreement is made. The Board has always construed these provisions narrowly and has insisted that they be met before it would uphold a discharge pursuant to a closed-shop contract.

In recent years the Board has been presented with a number of cases involving closed-shop agreements that have been used in such fashion as to deprive employees of their employment and to prevent them from exercising the right guaranteed them in section 7 of the act—to select collective-bargaining representatives of their own choosing. The usual situation is that employees near the end of their contract term wish to change their representation. However, because the agreement requires membership as a condition of employment, they run the risk of being expelled from membership and consequently being discharged if they engage in any activity designed to oust the contracting union as their representative. It is obvious, therefore, that the closed-shop contract lends itself to the perpetuation of one union as the collective-bargaining representative, and, consequently, deprives employees of the rights guaranteed them by Congress freely to choose and select representatives of their own.

The only remedy presently available to the Board is to proceed against the employer if he knowingly enters into or applies a closed-shop agreement when the contracting union's purpose is to discipline employees who have agitated, at an appropriate time, for a rival organization. No remedy is available against the contracting union. A few leading Board decisions will illustrate the problem.

In the *Rutland Court* case (44 N. L. R. B. 587, 46 N. L. R. B. 1040) the employer had a closed-shop agreement with union A. Near the end of the contract term the employees became interested in union B and sought to have the employer recognize it as their bargaining representative. Union A, however, expelled the employees from membership and demanded that the employer discharge them pursuant to the closed-shop agreement. The employer had knowledge that union A expelled the employees because they attempted to designate a new representative. Upon charges filed by union B, the Board ordered the employer to reinstate the employees with back pay. The Board stated that effectuation of the policies of the act required "as the life of the collective contract draws to a close that the employees be able to advocate a change in their affiliation without fear of discharge by an employer for so doing."

In the *Henri Wines* case (44 N. L. R. B. 1310) the majority of the employees applied for membership in a union, thereby designating it as their collective-bargaining representative. An official of the union then negotiated a closed-shop contract with the employer. The union, however, then rejected the membership applications of the employees and thereafter demanded that they be discharged because they were not members. Since the employer entered into the contract with knowledge that the union intended to proceed in this unscrupulous fashion, the Board held that his discharge of the employees constituted an unfair labor practice and accordingly ordered the employees reinstated with back pay.

Probably the most important case is that involving the *Wallace Corporation* (50 N. L. R. B. 138) which was subsequently affirmed by the United States Supreme Court (323 U. S. 251). In that case the employer entered into a consent election agreement with two contending unions. As a part of that agreement the employer agreed to execute a closed-shop contract with the winning union. The election was won by union A, which then demanded the execution of a closed-shop contract; stating, however, that it intended to use the agreement for the purpose of denying membership to a number of leaders of union B and thereby secure their discharge from employment. Although the employer protested, he nevertheless entered into the contract. Union A then denied membership to a number of employees who had been active in behalf of union B, and their discharge followed. The Board held that the employer had committed an unfair labor practice and rejected the employer's defense that the discharge was permissible under the closed-shop agreement.

The Supreme Court sustained the Board's decision by a 5-to-4 opinion. The majority stated that the authorization of a closed-shop contract in the act could not be taken as an indication of an intention on the part of Congress to authorize a majority of workers and a company, as in this case, to penalize minority groups of workers by depriving them of that full freedom of association and self-organization which it was the prime purpose of the act to protect for all workers.

A necessary condition for granting relief to employees in the foregoing situations is that the employer have knowledge of the purpose to which the closed-shop agreement will be put. If the employer does not have that knowledge or if the Board cannot prove that he had such knowledge, the employees have no remedy under the act as it now stands. In any case, the contract union which expells employees from membership and thereby brings about their discharge from employment is certainly as culpable as the employee who acquiesces in such a program. It seems desirable, therefore, that some remedy should be available against the offending labor organization.

Mr. MORSE. Mr. President, rationalize it as they attempt to do, labor cannot avoid the indisputable fact that the American people are fed up with the use of economic action in the settlement of jurisdictional disputes; and they are demanding, as they have the right to demand under our democratic system of government, that Congress attempt to do something about it.

I say attempt advisedly because I am none too sure as to how effective and successful any procedure we devise legislatively to handle such a problem will be. However, I am convinced that if it should come to pass that such legislation as we propose to set up for the settling of jurisdictional disputes should not prove to be successful, because of lack of cooperation on the part of labor, the long-time loser will be labor itself. I say that because if legislation were passed that is fair and reasonable, it will not be in the best interest of labor leaders to defy the public will.

It has been an opinion of mine ever since the National Labor Relations Act—known as the Wagner Act—was passed that the act would never prove to be the Magna Carta for labor until it was modified in those respects necessary in order to make the rules applicable to both teams, so to speak. Over the years I have argued many times that the rights and the protection which the Wagner Act gives to labor were long overdue, and that the act was absolutely necessary to protect labor from unfair labor practices of employers; also that it was necessary to check the well known union busting tactics of employers which visited upon us such celebrated cases of labor violence as we witnessed from the 1890's until 1937, and even later, when

the act as passed was finally declared constitutional.

In the midst of the present tremendous propaganda drive for punitive labor legislation, it is easy for the American people to forget what has happened in the past—and what is bound to happen again in the future if certain types of employers are freed from the limitations of the Wagner Act. In fact, no one can study the American industrial scene without recognizing that in the competitive struggle for profits it is very easy to treat human beings as commodities to be bought and sold on the labor market on the basis of supply and demand, unless the Government is ever vigilant through such legislation as the Wagner Act, the Fair Labor Standards Act, safety legislation, and all the rest of our very much needed labor legislation, to protect the freedom of free workers.

One cannot sit in the hearings of the Senate Committee on Labor and Public Welfare and listen to the various types of employer witnesses who have come before us without frequently being shocked and disappointed on discovering that there are still many powerful employers in America who believe that the free-enterprise system is synonymous with a benevolent paternalism under which they shall enjoy the license of parceling out the benevolence as best suits their selfish interests. I think it is important that voices be heard in America these days pointing out that there are still many employers who have not learned—or who are not willing to admit—that collective bargaining through the elected representatives of the workers is here to stay; and that if they continue in their drive to tear down the benefits achieved by organized labor they will tear down also the liberties of organized industry and seriously cripple the economy of the Nation.

I am convinced that if today we abolished the Wagner Act within less than 6 months American industrial life would in large part return to the unfair labor practices that existed prior to the passage of the Wagner Act. I see too much evidence of an attitude of union busting and antilabor sentiment in some of the employer witnesses appearing before the Labor Committee not to be convinced that the extremists among American employers are still sufficiently large in number so that the repeal of the Wagner Act would result in another era of labor exploitation that ultimately would lead to tremendous violence and chaos.

When one stops to think about it, that is not a very surprising thing because human nature does not have a tendency to change, especially in the relatively short space of 12 years. Given the economic power they possess and taking into account all the compulsions of competition, it is understandable that too many employers will seek now, as they did in the past, to exploit labor. In consequence, it is my conviction that those of us who recognize that the very survival of political democracy in this country is dependent upon a successful private property economy must resist to the fullest possible extent any attempt to repeal legislation which now keeps American employers from having the license to treat labor as a commodity.

We cannot preserve a political democracy alongside of an employer-industrial dictatorship. The United States of this decade cannot survive as a political Dr. Jekyll and an economic Mr. Hyde—as a political democracy and a laissez-faire economy. Either we are going to march forward as a political and an economic democracy, with a free and cooperative government maintaining only such minimum standards of control as are necessary to protect the economic weak from exploitation by the economic strong, and yet allow free play for American initiative and ingenuity; or we are going to destroy our rights as a democratic people by adopting some form of economic totalitarianism or industrial anarchy.

If we should permit the strangle hold of monopolist practices of big business to continue its death grip upon the throat of private enterprise, we shall develop a form of economic totalitarianism by a relatively few business tyrants in America.

If, coupled with that serious and ominous threat to our free enterprise system, we should repeal or emasculate such pieces of social and labor legislation as the Wagner Act, the Social Security Act, and the Fair Labor Standards Act, we shall succeed only in strengthening the forces of those whose practices and policies—if permitted to go unchecked—would lead to economic totalitarianism in America. Unfortunately the American people are not sufficiently aware of the tremendous revolution that is taking place throughout the world. There is little question about the fact that world economic patterns of the last half century are gone forever.

Private enterprise as we know it in this country and as I want to preserve and strengthen it in this country just does not exist in most of the world today. I see nothing on the international horizon that indicates to me that our American economy is going to be adopted as a model in most of the countries of the world.

There are a great many reasons for that, a discussion of which would be foreign to the purpose of this speech, but nevertheless I feel that this particular facet of the world economic situation should be mentioned and kept in mind as we discuss labor legislation which bears such a vital relationship to our economic system of private enterprise. Economic totalitarianism is the prevailing pattern in most of the countries of the world, and I think leaders of American industry and labor should ponder that fact with a solemnity which I fear does not characterize their present day negotiations and bickerings.

Unfortunately, industry and labor, by their quarrels and frequent displays of bad faith in their negotiations with each other, injure not only themselves but all the rest of us as a people. What is even more important, a continuation of the type of industrial strife that exists in this country today is bound to diminish the influence for good that this Nation can have upon the future.

As we see the British Empire break up before our very eyes in these dramatic days; as we see hunger and want, famine and death stalk the earth—in practically every corner of the earth except this land of ours—we cannot deny what is now a truism, namely, that the one-world concept is not only a political concept but an economic concept as well. We are living in a one world—both politically and economically—whether we will it or not and irrespective of whether we like it or not.

Furthermore, I have no doubt that if we as a people should ever again make the mistake of ignoring or blindly resisting the implications which flow from the reality of the one-world concept, we shall be working against our own best interests. I would that American labor and American industry could grasp the great obligations that our present position in the world places on them. With the world on fire we are being treated to the spectacle of American labor and industry adopting courses of action which are producing tremendous domestic discord within our country, when in fact our national welfare this day calls for a greater national unity on the part of the American people than at any time since Pearl Harbor.

Here we are in the Congress presently devoting our greatest energies to the task of trying to devise legislative procedures which will check the abuses of labor and of industry; trying to devise legislation which will require American labor leaders and employers to live up to the spirit and intent of our Constitutional Bill of Rights. When one stops to think about it, the plight we are in, regarding labor legislation, is a sad reflection upon us as a people. We truly should be ashamed for allowing ourselves to be distracted by these domestic problems which are of such small significance when compared with the great issues of world-wide importance that this Congress in fact should be facing.

Oh, I do not deny the fact that we must render decisions on these domestic issues, and I am ready to suggest what I think some of those decisions should be; but the fact that we have to take legislative cognizance of our labor problems is not a credit to either labor or industry. I am sure that no matter what we pass in this session of Congress, labor will not like it, because apparently it is labor's point of view that to pass anything is going too far. On the other hand, many business and industry groups will not like what we do because in their judgment we will not have gone far enough. Certainly I hope the Congress will not go so far as to satisfy all industry representatives clamoring for restraints on labor.

In reaching my conclusions as to what labor legislation I think should be passed, I have attempted to analyze some of the legislative proposals we have before us, many of which I cannot support.

In the comments I am now about to make on some of the bills upon which we have been hearing testimony I shall confine myself to the most important provisions of those bills which have a direct bearing upon the Wagner Act. Detailed

and exhaustive analysis of each of the bills would unduly lengthen this speech. However, I do not wish my silence at this time on some of the provisions of pending bills to be construed as agreement with them.

I turn first to Senate bill 360, introduced by the Senator from Minnesota [Mr. BALL]. We must inquire into what the bill does to the collective-bargaining relationship, because it is an obvious fact—though frequently overlooked—that it is certainly as important today to maintain and insure industrial peace, when 15,000,000 workers are organized, as it was in 1935 when there were only 4,000,000 workers organized.

We should also inquire into what contribution Senate bill 360 or any other bill makes to reward those employers who have accepted collective bargaining and find it a healthy and useful way of dealing with their employees. There are many of these. They far outnumber the articulate minority who wish to return to an outmoded concept of labor relations. Does this bill permit an employer who really wants to give meaning to the rights of his employees to do so without fear that by so doing he will be forced into an untenable competitive position? In other words, is Senate bill 360 one which encourages the employer to sit down with the freely chosen representative of his employees and go to work on things that matter to both of them? Or does it encourage him to destroy this relationship?

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

Mr. MORSE. I yield.

Mr. FLANDERS. So that we may follow him more easily, will the Senator kindly give us names in connection with the bills to which he is referring by number?

Mr. MORSE. Senate 360 is the bill introduced by the distinguished Senator from Minnesota [Mr. BALL], setting forth his proposals for amendments to the Wagner Act.

In general Senate bill 360 attempts to do four things: First, by a change in definitions, procedures, and substantive requirements of procedures, to limit and in some cases, abolish, remedies which employees have been customarily granted by the NLRB under the Wagner Act; second, to make available to employers certain newly created procedures; third to reconstitute the National Labor Relations Board by splitting its functions in half and making the Department of Justice responsible for administrative and investigative functions; and fourth, to repeal the Clayton Act of 1914 and the Norris-LaGuardia Act of 1932 in vital respects and thus to make virtually all strikes illegal and subject unions and strikers to injunctions at the instance of employers, to treble damage actions, and to criminal prosecution as well.

By a change in the definition of the term "employee," section 2 (b) (3) of Senate bill 360 not only removes all remedies available to strikers under the Wagner Act; for all practical purposes, it completely destroys the right to strike, one of the most basic in our land, as Lincoln has said. This is accomplished by a simple parenthetical insert, whereby a worker loses his employee status if, while engaging in a strike, he has been replaced or has refused an offer of reinstatement. Even at the common law, employees who were out on strike were still employees. This concept was incorporated in the Wagner Act. The magnitude of the effect of this change can best be illustrated by example.

Let us assume that an employer has been dealing for 15 years with a union as the representative of his employees. There had never been any certification of the representative by the Board, as there has not been in thousands of American plants, because both parties knew that the union represented the men. Management changes, let us assume, and the new management decides to rid itself of the union. It does so by refusing to discuss wages at the time of the expiration of the old contract and the negotiation of a new one. The moment the workers strike, the employer tells all of his employees to come back to work. They refuse. He then brings in strikebreakers. Under S. 360, these strikebreakers are now the only employees of the employer. Those out on strike are mere outsiders with no rights; they cannot even be termed "striking employees," as at the common law. If they continue to strike after the employer has ordered them back to work, then the employer may seek an injunction under section 13 to break the strike. This follows because the dispute is no longer a labor dispute. If a United States conciliator is called, he cannot settle the strike by mediating between the union and the employer, since the union no longer represents a majority of the employees. We would thus, by removing a striker from the concept of employee, do irreparable injury to the collective-bargaining process. As the Senate committee in 1935 stated in its report on the bill which became the Wagner Act, it would be undesirable to withdraw the Government from the field at the very point where the process of collective bargaining has reached a critical stage and where the general public interest has mounted to its highest point."

If the strike was caused by the employer's unfair labor practices, the situation would be even worse under S. 360. If the employer discharged all of the union leaders, physically assaulted them, and told each man to get out of the union or else, those who went out on strike in protest against such conduct could lose their status as employees also, unless they came back to work at the employer's beck and call, regardless of whether the unfair practices were stopped. The Senate committee in 1935, reporting on the Wagner Act said:

> And to hold that a worker who because of an unfair labor practice has been discharged or locked out or gone on strike is no longer an employee, would be to give legal sanction to an illegal act and to deny redress to the individual injured thereby.

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

Mr. MORSE. I yield.

Mr. BALL. I think the Senator from Oregon has misread that portion of the section, because the part which leaves a striker still an employee if unemployed because of an unfair labor practice is left as it is under the present law. Under the present Wagner Act if an employee on an economic strike is replaced, according to the present Board's decisions, he is no longer an employee. The situation which concerned me—and I have some doubt as to whether this is the proper answer—is one in which a strike continues, as it has in the Allis-Chalmers plant, for more than a year. That plant is in a small community where there is no possibility of replacement. Yet the union has such a hold that only between a third and a half of the employees have gone back to work. They are disgusted with the strike. A recent election was indecisive because approximately 150 voted for no union. The employees, including those who were still out, voted about 50–50 as between a new union and the one which is certified. The employer is helpless. He can deal only with a union which obviously does not represent the overwhelming employee sentiment. He cannot get the men back to work, and the ones who are working are subject to discrimination by the union which has been certified, if it eventually wins. Somehow or other we must meet the situation which develops when there is a strike which lasts a year or so, and in which obviously the particular union, with its current leadership, will never be able to reach a settlement with the employer.

Mr. MORSE. I shall be very happy to try to work out with the Senator from Minnesota a satisfactory solution. I am trying to point out today that I think the legal effects of the bill which the Senator has introduced will be those which I am setting forth in my speech. I feel that on this point the legal effect of the language of the Senator's bill will make it possible for an employer to break a strike by offering to take the strikers back; and of course when they do not come back, as they will not, unless they can get a fair contract from the employer, under the terms of the Senator's bill they will cease to be employees, and the strike then is of course broken, because the employees will not have any rights under the National Labor Relations Board as it would exist under the provisions of the Senator's bill. That is my legal interpretation of the situation. I am satisfied that when this part of the Senator's bill—if the bill is enacted—goes to the courts in litigation, that is what the courts will find.

Mr. BALL. Does the Senator from Oregon believe that an employer should have no right or opportunity to beat a strike, regardless of the situation which faces him, the demands made upon him, and the attitude of the union?

Mr. MORSE. Not with the aid of Government. Either we must recognize the economic right to strike or lock out, and fight it out on the economic front, or substitute the Government for that economic right. In my judgment, the bill of the Senator from Minnesota would put the Government on the employer's side of the table with such

power, as to break a strike if a strike were called. There cannot be the right to strike and the right to lock out without having injuries inflicted. People suffer from the exercise of economic action. I would be the first to admit it. But the point I want to make is that I think the Senator's bill would give the employer the aid of such governmental power under the change of definition of "employee" as found in the bill, that it would be a pretty stupid employer who would not be able to use the bill in such a manner as to defeat any strike.

Mr. BALL. I am inclined to agree that, taken in conjunction with the amendment to section 13 of the act, the bill does go too far and has an effect which I did not foresee when we drafted it. But the Senator speaks of the employers right to lock out as the parallel right to the employees right to strike. It seems to me that that is faulty reasoning, because no employer, in that sense, ever locks out an employee. There are very few cases. The only effective weapon the employer has is to defeat a strike if he thinks it is completely impossible to reach a settlement. I think the Wagner Act, as it has been interpreted, has tended to make it impossible for any employer to defeat a strike, because the bargaining unit continues in perpetuity, so long as the strike lasts. So, all the employers can do is to negotiate with the union. I think the reason we have so many "quickie" strikes is that the unions have not lost a major strike in the last 10 or 12 years, although they should have lost some of them.

Mr. MORSE. I think the Senator from Minnesota is overlooking the fact that in most cases there are both strikes and lock-outs. It is easy to jump to the conclusion that because labor goes out on strike the fault is all that of labor and the action is direct action by labor. It has been my experience in this field that many strikes are an inseparable combination of lock-out on the part of the employer and strike on the part of labor, in the sense that the employer says, "This is it. Take it or else." He thinks he is going to strengthen his position in further negotiations with them or in negotiations with Government agencies. He knows that when men begin to be hungry, when families begin to suffer, he is then in a better position to negotiate a settlement satisfactory to him in termination of a strike.

So my point is that I think it is a mistake, when we see a story in the newspaper about a strike, to think that in any sense it is unilateral. We have got to go back of the strike and find out what led up to it. Frequently it will be found that it was provoked by the employer and that he greatly welcomed direct action on the part of the union, because it permitted him to keep concealed what was also in fact a lock-out as well as a strike.

I wish to say that I appreciate the interruptions which have been made by the Senator from Minnesota, and I shall appreciate having him make other interruptions if he desires to take exception to anything I say in regard to his bill, because I am exceedingly fond of him, as he knows, and I am desirous only of trying to reach some meeting of minds so as to prepare the best possible amendments to the Wagner Act.

I agree with the Senator from Minnesota that the Wagner Act should be amended. I cannot agree with his main pattern of amendment, and hence I am taking this opportunity to express my point of view in regard to his bill. I think it necessary that my point of view regarding his bill be known before I shall be able to make much justification of my attitude with respect to the amendments which I shall offer to the Wagner Act, because in many respects they differ from those of the Senator from Minnesota.

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

Mr. MORSE. I yield.

Mr. BALL. As I understand the situation now, no matter how long the strike is dragged out, an employer cannot directly communicate with his employees, inviting them to come back to work, without being cited for violation of the act, in that he is required to go through the certified bargaining agent, which means that any proposal he makes must be made through the union, which, of course, has called the strike.

Mr. MORSE. That is in accordance with his contract.

Mr. BALL. But usually, in connection with a major economic strike, the contract has expired. However, it is the law that the union is exclusive bargaining agent, and therefore the employer is held to have violated the law if he has communicated directly with his employees by writing them a letter saying, "Here is our proposal; and if you want to come back to work on it, you can."

Does the Senator think the employer should have that kind of right at some stage in a prolonged strike?

Mr. MORSE. I am sure the senior Senator from Minnesota and the Senator from Oregon are trying to join on one amendment, namely, one restoring to employers in the United States the absolute right of free speech in labor relations cases, so that they shall have the right to communicate with their employees.

Mr. BALL. But what I refer to is more than free speech; it is the right of employers to make direct offers to the employees in connection with the negotiations. As I understand the National Labor Relations Act, it denies that right.

Mr. MORSE. I hope that among the proposals we adopt there will be one giving the employer the right to communicate with his employees.

Mr. BALL. I hope we can accomplish that objective. If we do, we shall accomplish what I seek, namely, the chance for an employer to communicate with his employees. I do not hold with the Senator from Oregon as to the point of view that such communication by an employer will lead to a lock-out in connection with a strike. It seems to me that once the union negotiations have broken down, the employer's counteroffer is not a threat to lock them out. If he says, "anyone may come back to work on these terms," of course, the men may walk out from under the union.

As a rule, it is the union leadership which causes prolonged strikes. Too many times the men themselves get only a distorted version of what has actually been proposed in the course of the negotiations. The purpose of my amendment is to make that union leadership more responsible to the wishes of the majority of the individual employees.

Mr. MORSE. Mr. President, I wish to make one point regarding a matter which the Senator from Minnesota has been discussing. He pointed out that when a strike is under way and the contract is broken, the employer must still deal with representatives of the union. Of course, that is a part of his obligation under the law; and until it can be shown that the union representatives do not in fact represent the majority of his employees, it seems to me to permit the employer to follow any other course of action than to bargain collectively with those representatives in an endeavor to find some common ground on which they can settle the strike, would destroy a very important right of organized labor, because then there would be a situation in which the employer would have two shots in his gun. First he could take the position, "I simply am not going to renew this contract. I am going to get the employees in a weakened position, first by getting them hungry for a while, after letting them strike." Very frequently that is not at a very great economic loss to the employer. Of course, sometimes a tremendous economic loss to the employer is involved; but usually when the employer uses such strategy he does not feel any great disappointment that the "boys have hit the bricks," so to speak.

The second shot that is in his gun then, if we give him the opportunity or the right to circumvent the elected representatives of his men and to deal with individual employees or with dissident groups or with the nucleus of a company-dominated union which may be springing up in his plant, is that he would be given a chance to kill the union itself by using those devices.

So I think we must find some area of compromise. I think our free-speech amendment will be very helpful, for it will give the employer a chance to carry on his discussions with his men and tell them what his point of view is in regard to what he thinks is the unreasonable position of the union's representatives on various matters, but still it will protect the union by requiring that when the time comes to negotiate the contract, until it can be shown that its representatives do not in fact represent the employees, the contract must be made with them.

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

Mr. MORSE. I yield.

Mr. BALL. Of course, the Senator from Oregon recalls the testimony in connection with the redwood-lumber industry on the west coast, where a strike has been going on for over a year, I believe. In that connection a witness testified that in his particular company's sawmill—which had employed approximately 250 persons as I recall—although the strike is still going on, they are working full blast, and the sawmill is completely

manned, mostly by veterans. Obviously the carpenters' union, which called the strike, does not represent the wishes of the persons now actually working there. Nevertheless, the only way that employer can settle the strike is by dealing with the carpenters' union, which is insisting as one of its grounds of settlement that all the employees now working there be thrown out, and that the persons who originally went on strike, or what are left of them, come in and replace the present employees.

What kind of position does that put the employer in, and whose rights are entitled to be respected—those of the 250 persons now working in the sawmill, or those of the former employees who went on strike, many of whom have now drifted away?

Mr. MORSE. Mr. President, I am not in a position to pass on that case. It has been one of the most plaguing cases on the west coast, as the Senator from Minnesota has pointed out, for many months.

Before we can lay down any rule of thumb which should be applied with respect to the rights of employees in that case, I think the Board should have imposed upon it the duty of looking into the merits of the causes of the dispute. If it finds that, after all, the union has followed an entirely unreasonable course of action, and that the employer has kept himself free of unfair labor practices, I think some relief should be given him by a right of petition to have determination made of the question as to who should represent the union.

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

Mr. MORSE. I am glad to yield.

Mr. TYDINGS. I understood the Senator from Oregon to say in his colloquy with the Senator from Minnesota that after a contract has expired, certain procedures are still mandatory upon the employer because they are in the contract. I think the Senator meant to say they are in the law.

Mr. MORSE. Yes.

Mr. TYDINGS. But I understood the Senator to say that they are in the contract.

Mr. MORSE. I thank the Senator for his observation, because I was referring to the National Labor Relations Act itself.

Mr. TYDINGS. Of course, after the contract had expired, I do not see how the employer could be bound by it.

Mr. MORSE. Yes, that was a slip of the tongue. I meant to say that the National Labor Relations Act itself would require the procedures in question.

I was saying, Mr. President, that in 1935 the Senate committee, in reporting on the Wagner Act, said this:

> And to hold that a worker who because of an unfair labor practice has been discharged or locked out or gone on strike is no longer an employee would be to give legal sanction to an illegal act and to deny redress to the individual injured thereby.

In my judgment, that observation is equally valid today.

I think it would be most difficult to conceive of any kind of strike that could not be made subject to the injunctive procedures of S. 360.

Under the Wagner Act, strikers who are driven to strike because of an employer's illegal conduct have some protection, namely, reinstatement—replacing strikebreakers. They do not—contrary to the assertions of some witnesses before the committee—receive an award of back pay from the Board until they elect to abandon the strike. They do not get back pay for all the time they are on strike. Under S. 360 they have not only lost this measure of protection—they are faced with injunctions. Under the Wagner Act strikers against unfair labor practice can look forward to returning to their jobs after months and even years of litigation; under S. 360 they face immediate sentence to jail in case they wish to exercise their constitutional right of free speech and assembly in furtherance of the strike which the employer himself has caused. To say, as does the draftsman of the bill, that S. 360 does not "impair any rights which workers attained under the Wagner Act," seems to me to tax the credulity of the American workingman. Even if we assume he has not lost a legal right, it is plain that he has lost a vital remedy. It does not matter to the American human being involved whether he has lost rights or remedies; the fact is that he has lost his job and his livelihood in protection of his right to select a representative of his own choosing.

Definitions are not the only method used in S. 360 to deprive employees of remedies. Direct assaults on the substantive provision of the heart of the Wagner Act—section 8—are made. Section 8 (1), forbidding interference and coercion, is amended by forbidding the Board to base any findings of unfair practices on anything an employer says that contains no threat of force or economic reprisal. It seems to me that this provision would deprive the Board of using as evidence, in support of a finding of a discharge for union activity, statements which clearly show motive but are not coercive on their face.

Another change in S. 360—and one which has been opposed by virtually all union representatives and some employer spokesmen who have appeared before the committee—is that repealing the so-called closed-shop proviso in the Wagner Act. All contracts or agreements with labor organizations which make union membership any kind of a condition of employment are, in effect, abolished outright by S. 360. No type of union security provision may hereafter be urged as a defense to a discharge under section 8 (3). Such contracts may still be entered into, but the employer, if he tries to enforce them, will be subject to reinstatement and back-pay proceedings before the Board. By putting this kind of a burden on the employer, indirectly, it is apparently assumed that union security provisions will be abolished.

The arguments for and against the closed shop are many, and, I think, generally familiar to Senators. I do not deny that the closed shop has, in some instances, led to abuses. But I seriously question whether it is any answer to such abuses for the Congress to make it an unfair labor practice for employers to enter into such contracts with unions that are the freely chosen representatives of a majority of the workers before the contract is made.

One of the difficulties, Mr. President, is that too frequently—and I would be one of the first to admit it—it is not known and cannot be established that the representatives who offer the closed shop contract to the employer are in fact the chosen representatives of a majority of his employees. There is too great a tendency for them to walk in before the employer and say, "Sign this—or else," and the employer says, "I do not know whether you represent a single man in my plant," and he is told, in effect, "We do not, either, but that is the contract we are going to insist upon." I hold no brief for such a situation as that.

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

Mr. MORSE. I am glad to yield to the Senator from Maryland.

Mr. TYDINGS. Let us assume that a group of men working in a plant want to have an election to determine what organization, affiliated or unaffiliated with a union, shall represent those who work in that place; let us assume that as a result of the election a certain union wins, or a majority say they want their own local union, unaffiliated with the larger union; let us assume that after that is done there immediately arises an agitation for a new election, although there is no complaint that the first election was not a fair one. Has the Senator given any thought as to how, without taking from the employees the right to reconsider, if they should actually desire to reconsider any vote that theretofore had been taken, they can be protected from actually having to take a vote all over again, when they have just taken one in good faith, and as to which there is no question of fraud?

Mr. MORSE. I have given some consideration to that point, and I hope that amendments I intend to propose later in my speech will cover that situation. I think the Senator from Maryland has raised a hypothetical case which can be resolved only upon the determination of a question of fact, and that therefore jurisdiction must be given to the National Labor Relations Board to take a petition from the employer in order to determine the fact. Take, for instance, the case of employees wanting to reconsider their action. I think the Board should have jurisdiction to order an election for that purpose at appropriate times. In fact, the Board has many times said that a certification is good for a reasonable time, usually 1 year.

Mr. TYDINGS. I have in mind a case where the employees of a concern have had an election, and the question was whether they should belong to a certain union, or should belong to a local union which had no affiliation with large nation-wide unions—a local union which was particularly applicable to the particular plant and locality. Let us assume an election was held, and the overwhelming majority wanted to belong to the local union.

Mr. MORSE. Is the proceeding in question at the expiration of the old contract?

Mr. TYDINGS. Yes; it is. The new contract is made with the local union, but notwithstanding that there is an immediate agitation on the ground that sentiment has changed and it goes on until it reaches the point where a new election is ordered.

In the case I have in mind the employees again vote that they want to be in the local union rather than in the larger union. But even that does not stop the agitation. It begins again, and sometimes it goes on for a year, but it makes no headway, and they ask for still another election.

The point I am making is that it seems to me that when an election is held not only once but twice to decide the same issue, there should be a quiet period of longer duration before another election can be forced upon the employer and employees, which would have a tendency to disrupt and throw out of order all operations. I think that has happened in my own State a couple of times, and that is why I asked the Senator the question.

Mr. MORSE. I think it is more common than that. I think it has happened more than a few times.

Mr. TYDINGS. I think some protection should be thrown around a group of men who, after an issue is thoroughly debated, have made a decision, so that they would not have to make it all over again, and then be confronted a third time with passing on whether they will belong to this, that, or the other union.

Mr. MORSE. I agree with the Senator's observation. It is my understanding that the Board requires that its certifications be observed for a reasonable period, during which it will not entertain a new petition in the absence of unusual circumstances, and further that the courts have sustained this view.

Certainly any proposal seeking to outlaw the closed shop should be carefully weighed and closely examined in the light of industrial-relations experience. In this connection I should like to refer to some data collected by the Department of Labor bearing on this problem.

EXTENT OF THE CLOSED SHOP

An examination by the Industrial Relations Branch in 1945 on the extent of collective bargaining (Bulletin 865) of the Department of Labor indicated that approximately 30 percent of the workers under agreement were covered by the closed shop. The closed shop (and union shop, with preferential hiring, which is equivalent to the closed shop) prevails in the following manufacturing industries: Baking, brewery, canned and preserved foods, hosiery, men's and women's clothing, printing and publishing, and shipbuilding. An examination of the number of workers covered by the closed shop will give some idea of the possible impact of the outlawing of closed shop provisions on existing collective bargaining agreements. A study prepared by the Bureau in 1939 indicates that more than one-half of the 7,000 agreements on file with the Bureau, and current at that time, contained provisions requiring that all employees be members of the union. The estimate at that time was that approximately 3,000,000 of the nearly 8,000,000 organized workers in the United States were working under closed shop conditions.

THE CLOSED SHOP IN RELATION TO MAJOR DISPUTES IN 1946

Detailed statistical information for the full year 1946 on major issues involved in work stoppages is not yet available. For the year 1945 see Department of Labor Bulletin No. 878. The closed or union shop, and the closed or union shop combined with wages and/or hours, were relatively minor as issues in dispute in work stoppages during the year 1945. The closed or union shop, as a major issue, was involved in only 126 work stoppages, affecting 57,700 workers, and responsible for only 1.9 percent of the total man-days of idleness. Issues in which wages and/or hours were involved, as well as the closed or union shop, accounted for an additional 90 stoppages, involving 40,700 workers and accounting for 2.6 percent of total man-days of idleness for the year. The information for the year 1946 is available in a limited form for the first 6 months. The closed or union shop was involved in 37 stoppages and affected 5,680 workers; the closed or union shop combined with wages/or hours accounted for 170 stoppages and affected some 79,300 workers.

A review of the major labor-management disputes in 1946 indicates that there were 29 stoppages which began during the year, each of which directly involved 10,000 or more workers. These stoppages affected 2,900,000 workers and resulted in 66,190,000 man-days of idleness. The total man-days of idleness reported for all work stoppages which began in 1946 was 95,690,000.

An examination of the more detailed statement below indicates that none of the major strikes originating in 1946 would have been avoided had the existing legislation on the closed shop been passed. In only 4 of the 29 stoppages, which accounted for approximately 1 percent of the total man-days lost, were there predominantly closed-shop industries involved, and in all four of these instances the major issue was the question of wages. It can, of course, be argued that had existing closed-shop legislation been passed there might well have been strikes as the result of the legislation itself. Statements submitted to the Senate and House Labor Committees would seem to indicate that there might well be serious labor-management disputes if the closed shop were outlawed.

Of the man-days idle resulting from the 29 major strikes originating in 1946, 96 percent resulted from disputes in which the major issue was wages, and almost 4 percent—3.8—from disputes in which wages and some form of union security were involved. The distribution of the 29 major strikes originating in 1946, by major issue and man-days idle, is given below.

Mr. President, I ask unanimous consent to have published at this point in my remarks a table setting forth that data.

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

| Major issue | Number of stoppages | Number of man-days idle |
|---|---|---|
| Wages | 21 | 63,500,000 |
| Wages and union security | 3 | 2,500,000 |
| Union recognition | 2 | 120,000 |
| Other (protest over discharge, seniority rules; vacation pay for veterans) | 3 | 70,000 |
| Total | 29 | 66,190,000 |

Only 4 of the 29 stoppages involved industries predominantly closed shop but in all of these the only issue involved was wages:

| Industry: | *Man-days idle* |
|---|---|
| Building construction: | |
| Cincinnati | 12,000 |
| Buffalo | 162,000 |
| Cuyahoga, Geauga, and Lake Counties, Ohio | 48,000 |
| Trucking companies: NYC area and northern New Jersey | 487,000 |

Mr. MORSE. The total of 709,000 man-days idle resulting from these four strikes in closed-shop industries accounted for 1 percent of the total man-days lost as a result of the 29 major stoppages.

Mr. President, in order to save time, I ask unanimous consent to have published at this point in my remarks another table under the heading "Approximate number of workers covered in 1945 by closed shop and union shop with preferential hiring."

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

*Approximate number of workers covered in 1945 by closed shop and union shop with preferential hiring*

MANUFACTURING

| Industry | Closed shop | Union shop with preferential hiring |
|---|---|---|
| Food | 200,000 | 125,000 |
| Tobacco | 7,000 | |
| Textiles | 16,000 | 78,000 |
| Apparel | 380,000 | 198,000 |
| Lumber | 12,000 | 44,000 |
| Furniture and finished lumber | 25,000 | 13,000 |
| Paper and allied products | | 12,000 |
| Printing and publishing | 200,000 | |
| Chemicals | 2,000 | 2,000 |
| Petroleum and coal | 1,000 | |
| Rubber | | 2,000 |
| Leather | 20,000 | 40,000 |
| Stone, clay, and glass | 20,000 | 25,000 |
| Iron and steel | 30,000 | 20,000 |
| Nonferrous metals | 22,000 | 10,000 |
| Electrical machinery | 13,000 | 6,000 |
| Machinery, excluding electrical | 7,000 | 49,000 |
| Automobiles | 2,000 | 1,000 |
| Transportation equipment | 313,000 | 79,000 |
| Miscellaneous | 16,000 | 9,000 |
| Total | 1,286,000 | 713,000 |

In 1945 there were approximately 2,000,000 nonmanufacturing workers under closed-shop provisions and 19,000 under union shop with preferential hiring. Included in this group are employees in construction, trucking, warehousing, services, clerical, sales and professional occupations, mining, transportation, communications and public utilities. For manufacturing and nonmanufacturing together there are about 3,500,000 workers under closed shop and about 750,000 workers under union shop with preferential hiring.

Mr. MORSE. Mr. President, what does S. 360 do to the duty to bargain collectively? Section 8 (5) of the Wagner Act has always been thought of as one requiring employers to bargain in good faith. Usually the test of this formula was the making of counterproposals. As Chairman Herzog explained in detail to the committee, concessions are not necessary; neither are agreements. But an open mind, ready and willing to discuss in good faith, is necessary. S. 360 would only require meetings for the purpose of conferring. It does not even require that the employer actually confer. All he has to do is to sit and listen.

Mr. President, over the years I have watched the technicians and the literalists on both sides of the collective-bargaining table, and I have noted that they are always fast on the trigger when it comes to shooting at the literal meaning of either a law or a decision or a contract. There are employers that will say, "I met for the purpose of conferring, and that is all the law says I have to do."

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

Mr. MORSE. I yield.

Mr. CAPEHART. I was wondering if the able Senator from Oregon believes in collective bargaining for political parties. I mean by that, does the Senator believe that Republican or the Democratic Party caucuses should be held, with a majority vote binding the party?

Mr. MORSE. If I have not made my position perfectly clear to the Senator from Indiana, let me do so now: Here is one Republican who will never be bound by any vote taken in a Republican caucus in the Senate of the United States.

Mr. CAPEHART. Am I to understand the Senator to mean that if he were a member of a union, he would refuse to be bound by the collective-bargaining agreement and would refuse to join a closed shop?

Mr. MORSE. Not if I were a member of a union; but I think it is rather novel for the Senator from Indiana to inject into this discussion the idea that the Republican Party is a union.

Mr. CAPEHART. We are employees of the people, and we hold a responsibility for the success of the party as a whole. I was merely wondering why the same collective-bargaining principle would not apply to a political party. If it is a good thing for the workers, it certainly should be a good thing for the politicians.

Mr. MORSE. The reason why that does not hold is because the situations have not elements in common which would make the analogy applicable. I am sure the Senator from Indiana knows that, but I am happy to let him have his fun.

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

Mr. MORSE. I yield.

Mr. AIKEN. Is it not a fact the Members of Congress are employees of the Government? Has the Senator from Oregon advocated collective bargaining between the Government and its employees yet?

Mr. CAPEHART. Does not the able Senator from Vermont agree with me that a member of a party owes some responsibility to the party, and that he is part and parcel of the party?

Mr. MORSE. The Senator from Oregon agrees with the Senator from Indiana on that.

Mr. CAPEHART. And does the Senator agree that he should be bound by a majority of votes of the party? Is not that collective bargaining? Is not that the principle of trade unionism?

Mr. MORSE. It is the last statement of the Senator from Indiana with which the junior Senator from Oregon does not agree. But I may say to the Senator from Indiana that, in order to show his appreciation of the responsibility of individual members of a party to the party, in the 1946 elections the junior Senator from Oregon campaigned, as I believe the count will show, in about 15 States.

Mr. CAPEHART. I do not question that.

Mr. MORSE. Let me finish the sentence. And the junior Senator from Oregon did so because he was a member of the elections committee of the Republican Party of the United States Senate. In 1948 he will be campaigning for the party again. But he is not going to take the position that because he is a Republican Member of the Senate he must vote on issues contrary to his convictions; nor is he going to let the chairman of the National Republican Committee, even by a cleverly worded editorial, indicate that when a Member of the Senate does not take orders from the so-called Republican quarterbacks he is committing an offense against the Republican Party. I hope we have not reached the time in American politics when a member of the Republican Party cannot stand on the floor of the Senate for his principles, and vote in keeping with his convictions.

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

Mr. MORSE. I am glad to yield.

Mr. CAPEHART. I should like to say that I hope we have not arrived at the point in the United States when a man in order to obtain work must join a union, and in order to hold a job must join a union. I hope likewise we have not arrived at a point in the Senate when a man must follow the dictates of his party, but I say that there is a parallel between what I am trying to state and a caucus, or collective bargaining, in the Senate or in a party.

If the able Senator from Oregon belonged to a union he would be denied the rights that he is given in the Senate and that are accorded him by the Republican Party. I say that the able Senator from Oregon would not make a good union member, because he is an individualist; he wants to say what he pleases, when he pleases, and to work for whomsoever he pleases. If he were a member of a union, today he would be unable to do that, and, unless he joined a union, in literally thousands and thousands of shops in America today, the Senator would not be able to secure a job.

I hope the time has not arrived, likewise, when a man within the United States must join a union in order to be able to obtain work. When that time arrives, then, in my opinion, we shall have arrived at a time when we have given up our liberty and our freedom.

Mr. MORSE. Mr. President, I shall do everything I can to see to it that the Senator from Indiana shall have the right to vote whatever views he cares to within the Republican Party, and I appreciate the fact that by implication at least he admits I should have the same right.

What does Senate bill 360 do about the duty to bargain collectively? Before the last colloquy took place I stated that under the provisions of S. 360 there is the duty on the part of the employer to meet for the purpose of conferring, and I was suggesting that I thought a great many employers not particularly sympathetic with organized labor would be literalists with regard to that language. The language does not even require that the employer actually confer. All he has to do is to sit and listen. Bargaining thus becomes a sham. A recalcitrant employer leaves the union with no choice except to strike. This results in a strange situation, indeed. If the employer refuses to meet at all, the Board may find an unfair labor practice. The results of striking against this conduct are, as pointed out above, perilous. And yet if the employees do go to the Board, all the Board can do after a hearing and enforcement in the circuit court of its order, is to require the employer to meet, which is hardly any inducement to offer the employees in return for subjection to such a cumbersome and lengthy procedure. A strike with all of the perils present and risks involved, is more likely to appear to achieve the desired effect—genuine collective bargaining.

If, somehow, in spite of S. 360, a collective-bargaining agreement is reached, more peril is in store for the union as the representative of the employees. Although its agreement covers all employees within the unit, S. 360, unlike the Wagner Act, permits individuals or minority unions to make side deals with the employer, without the participation of the exclusive bargaining agent, which might well undermine the representative position of such a union.

This is not an exhaustive picture of all of the remedies limited or abolished by S. 360. However, it can be seen, in summary, that substantial parts of the heart of the Wagner Act are gone. So, also, are all methods of union security and an effective right to strike. What is left, the Board may still enforce, with such powers as remain in its hands after it has been split in two, deprived of much of its assistance from its staff, and subjected to more rigid control from the Circuit Court of Appeals.

Only a shell of the original Wagner Act is left and a badly cracked shell at that in the form of S. 360. I would call S. 360 an attempt to repeal the Wagner Act by emasculation. Antiunion employers who are advocating the outright repeal of the Wagner Act can accomplish to all intents and purposes their objectives by working for the passage of S. 360. Effective protection of American workers

through law from the unfair labor practices of employers will be destroyed if S. 360 becomes law. Do we want to go back to employer tactics that were exercised with impunity before the Wagner Act was passed in 1935? If anyone really thinks that such a step backward will produce labor peace in America the events which will follow the passage of S. 360 will prove him dead wrong.

S. 360 has been greeted by some as a new charter of rights for employers. It has been assumed that it equalizes the Wagner Act. These statements should be carefully examined and the practical effects thoroughly analyzed.

Under S. 360 employers may, as they cannot now under the NLRB's regulations, petition the Board for an election if they have been presented with a claim to be recognized by a labor organization claiming to be the representative of a majority of employees within a particular unit. I do not oppose this change, in principle, and shall later on in this speech offer a provision along the same lines.

S. 360 permits employers to file charges against labor organizations or their agents for: First, interfering with, restraining, or coercing employees in the exercise of their rights guaranteed in section 7; and second, refusing to bargain collectively with an employer, provided it is the majority representative of his employees. Here, again, I am in general agreement, except that I think much of the so-called coercion by unions of workers can more effectively be handled at the State level, rather than making a national police court of the National Labor Relations Board.

Another major change effected by S. 360 is that relating to separation of functions. Under the National Labor Relations Act the Board is made the exclusive agency for the enforcement of the act. It is charged with the exclusive responsibility for administering that law, from the investigation, trial, and decision of cases to the institution of enforcement proceedings in the courts. It is now proposed, however, to divide this responsibility between the Department of Justice and the Board by transferring to a division of the Department of Justice the duty and responsibility for administering all phases of the act except hearing and deciding cases which the Department determines to institute.

I am opposed to this proposal for three reasons: First, because I believe it would result in a complete break-down of administration of the act and protection of the legitimate rights of labor under the act; second, because I am convinced that the separation of functions proposed is entirely unnecessary to protect private parties who appear before the Board against abuses; and, third, because I believe the proposal unfairly singles out the Board among all the Government agencies for special treatment and separation.

I may say, Mr. President, that this is one of the most difficult subjects with which I have tried to wrestle, not only so far as the National Labor Relations Board is concerned but as concerns procedure under administrative law machinery. I strongly believe that in executive agencies there must be a separation of the so-called judicial function from administrative and prosecuting functions. For a time I worked on a proposed amendment, which I finally discarded, to set up an administrative director of the National Labor Relations Board under whose office all questions of administration and prosecution would come. Why did I discard it? I did so because I found I had committed an error which I am suspicious other Members of the Senate may have committed. It was an error of not giving due consideration to the Administrative Procedure Act which was passed in the Seventy-ninth Congress; for when I took that act and proceeded to study the actual reforms conviction of mine about what ought to be done with the Wagner Act. At brought about in connection with the separation of powers within our Administrative law tribunals, I had to throw away what had up to that time been a least I had to take the position, in all fairness, that the bill which was passed last year ought to be given a trial. I think we now must have proof that the main objective which we had in mind, namely the separation of judicial and prosecuting functions was not accomplished by the law we have already put on the books.

That law has had an interesting history. It was considered by the Administrative Law Committee of the Attorney General when Mr. Justice Jackson was Attorney General. Members of the Senate will find an excellent report which was prepared after long study and work by the Attorney General's committee. The principles of that report in the main were enacted into law by the Seventy-ninth Congress in the Senate, under the able leadership of the great Senator from Nevada [Mr. MCCARRAN].

Furthermore, over the years the American Bar Association Committee on Administrative Law Procedure has worked on the subject. The findings of that committee on the question of separation of functions were incorporated in principle in the law which we passed last year. The consensus of opinion of the great lawyers who have worked during the years on this problem is that the law which we passed on their recommendation should be applied to all administrative law tribunals. That is why I say that my third reason is that I believe it would be unfair to single out the National Labor Relations Board among all the Government agencies that deal in the field of administrative law, and say that this is the one and only agency which ought to receive different treatment. I am making these statements because I want the RECORD to show my explanation as to why I have changed a previously held opinion on this subject. I hope I shall never reach the point where I cannot be convinced by the facts and the law that my position on any issue is erroneous. At least I have been sufficiently convinced on this point to satisfy me that we ought to put to trial the Administrative Law Procedure Act passed by the Seventy-ninth Congress before we adopt such a proposal as is made in Senate bill 360, whereby a part of the functions would be transferred entirely to the Department of Justice.

The serious disadvantages of a dispersion of authority and responsibility for administering the National Labor Relations Act seem almost too clear for argument. Instead of one agency charged with making and executing the policy, we would have two. Obviously, both would have to be sympathetic to the basic purposes of Congress announced in the act. Both would have to be familiar with the numerous economic, social, and legal problems which a law protecting self-organization and collective bargaining raises. And both would have to have the specialized knowledge and special training which these problems require to handle them. Otherwise, there would inevitably be constant friction and application of divergent policies between them.

The Department of Justice, however, is the law office of the Nation. It is not a body of labor relations experts. To require it to take over the functions of labor relations experts and to absorb into its personnel field examiners and labor relations specialists now employed by the Board, very few of whom are lawyers and none of whom are required to be lawyers, would change its whole character and complexion.

But even if we assume that the Department of Justice could be adequately staffed and organized to assume these novel functions that are wholly foreign to its true character and business, the consequences of the dispersion of responsibility for administering the act would still be tragic, in my opinion. The Department of Justice, for example, might adopt one policy for dealing with the problem of raiding by unions. The Board, on the other hand, might adopt a different policy. Or the Department of Justice might adopt a policy for handling and discouraging stale and harassing charges, whereas the Board might prefer a different policy. Inevitably there would be pulling and hauling between the two.

Moreover, cease and desist and other orders which the Board issues are not self-executing. There are no sanctions which they carry to compel obedience to them until a circuit court of appeals reviews and enforces them. But the Board would have no control over the institution of proceedings for enforcement of its orders. Instead, the Department of Justice would decide in each case whether or not the order should be enforced. Accordingly, Board orders which the Board might regard as very important would be completely meaningless and unenforced unless the Department of Justice agrees with the remedy the Board had ordered and that the case was one which should be pressed in the courts. This would leave final enforcement of the statute entirely to the Department of Justice and not to the Board.

There would also be other serious disadvantages, I believe, not only to the public, but to private interests. The Board would not be able, for example, to prevent the institution and trial of cases which it knows in advance it will surely dismiss. If only to save itself time and money, the present Board will not permit such cases to be pressed today. Moreover, private parties will be less likely to accept informal settlement of

cases and will prefer to litigate them if the settlement negotiations are with prosecutors who cannot turn to the Board for the applicable policy. Board statistics, it seems to me, are very illuminating on this score. These show that less than 15 percent of the cases filed ever go to formal complaint, hearing, or adjudication by the Board. Under the division of functions, however, many more of these cases would certainly be litigated because there could not be the same sure sifting and weeding process applied to the cases. The result would be more delays, intolerable to employers and unions, added governmental expense at a time when we are making every effort to economize, and unnecessary harassment of private parties by litigation which could be wholly avoided if there were a coordinated policy.

These advantages of a single coordinated responsibility for administration over dispersed and dual responsibility are not hypothetical. Congress had had experience with both kinds of administration when in 1935, in enacting the National Labor Relations Act, it deliberately selected the single coordinated type of administration. Congress had before it at that time the wholly satisfactory experience of other administrative tribunals, notably the Interstate Commerce Commission and the Federal Trade Commission, which had a single unified system of administration. Congress also had before it the experience under the NRA, where court enforcement was obtained through the Department of Justice. That experience showed that only one suit was brought out of 33 referred to the Department of Justice for enforcement. It led Chairman Biddle to testify—

> The system under which we are working and the machinery under which we are trying to enforce the law makes inevitable the break-down of legal enforcement—

And that—

> the division of responsibility creates chaos. (Testimony of Chairman Biddle before Senate Committee on Education and Labor, holding hearings on S. 1958, 74th Cong., 1st sess., pp. 93–95.)

Congress then, wisely as I believe, decided "to dispel the confusion resulting from dispersion of authority and to establish a single paramount administrative or quasijudicial authority"—report of Senate Committee on Education and Labor on Senate bill 1958, Seventy-fourth Congress, first session, page 15. See also pages 5, 8, 14–15. It seems clear to me that every reason for making that decision then applies just as fully today.

The second basic reason for my opposition to the proposal to bifurcate the Board is my conviction that such a separation is entirely unnecessary to protect the rights of parties before the Board.

The Board, like other similar administrative agencies is, of course, subject to the provisions of the Administrative Procedure Act of 1946. This act is the culmination of more than 10 years of the most intensive and well-informed study of the operations and procedures of administrative agencies, including the National Labor Relations Board. These studies and proposals were made and conducted in the executive department of the Government, the legislative department, before many congressional committees, by organizations such as the American Bar Association, and by many private practitioners and students of the subject. One of the sponsors of the legislation, Mr. Carl McFarland, chairman of the American Bar Association's special committee on administrative law—see Legislative History of the Administrative Procedure Act, Senate Document No. 248, page 79—described this very problem of the separation of functions as the subject that had evoked most comment, criticism, and study. Upon the basis of these careful and informed studies and proposals from every quarter, including proposals for complete separation of agencies, the Congress recognized the inherent administrative difficulties which would result from a complete separation and it deliberately selected a different method for safeguarding the rights of parties against the abuses which might flow from mingling functions—statement of Senator McCarran, chairman of the Senate Committee on the Judiciary, discussing the Administrative Procedure Act on the floor of the Senate, Legislative History of Administrative Procedure Act, Senate Document No. 248, page 299.

The scheme of separation of functions which Congress enacted last year in the Administrative Procedure Act is applicable to the Board and to all other agencies. Its provisions adequately "assure that no investigating or prosecuting officer shall directly or indirectly in any manner influence or control the operations of hearing and deciding officers, except as a participant in public proceedings, and even then in no different fashion than the private parties or their representatives"—Senate Document No. 248, pages 262, 203. The plan of protection includes, in general, provisions for detailed and carefully thought-out basic procedures for the conduct of hearings and formulation of decisions.

There is also required a complete separation within each agency, including the Board, of all persons who participate or have anything to do with investigating and trying cases and persons who participate in or are consulted about the decision of cases. Hearing officers are also given a more important status. Instead of merely sitting to conduct a hearing and receive evidence, the Procedure Act requires that these hearing officers make either the initial or recommended decision of the cases in which they preside, and the new law insures that these decisions shall reflect the examiners' genuinely independent views by providing new and very specific machinery for their independence and security of tenure and salary during good behavior. This enhanced status and security is protected by the Civil Service Commission and is made independent of the recommendations or rating of the particular Government agencies to which the trial examiners might be attached. See sections 5 (c) and 11 of the Administrative Procedure Act; statement of Senator McCarran, Legislative History of Administrative Procedure Act, Senate Document No. 248, pages 299, 327; reports of Senate and House Committees on the Judiciary, pages 193, 246.

In this way, it was agreed on both sides of this Chamber, private litigants would be fully protected against abuses and unfair, biased decisions in administrative agencies and, at the same time, the serious difficulties which would flow from a complete separation of the agencies would be avoided. We should not throw into the scrap heap this carefully approved and prepared scheme which was universally acclaimed in all quarters as a correct solution less than 1 year ago. I think it should be given ample opportunity to demonstrate whether the problems which have confronted us with regard to the separation of judicial and prosecuting functions of all our administrative agencies, the National Labor Relations Board included, will be solved by the Administrative Procedure Act.

Following the enactment of the Administrative Procedure Act the Board carefully reexamined its practices and procedures and issued revised rules and regulations designed to put them in full compliance with the letter and spirit of the new law. Certain changes were made. These changes were presented and discussed at a meeting with the leading attorneys from all parts of the country, including representatives of the National Association of Manufacturers, the United States Chamber of Commerce, the American Federation of Labor, the CIO, independent unions, and private firms of attorneys who frequently have business with the Board. No substantial complaints have been heard regarding the Board's procedures in so far as separation of functions is concerned.

Let us examine briefly these procedures of the Board, which unquestionably comply with the Administrative Procedure Act and fully protect private parties. Investigations and the trial of cases are handled by regional offices, far from the Board's central office in Washington, almost entirely on an autonomous and independent basis. If advice is desired as to hearing or trial procedure, special units of the field and legal divisions consider and give such advice. Where advice as to formal procedures is required, a special committee consisting of the Director of the Field Division and the Associate General Counsel in charge of field legal operations responds. None of these persons has anything to do with the decision of cases or with the supervision or control over Board personnel who have anything to do with the decision of cases.

The hearing of cases is conducted before trial examiners who constitute a special autonomous division of the Board under the direction and supervision of a Chief Trial Examiner. The Chief Trial Examiner is responsible directly to the Board and to no one else, and the findings of the trial examiners in unfair-labor-practice cases where they preside are normally adopted as the final Board decision unless one of the parties to the proceeding files exceptions which are found clearly to have merit. The Board is assisted in the decision of cases by a group of attorneys who operate as a general pool of law clerks to the Board members. These attorneys are completely

separated from personnel who have anything to do with the investigation and prosecution of cases, and they have no other function except to assist the Board in reviewing records.

These procedures seem more than adequate to insure the Board's bringing to the decisional process an impartial and dispassionate judgment free from the predispositions which the performance of investigations and advocacy might produce.

Finally, I am opposed to the proposed transfer of functions of the Board to the Department of Justice because I believe it unfairly singles out the Board for special treatment. I confess to a native sense of fairness which finds it repugnant to select the Board, without good reason, as the single pariah in whom, alone, of all the Government agencies, the mingling of functions operates to the prejudice of respondents. In view of the uniform application of the Administrative Procedure Act to all agencies, including the Board, and the clear compliance of the Board with its requirements, a claim that the combination of functions in a single agency is contrary to principles of justice can, for me, have no more pertinency to the Board than it has to the Interstate Commerce Commission, the Federal Trade Commission, the Securities and Exchange Commission, and similar administrative bodies. Yet no one, so far as I know, has seriously suggested the cleavage of these other agencies.

Under the Administrative Procedure Act, moreover, the procedures of all these agencies are made subject to the same basic requirements. They are all now subject to the same uniform system of administrative procedure and judicial review. I remember that on the floor of the Senate during the Seventy-ninth Congress a group of us fought for the establishment of the substantial-evidence rule in the act, and we were successful in having included in the act all agencies, including the National Labor Relations Board itself.

Under that law it is recognized that good practices for one agency are likewise good practices for other agencies that perform similar functions and have similar duties and responsibilities. Congress deliberately rejected all efforts to give special treatment to any agency. To me, this not only makes good common sense, but it seems the essence of fairness and uniform treatment.

If the Board and the procedures of the National Labor Relations Act are to have the confidence and respect of the public and the courts, which they must have, to operate effectively; if workingmen and their unions are to believe that their basic rights of self-organization and collective bargaining are protected and that self-help and strikes are unnecessary to achieve these rights; if the country is to know that we are not intent upon stifling these legitimate rights and aspirations of working people but that we mean only to correct abuses, not to create new injustices, we cannot afford to single out and remove from the general law and scheme of procedures applicable to all other agencies the one agency which deals with and is intended to protect these basic rights of labor.

Before concluding my remarks on Senate bill 360, I feel it necessary to refer to its impact upon the Clayton Act and the Norris-LaGuardia Act. I have previously referred to the effect of Senate bill 360 on the right to strike. As amended by Senate bill 360, section 13 of the Wagner Act would make any strike, an objective of which is to compel an employer to, first, bargain collectively with a labor organization or other person not certified as the representative of his employees under section 9; second, to remedy practices for which an administrative remedy is available under this act; or third, to violate a provision of this act or some other law of the United States unlawful and not protected by the immunities of sections 6 and 20 of the Clayton Act and not a labor dispute within the meaning of the Norris-LaGuardia Act.

The Norris-LaGuardia Act is an act limiting the jurisdiction of Federal courts sitting in equity in issuing injunction in labor disputes or in issues growing out of or involving a labor dispute. If a labor dispute is not in the picture, the act does not apply. Courts are then free to issue injunctions in the old-fashioned way. The Norris-LaGuardia Act provides that where a labor dispute is involved, courts can issue injunctions only under very specific conditions, after a procedure involving a hearing and the making of specific findings, and only in aid of an employer who has used every reasonable effort to settle the controversy and has complied with all of his legal obligations. The act also limits Federal equity judges in the form their decrees take and as to the specific action their decrees may restrain. Lastly, on trials for contempt of such decree, the defendant is entitled to a jury trial.

Section 6 of the Clayton Act provides as follows:

> That the labor of a human being is not a commodity or article of commerce. Nothing contained in the antitrust laws shall be construed to forbid the existence and operation of labor, agricultural, or horticultural organizations, instituted for the purposes of mutual help, and not having capital stock or conducted for profit, or to forbid or restrain individual members of such organizations from lawfully carrying out the legitimate objects thereof; nor shall such organizations, or the members thereof, be held or construed to be illegal combinations or conspiracies in restraint of trade under the antitrust laws.

Section 20 of the Clayton Act is a modified form of the Norris-LaGuardia Act, but is not so broad as the Norris-LaGuardia Act. It provides that United States district courts may not issue injunctions in cases growing out of disputes between employers and employees which enjoin the ceasing of work, peaceful persuasion, peaceful assembly, giving of strike benefits, "or from any act which might lawfully be done in the absence of such dispute by any party thereto."

These are the acts repealed by section 13 of the Wagner Act, as amended by Senate bill 360. If Senate bill 360 becomes law, there will be no reason why the various district courts cannot enjoin practically all types of activity in support of any strike. If the strike is not one for a remedy provided by the Board, the strike—because the strikers have lost their employee status—becomes one to force an employer to recognize a union no longer representing the employees.

Without the provisions of the Norris-LaGuardia Act, district judges will have power to decree what workers can say on the picket lines, what expressions they shall have on their faces when they speak to nonstrikers, where and how many of them can assemble together, the purpose of such assembly, and the number of such pickets, and so forth.

The right of trial by jury, thought by most Americans to be one of their basic rights, is not guaranteed in injunction cases. Violation of a decree is punishable by contempt, before a judge without a jury.

The repeal of section 6 of the Clayton Act means that labor is again a commodity. The concept that it was not, fought for over many years, led Samuel Gompers to characterize the words of section 6 as "hammer blows to the wrongs and injustices" so long inflicted upon the workers. If we repudiate the Clayton Act, the Norris-LaGuardia Act, and most of the Wagner Act, we shall have come full circle—back to 1912 and even further.

Another labor bill now pending before the Senate and upon which I wish to make a few remarks, is Senate bill 133, which seeks to prevent industry-wide collective bargaining. I do not propose to enter upon a detailed analysis of the bill at this time, but I wish to make clear on the RECORD, for future reference, that I think passage of this bill would be very disruptive of labor relations of this country along a good many fronts. I think it represents again a legislative attempt to destroy a proper right because of instances in which the exercising of this right has been abused. A false analogy is being drawn by the proponents of this bill between monopoly in business and alleged monoply in labor relations through industry-wide bargaining.

I have been unable to see anything common between monopolistic practices of big business where powerful business combines secure control of the supply or means of production of certain goods and then set up economic dictatorship over the prices that are to be charged for those goods and the terms and circumstances under which they are to be produced both as to quantity and quality, and, on the other hand, free collective-bargaining practices of unions and associations of employers whereby under master contracts, they work out an agreement covering wages, hours, and conditions of employment for the plants owned by the employer members of the association. Sometimes the contracts cover practically an entire industry, sometimes only a small segment of it, as I shall point out later. So-called industry-wide or multi-employer collective bargaining takes on a variety of forms; but to allege that such open and aboveboard free collective bargaining within the law, subject to all the checks of the Wagner Act, constitutes anything that even resembles monopoly, is very difficult for me to see.

I think it is very important that multi-employer collective bargaining with a union or a group of unions should not be binding upon any employers who are not members of the employers' association. It will be seen from the amendments to the Wagner Act which I am introducing today that I make very clear that employers not members of such associations shall not be bound by any so-called master contract to which they are not a party or to which they do not subsequently, through collective bargaining, voluntarily agree. I think the Members of the Senate need to analyze some pertinent facts concerning the extent of so-called industry-wide bargaining and the way it actually functions in practice before they jump to the conclusion that anything needs to be done about it as destructive as is proposed in Senate bill 133.

My years of work in the field of labor relations have taught me one thing, if they have not taught me anything else, and that is to make certain as to whether charges that are made against labor and employers in regard to any of their practices can be substantiated in fact, or whether they represent only motivations of prejudice and a desire to weaken the effectiveness of legitimate unionism and employer rights and, in this instance, employer rights to bargain with labor as a group.

Hence, a few weeks ago I wrote to the Secretary of Labor a letter asking him for assistance, through his staff, in collecting some objective data on various types of industry-wide bargaining and the extent to which it exists in this country. On January 24 he replied to my letter, in his usual fine, cooperative manner, by informing me that he had asked Mr. Boris Stern, of the Industrial Relations Branch of the Department of Labor, to compile the data for which I had asked.

I should like, Mr. President, to have incorporated in the RECORD as a part of my remarks at this point the letter which I received from Secretary Schwellenbach.

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

DEPARTMENT OF LABOR,
*Washington, January 24, 1947.*

The Honorable WAYNE MORSE,
*United States Senate,*
*Washington, D. C.*

DEAR SENATOR MORSE: Immediately upon receipt of your letter of January 17, we checked with the Bureau of Labor Statistics and found that the Industrial Relations Branch of the Bureau, under the direction of Mr. Boris Stern, has already prepared some material on Nation-wide and multicompany collective bargaining, which may prove useful to you. The material, however, is available in very rough form and I am suggesting that, at your discretion, Mr. Stern, whom you no doubt know, bring it to you personally, with the view of letting you have such parts of the data as you may need immediately, or, if necessary, prepare the material in a form most useful for your purposes.

I hope this approach will prove entirely satisfactory to you.

Sincerely yours,

L. B. SCHWELLENBACH.

Mr. MORSE. I feel, Mr. President, that not only I but every other Member of the Senate is indebted to the Secretary of Labor and to Mr. Boris Stern for the excellent work which has been done for us in compiling some very helpful information on industry-wide collective bargaining. I think each Senator should study this material very carefully before he reaches any final conclusion on Senate bill 133.

When I first talked to Mr. Boris Stern in regard to industry-wide collective-bargaining problems, I discovered that he was at work on a pamphlet which he hoped to have ready for release within a very few weeks. Just last Friday, March 7, this bulletin came off the press. Its title is "Collective Bargaining With Associations and Groups of Employers, Bulletin No. 897." I shall not take the time to read it to the Senate this afternoon, Mr. President, but I ask that pages 1 to 14 of the bulletin be printed in the RECORD at this point as a part of my remarks as exhibit 2.

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

[From Bulletin No. 897 of the U. S. Bureau of Labor Statistics]

COLLECTIVE BARGAINING WITH ASSOCIATIONS AND GROUPS OF EMPLOYERS [1]

Most of the examples of industry-wide bargaining in the United States are the product of generations of experience, and as a rule the employer-union relations in these industries have been remarkably stable and peaceful. In the pressed or blown glassware industry, one of the branches of glass and glassware having national bargaining, no major strike throughout the industry has occurred since collective bargaining began with an employers' association in 1888. Similar conditions have prevailed in the pottery industry since 1922. The 1946 contract between the National Automatic Sprinkler and Fire Control Associations and the United Association of Journeymen Plumbers and Steamfitters (AFL) is a revision of the original agreement of 1915; and the 1946 agreement between the Anthracite Coal Operators and the United Mine Workers of America (AFL) is a compilation of resolutions, revisions, rulings, and decisions dating back to 1903. Bargaining on an industry basis exists in the elevator installation and repair, installation of automatic sprinklers, pottery and related products, stove making, and wallpaper industries, and in coal mining.

Agreements covering all the employers in an industry within a geographic region are somewhat more numerous than those having application throughout an entire industry. Even more numerous are the instances in which associations or groups of employers are dealt with on a city-wide or metropolitan area basis. In this study, the existing extent and the areas of bargaining with associations and groups of employers are described. The most significant extension of this form of bargaining in recent years occurred during World War II in the shipbuilding industry. The metal trades department of the American Federation of Labor negotiated a master agreement during 1941 with Pacific Coast shipyards organized by unions affiliated with the AFL. Prior to this time, joint agreements had been signed by these unions on the West Coast with employers in a single city. In other industries, since 1939, the practice only widened in those that had used this method of dealing for many years. The number of workers covered by these agreements increased somewhat as more of the Nation's industry became organized and was brought under agreement. However, the relative proportion covered in most industries did not change greatly.

Few of the examples of collective bargaining on an industry, geographic, or city basis occurred in the mass-production industries, although a single agreement in the automobile industry, for instance, may cover many more employees than an association agreement covering every employer in an industry or trade within the same city. In mass-production industries, trends are developing toward standardized conditions in large segments of industries through corporation-wide collective bargaining. The efforts of unions are directed first toward bringing all the plants of a given large corporation, regardless of geographic location, within the scope of a single agreement. An example is the corporation-wide bargaining between the Ford Motor Co. and the United Automobile, Aircraft and Agricultural Implement Workers of America (CIO). Notwithstanding the great number of workers affected, corporation-wide bargaining differs widely from multi-employer collective bargaining which is the subject of the present study.

Early in 1947, more than 4,000,000 workers were covered by agreements negotiated between trade-unions and associations and groups of employers. These are about equally divided between manufacturing and nonmanufacturing industries. Approximately a fourth of all workers covered by union agreements in manufacturing and a third of such workers in nonmanufacturing are working under agreements negotiated with groups or associations of employers. The agreements were negotiated by one or more unions (1) with a formal or informal association of employers or (2) with informal multi-employer groups. In presenting the information on agreements, no attempt was made to distinguish between agreements with associations and with other multi-employer groups. Identical agreements signed by separate employers with the same union were included, if there appeared to have been negotiations with a group or committee of employers.

WORKER COVERAGE OF GROUP BARGAINING

In table 1, the extent of association and employer-group bargaining is shown, based upon the percent of total workers under agreement in the respective industries.

TABLE 1.—*Percent of all workers under agreement who are covered by agreements with associations and groups of employers, by industry*

EIGHTY TO ONE HUNDRED PERCENT

Clothing, men's; clothing, women's; coal mining; laundry and cleaning and dyeing; longshoring; maritime; shipbuilding and boatbuilding.[a]

SIXTY TO SEVENTY-NINE PERCENT

Baking; book and job printing and publishing; canning and preserving foods; construction; dyeing and finishing textiles; glass and glassware; malt liquors; pottery and related products; trucking and warehousing.

FORTY TO FIFTY-NINE PERCENT

Building service and maintenance; leather products, other; newspaper and periodical printing and publishing.

[1] Prepared by Roy M. Patterson and the staff of the Collective Bargaining Division of the Bureau's Industrial Relations Branch, under the general supervision of Harold S. Roberts, chief. Special credit is also due for the contributions made by Abraham Weiss, Jesse Carpenter, and Philomena Marquardt.

[a] During World War II most of the industry was covered by tripartite zone standard agreements, signed by representatives of unions, employers, and certain Government agencies. The principal association agreement other than the zone standard agreements is between Pacific coast shipbuilders and the metal-trades department of the AFL, covering yards organized by AFL unions.

TWENTY TO THIRTY-NINE PERCENT

Beverages, nonalcoholic; hosiery; hotels and restaurants; jewelry and silverware; lumber; shoes, cut stock and findings; trade.

ZERO TO NINETEEN PERCENT

Agricultural machinery and tractors; aircraft and parts; automobiles and parts; bus and streetcar, local; bus lines, intercity; carpets and rugs, wool; cement; chemicals, excluding rayon and allied products; clerical and professional, excluding transportation, communication, theaters, and newspapers; cotton textiles; confectionery products; crude petroleum and natural gas; dairy products; electrical machinery, equipment and appliances; flour and other grain products; furniture; knit goods, except hosiery; leather (tanned, curried and finished); light and power; machinery and machine tools; meat packing; metal mining; motorcycles, bicycles, and parts; newspaper offices; nonferrous metals and products, except jewelry and silverware; nonmetallic mining and quarrying; paper and pulp; paper products; petroleum and coal products, except refining; petroleum refining; railroad equipment; rayon and allied products; rubber products; silk and rayon textiles; steel, basic; steel products; stone and clay products, other; sugar, beet and cane; telegraph service and maintenance; telephone service and maintenance; tobacco manufactures; woolen and worsted textiles.

AREA COVERAGE OF GROUP BARGAINING

The industries are classified by area of bargaining in table 2.

TABLE 2.—*Area of bargaining with associations or groups of employers, by industry*

BARGAINING ON A NATIONAL OR INDUSTRY-WIDE SCALE

Coal mining, elevator installation and repair, glass and glassware, installation of automatic sprinklers, pottery and related products, stoves, wall paper.

BARGAINING BY GEOGRAPHIC (REGIONAL) AREAS

Canning and preserving foods [a]; dyeing and finishing textiles [a]; fishing; hosiery; leather (tanned, curried, and finished) [a]; longshoring [a]; lumber [a]; maritime; metal mining; nonferrous metals and products, except jewelry and silverware [a]; paper and pulp; shoes, cut stock and findings.[a]

BARGAINING WITHIN A CITY, COUNTY, OR METROPOLITAN AREA

Baking; beverages, nonalcoholic; book and job printing and publishing; building service and maintenance; clothing, men's [b]; clothing, women's [b]; confectionery products; construction; cotton textiles; dairy products; furniture [b]; hotel and restaurant; jewelry and silverware; knit goods; laundry and cleaning and dyeing; leather products, other; malt liquors; meat packing; newspaper printing and publishing; paper products, exept wall paper; silk and rayon textiles; steel products, except stoves [b]; tobacco; trade [b] trucking and warehousing.[b]

APPROACH TO STANDARDIZATION OF WORKING CONDITIONS

One of the major efforts of labor unions in this country has been directed toward the standardization of working conditions throughout an industry or area, in order to lift substantial wages and to eliminate or reduce the factors of wages and hours in competitive costs. One of the ways the labor movement has sought to attain this objective has been by pressing for Federal or State legislation for the protection of certain groups of workers or to establish minimum standards applicable to all workers. Legislation has been sought especially for women and minors on the ground that the interests of society as a whole require that the health and welfare of these groups of workers be protected, and also because they often are in a weak bargaining position and might be used to lower the standards of all workers. Certain minimum standards of health, safety, and sanitation were established by legislation when large sections of the population felt a need for such, and the labor movement from time to time has favored legislative action as the most effective remedy for problems of health and safety. Under the Fair Labor Standards Act, minimum wage and hour standards have been established in much of American industry, thus raising the area of collective bargaining on these issues to higher levels.

Prior to World War II the approach to standardization of wages and working conditions throughout governmental action was secondary as far as American trade-unions are concerned. Organized labor in this country has directed its chief efforts toward standardization by means of collective bargaining. For this reason the labor movement generally has encouraged parallel organizations of employers for collective-bargaining purposes, in order to obtain extended coverage under one agreement. In some industries the employers also have favored the extension of uniform wages and working conditions by making the terms of a collective-bargaining agreement applicable to a large segment of an industry. When collective bargaining with groups or associations of employers has proved impracticable or impossible, some unions have utilized the technique of presenting identical agreements to the employers within an industry or competitive area. This latter method usually is practicable only in instances where there are a large number of small employers, particularly within a metropolitan area.

Although industry-wide trade associations have come to be a common characteristic of American business, the scope of employer groups or associations engaged in collective bargaining is generally much more limited. Within an industry, employers may be organized for purposes of collective bargaining on a city, regional, or in a few instances, Nation-wide basis, or two or more such employer organizations may exist in the same area. As a rule, the unions work toward the extension of the collective-bargaining agreement to as wide a section of the industry as possible. In a number of cases the unions and employer organizations together have directed their efforts toward bringing unorganized sections of the industry within the scope of collective-bargaining agreements. A necessary corollary of dealing through employers' associations is a high degree of unionization among the employees.

During World War II, industry-wide production drives, settling of labor disputes by the National War Labor Board on the basis of industry or area practice, and the Government's wage stabilization policies all contributed to standardization of wages and working conditions throughout the industries or areas. Directives of the National War Labor Board were influenced by precedent and prevailing practices in the industry or area and many agreements in the same industry came to have similar provisions on certain subjects. Frequently an order of the Board would affect several employers and the substance of the order would be incorporated into union agreements the employers might have negotiated, without regard to the existence of an employers' association. In the shipbuilding industry, in which a stabilization commission was established, tripartite zone standard agreements were negotiated, covering a limited number of subjects. The parties to the agreements were the Government itself and most of the employers and unions in the industry. The shipbuilding industry in the United States was divided into four zones, in each of which the zone standards determined practices with regard to those subjects covered by the agreements.

The attention directed to a few national associations with long records of collective bargaining should not be permitted to obscure thousands of employer organizations which have negotiated agreements on a regional or metropolitan basis and which affect hundreds of thousands of workers. These employer groups vary widely as to type, structure, procedure, and scope of activity. Some are temporary and highly informal, with no tangible evidences of permanent organization. Others have complex structures with elaborate constitutions and a staff of full-time employees. Between these extremes there are wide variations in organization, procedures, and functions.

NATION-WIDE COLLECTIVE BARGAINING IN THE COAL INDUSTRY

In anthracite mining a single agreement is signed to cover the entire industry. In bituminous-coal mining, the union negotiated agreements with the operators in the central competitive field (Ohio, Indiana, Illinois, and West Virginia) from 1898 until 1927. The agreement for this area set the pattern for negotiations in other areas between districts of the union and local associations of coalmine operators. The interstate bargaining relationship in the central competitive field collapsed in 1927 and was not reestablished until after the passage of the National Industrial Recovery Act. In 1934 an agreement was signed with the operators in the Appalachian area which served, as the previous interstate agreement had, as a pattern which the remainder of the industry generally followed. Districts of the United Mine Workers of America negotiate agreements with parallel associations of employers, which follow the terms of the Appalachian agreement. In 1941 the northern and southern groups of operators in the Appalachian area signed separate agreements with the union, and unified negotiations were not reestablished until 1945. In that year, the first industry-wide agreement in bituminous-coal mining was negotiated.

Following the break-down of negotiations between the union and the operators in the spring of 1946, which led to a Nation-wide soft-coal strike, and the rejection by both the union and the operators of President Truman's May 16 arbitration proposal, the President on May 21 authorized and directed the Secretary of the Interior to take over the mines. On May 29 an agreement was signed by John L. Lewis, president of the union, and J. A. Krug, Coal Mines Administrator and Secretary of the Interior. The agreement covered all the mines which were seized.

NATIONAL BARGAINING ON THE RAILROADS

The traditional bargaining unit in railroad transportation is the individual railroad system. The workers are organized on the basis of craft, and agreements with the various systems are negotiated by each craft union or by "system federations" of shop craft unions. Although the regular working agreements continue to be signed by systems, on occasion certain specific questions of major importance, as wages, have been settled on a Nation-wide basis. Negotiations are generally conducted by the nonoperating unions (clerical, maintenance, and shop crafts) and by the operating unions (train and engine service) separately with representatives of the railroads selected on a regional basis.

OTHER INDUSTRY OR TRADE-WIDE BARGAINING

The American examples of trade-wide bargaining of longest status occur in the pottery and glassware industries. Since the early years of this century, an annual meeting has been held between the representatives of the United States Potters' Association and the National Brotherhood of Operative Potters. The current agreement between these parties, for example, continues a provision for

[a] There also is some bargaining on a city, county, and/or metropolitan area basis.

[b] There also is some bargaining on a regional and/or industry-wide basis.

joint discharge committees first set up in 1913. Since 1888 the National Association of Manufacturers of Pressed and Blown Glassware, or its predecessor, has been meeting with the American Flint Glass Workers Union. The "Star Island Agreement" of 1903 established a grievance procedure which still is utilized in this industry. The Glass Bottle Blowers' Association of the United States and Canada signed its first national agreement in 1890 and currently has an agreement with the Glass Container Manufacturers' Institute which affects several thousand employees in the industry.

In each of these cases the bargaining agreements are confined chiefly to detailed piecerate schedules, although a considerable body of "unwritten law" has developed to supplement the national agreement in governing employer-employee relations within a plant. Originally, the trade-wide bargaining was established to regulate the working conditions of highly skilled craftsmen within these industries. With the development of technological changes, one skilled occupation after another has been eliminated. As a result, the unions have extended their jurisdiction to include a major part of the workers in and around the plants and these skilled and semiskilled employees are now covered in the national agreements to the degree that they are unionized. In the glassware industry, however, there are some companies which have negotiated separate agreements. In the pottery industry virtually all of the vitreous and semivitreous branches of the industry are covered by the association agreement.

A different kind of bargaining relationship has been built up in the manufacture of flat glass. By far the major part of the production in this industry is centralized in two large producing companies. These companies, the Pittsburgh Plate Glass Co. and the Libby-Owens-Ford Glass Co., negotiate their agreements jointly, both with the Window Glass Cutters League (AFL) and the Federation of Glass, Ceramic, and Silica Sand Workers (CIO), but each company signs separate, identical agreements. The two companies also collaborate in the administration of the agreement to insure uniform patterns of interpretation. Most of the other manufacturers are organized into the Fourcault Manufacturers' Association, which negotiates the agreement with the unions.

There are a few other instances of industry-wide dealing, each of them originating from the efforts of a highly skilled craft to protect its conditions of employment. Among these are the Wallpaper Institute and the United Wallpaper Craftsmen and Workers of North America, covering wallpaper printing; the National Automatic Sprinkler Association and the United Association of Journeymen Plumbers and Steamfitters of the United States and Canada, covering sprinkler fitting; and the Manufacturers Protective and Development Association and the International Molders and Foundry Workers Union of North America, covering stove-molding and hot-water castings.

Employers engaged in the manufacture of paper-mill wire cloth sign similar agreements with the American Wire Weavers' Protective Association. Another instance of trade-wide bargaining occurs in the installation, repair, and maintenance of elevators. Although wage rates are negotiated locally, other working conditions are regulated by conferences between the National Elevator Manufacturing Industry, Inc., and the International Union of Elevator Constructors. A standard agreement is used in all localities, with the locally negotiated rates inserted as agreed upon.

The manufacture of wooden kegs and barrels should also be mentioned as an instance of national conferences between the employers and the union. The conferences, however, have resulted in no agreement on an industry scale, and discussion of working conditions has been of far less importance than mutual discussion of trade-promotion plans.

### INDUSTRY-WIDE BARGAINING IN MASS-PRODUCTION INDUSTRIES

In the more recently organized, mass-production industries there are at present no examples of industry-wide collective bargaining resulting in a single union agreement covering the full range of employer-union relations. In a few such industries, however, certain bargaining relationships have come into existence which produce considerable uniformity in the agreements throughout an industry. In the rubber industry, for example, a wage-increase agreement was signed on March 2, 1946, by the four largest manufacturers, which affected a large proportion of the workers in the industry. This so-called Big Four agreement is limited in scope to a few subjects; it differs from the usual union agreement also in that it does not have the customary provisions relating to termination and renewal. The agreement provides: "This agreement shall finally dispose of all issues covered in these negotiations including all of the union's seven-point program for a period of 1 year except that during this 1-year period the general wage scale shall be subject to negotiation of conditions economically and in the industry warrant, but only on a four-company (Big Four) basis." If this joint relationship of the four corporations with the United Rubber, Cork, Linoleum, & Plastic Workers of America is continued in the future, it may be possible to describe the collective bargaining in this industry as approaching industry-wide negotiations.

A degree of standardization has been achieved in the meat-packing industry through the medium of uniform expiration dates of the agreements with the principal packers. Certain agreements affecting a large number of workers negotiated by the United Packing House Workers of America (CIO) and by the Amalgamated Meat Cutters & Butcher Workmen of North America (AFL), covering various plants of the four largest corporations in the industry, have expired on the same day each year for several years.

### NEGOTIATION OF SIMILAR AGREEMENTS IN THE STEEL INDUSTRY

In the basic steel industry in the United States there is no employers' association which engages in collective bargaining, yet a great deal of standardization in industrial relations has occurred in recent years. The industry is composed of two dominant groups of employers, one known as Big Steel and the other as Little Steel. The first includes the United States Steel Corp. and its subsidiaries, and the second is made up of a number of independent companies. The Steel Workers Organizing Committee, now the United Steelworkers of America, first signed written agreements with the United States Steel Corp. in 1937 and since then, with a few exceptions, practically all of the basic steel industry has been brought under agreement. Even though there is no bargaining by employers' associations, the major provisions of agreements throughout the basic steel industry are similar. This degree of uniformity is occasioned by a number of factors, first among them probably being the predominant position of the United States Steel Corp. Agreements with this corporation tend to set the pattern for the rest of the industry. Also, by long-established practice the same wage adjustments generally are made throughout the industry at the same time. During World War II directives of the National War Labor Board, which generally were applicable to large sections of the industry, further encouraged the growth of uniform collective-bargaining practices. The United Steelworkers of America, the most important union in the industry, also tended to bring a degree of uniformity into the bargaining relationships and practices. Agreements with most of the employers in the basic steel industry will expire in February 1947, and negotiations are in process for new agreements. (Since this was written the parties have agreed to extend the agreements until April 30, 1947.)

### COLLECTIVE BARGAINING BY GEOGRAPHIC AREAS

In the hosiery industry a bargaining relationship has existed between the Full-Fashioned Hosiery Manufacturers of America, Inc., and the American Federation of Hosiery Workers since 1927. The employers' association, originally covering only Philadelphia mills, now covers a major part of the northern section of the full-fashioned hosiery industry. Conferences occur annually, with occasional additional meetings on specific subjects. Under the agreement the joint relations are administered by a permanent impartial chairman.

In the textile industry there are association agreements between the Textile Workers' Union of America and associations of silk and rayon mills in a number of States. A joint arrangement of longer standing exists in the dyeing and finishing of textiles in nonintegrated mills. In cotton textiles in Massachusetts and in knit goods in Philadelphia and New York many of the employers are members of associations which negotiate union agreements.

Maritime workers usually deal with employer organizations which represent the shipping operators on a given coast. Practically all the union agreements in the maritime industry are negotiated with associations or informal committees representing the employers. On the Pacific coast the companies are organized into the Pacific American Shipowners' Association. On the Atlantic and Gulf coasts the most recent agreements were negotiated and signed by a committee for companies and agents, Atlantic and Gulf coasts, most of the members of which are also members of the American Merchant Marine Institute.

The Waterfront Employers of the Pacific Coast embraces employers of longshoremen along the entire west coast; much of the work of the association, however, is carried on through affiliated local waterfront employers' associations in Seattle, Portland, San Francisco, and San Pedro (Los Angeles). The International Longshoremen's and Warehousemen's Union (CIO) negotiates a general cargo agreement with the coast-wide association, which signs "on behalf of" the four local organizations. Separate agreements covering dock workers and ship clerks are negotiated with each of the port associations. On the Atlantic coast the International Longshoremen's Association (AFL), as a rule, negotiates separate agreements with employer associations in each port.[2]

In the Pacific Northwest the pulp and paper industry, although dealing elsewhere on the basis of individual companies, is combined into the Pacific Coast Association of Pulp and Paper Manufacturers which deals with the two national unions in the field.

[2] For some time there has been no formal federated organization of the unions in the maritime industry. For a few months during 1946, however, the CIO unions and an independent formed the committee for maritime unity for the purpose of joint negotiations with all employers simultaneously. The American Federation of Labor, also in 1946, established a maritime trades department, composed of AFL unions in the industry. Most of the unlicensed personnel on the Atlantic coast are represented by the National Maritime Union (CIO). On the west coast these workers are represented principally by three unions, the Sailors' Union of the Pacific (AFL), the Pacific Coast Marine Firemen, Oilers, Watertenders, and Wipers' Association (independent), and the National Union of Marine Cooks and Stewards (CIO).

The unions, representing different occupations in the industry, are the International Brotherhood of Papermakers and the International Brotherhood of Pulp, Sulphite, and Paper Mill Workers. The employers' organization is described in the agreement as follows: "This Pacific Coast Association of Pulp and Paper Manufacturers * * * of which the signatory company is a member, is an employer association of a majority of the pulp and paper manufacturing companies in the Pacific coast area, comprising the States of Washington, Oregon, and California, and as bargaining agent with authority to bind its members by a majority vote of such mills, has met with a bargaining committee from the signatory union for a period of years, beginning in 1934 * * *." Notwithstanding this provision, each company signs a separate document with the local unions which represent its employees.

The lumber industry is one which is not yet well organized throughout the country but in which the dominant method of present dealing is through associations within the producing area. The Columbia Basin Loggers' Association and the Timber Producers' Association in Minnesota are examples of associations dealing with the union in this industry.

The fishing industry, particularly on the Pacific coast where it is well organized, is an example of collective bargaining almost exclusively on an association basis. The employers, however, are organized into a number of separate associations, such as the Alaska Packers' Association and the Central Pacific Wholesale Fish Dealers' Association.

In retail trade the National Association of Retail Meat Dealers, composed of affiliated State and local associations throughout the United States, negotiates with the Amalgamated Meat Cutters and Butcher Workmen of America. The national agreement between these parties, first negotiated in 1937, is confined to a statement of principles and policies of mutual interest to both parties, who agree to "give their aid and good offices to the execution of fair and reasonable contracts between local unions and affiliated associations in the various localities where the said unions and affiliated associations exist." The agreement further states that it is recognized "that local conditions require local treatment and that it is not practical or feasible to include in this agreement the matters of wages, hours, and conditions of employment." In the Midwest the Central States Drivers' Council, an organ of the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America (AFL) negotiates agreements with the Central States Area Employers Association Negotiating Committee. Collective bargaining in canning and preserving foods on the west coast is largely on an association basis.

Most of the shipbuilding and boatbuilding industry on the west coast is covered by a master agreement negotiated by the metal trades department of the American Federation of Labor. During the war, as previously noted, bargaining on major issues in this industry was on a tripartite basis, and wages and certain other questions were determined by the zone standards. Issues not covered by the zone standards were settled in the ordinary processes of collective bargaining. At the present time the zone standards are still in effect.

### BARGAINING IN THE NEEDLE TRADES WITHIN METROPOLITAN AREAS

Outstanding examples of stable bargaining relationships over a long period of time between employers' associations and unions are found in the needle trades. In the men's and women's clothing, men's hats and millinery, and fur industries the earliest efforts of unions to organize were accompanied by efforts to combine into associations the employers within the producing area. Bargaining has become established in these industries, with highly developed industrial relations machinery within each of the metropolitan areas which are important as producing centers. These unions and employers' associations customarily make use of a permanent impartial chairman to administer the agreement and there are numerous examples of joint trade boards, stabilization commissions, and other similar bodies which deal on a day-to-day basis with the problems of the industry.

These industries all have the problem of "run away" shops, which leave the unionized areas and, with the small capital investment required, are able to establish themselves in low-wage, semirural sections. This has been a major reason for the unions' insistence upon dealing on an association basis, for it is through the combined pressure of both the union and the employer association that these "run away" shops can be brought under control. Another problem within these industries is the regulation of the jobber-contractor relationship. Jobbers have taken advantage of both the extreme seasonal fluctuations and the small investment required in setting up a shop to encourage an oversupply of contractors. Cutthroat competition among the contractors has been furthered by the frequent practice of establishing fly-by-night shops for the duration of a contract secured by underbidding regularly operating shops. Both the owners of shops operating under union conditions and their workers have thus faced a constant threat to industrial stability. Through collective bargaining, the oversupply of contractors has been dealt with and the jobber's responsibility for maintaining union conditions in his contract shops has been established. A large portion of the employer-union negotiations in the needle trades deal with these three-way problems, in addition to the usual wages, hours, and working conditions.

The employers within a given city are usually organized into more than one association within each of the needle trades. The basis of distinction is both the type of product and the classification of employers (i. e., jobbers, contractors, or inside manufacturers). The unions have frequently expressed a desire for more uniformity among the employers' organizations throughout the industry. Although a major part of the production in the country is covered by the New York City agreements alone, the unions have made repeated efforts over several decades to secure industry-wide dealing in the interests of national standardization. Thus far, however, only in men's clothing has there been a successful approach to industry-wide bargaining. For a number of years the Amalgamated Clothing Workers of America has negotiated major wage questions with the Clothing Manufacturers' Association of the United States and with the shirt industry.

### OTHER CITY-WIDE BARGAINING

In many industries and trades characterized by numerous small establishments within a city, collective bargaining has been conducted with associations of employers within the city. In many cases the associations are formal organizations in which the association officers have the power to bind all members to the agreed terms of employment. In other cases the employers may unite informally and perhaps only for the duration of the bargaining conferences. In many instances the lack of a continuing employers' association makes no difference in the actual negotiation of the agreement, but complicates considerably the enforcement of the agreement.

In cases of city-wide bargaining the extent of coverage of the employers' association generally depends upon the strength of the union. It is common to find within a city an organized group of employers dealing with the union, while other employers within the same industry are organized into a separate association or have no organization. In some cases the union employers form an organized group within a trade association which also includes nonunion employers in the city.

There are probably 5,000 local or city employer associations throughout the country which deal with various unions. More of these are found in building construction than in any other single industry. Other examples, in which the predominant method of dealing is with city-wide associations, are brewing, retail trade, baking, printing and publishing, restaurants, trucking, and barber shops. An important development is found in the electrical machinery industry, where the United Electrical, Radio and Machine Workers of America (CIO) recently negotiated an agreement with the Electronics Manufacturers' Association, representing 20 employers in the New York City area. This association was formed at the insistence of the employers, who are relatively small and who previously had signed separate agreements. The employers desire, through negotiating a single blanket agreement, to achieve a degree of uniformity in wage and working conditions in order to reduce these as competitive factors in costs.

### ASSOCIATIONS OF EMPLOYERS ACROSS INDUSTRY LINES

Employer-group federations embracing all types of business within a city are largely a development of the last 10 years and are concentrated in the far Western States. Leader in this field is the San Francisco Employers Council, formed in 1939, and which in April 1945 had 1,995 members, 919 of whom were affiliated through their various industry groups. The other members were individuals or independent companies. The objectives of the council, as stated in its articles of incorporation, are (1) to encourage the organization of autonomous employer groups and cooperation among these groups in matters relating to labor relations; (2) "to promote the recognition and exercise of the right of employers to bargain collectively"; and (3) upon request, "to assist its members and others in matters relating to the negotiation, execution, and performance of fair labor contracts." The council negotiates or participates in negotiations of agreements between its members and the unions in the city, and performs various other services.

Of a similar character is the Industrial Conference Board of Tacoma, Wash.—an over-all agency for a number of independent companies and 15 or 20 employers' associations each of which has one or more union agreements. Both the Reno Employers Council of Reno, Nev., and the Silver Bow Employers Association of Butte, Mont., participate in the negotiation of labor contracts for their various employer groups. In Sacramento, Calif., the Sacramento Valley Associated Industries is the unifying agency for a dozen or more associations covering such varied fields as bowling alleys, beverages, furniture warehouses, taxicabs, machine shops, liquor and tobacco dealers, retail foods, wholesale bakeries, draymen, druggists, tire dealers, and building owners. Each association has a union contract signed in its behalf by an individual, who serves both as executive secretary to the associations and as general manager of the Associated Industries.

Mr. MORSE. Mr. President, as the debate on Senate bill 133 progresses I think that later in this session we shall want to refer repeatedly to the information contained in this excellent bulletin on Collective Bargaining With Associations and Groups of Employers, because I think it is clear from the data presented in the bulletin that passage of Senate bill 133 would be disruptive of the labor relations in a large number of industries, involving a great many thousands of employees.

The testimony that was presented to us by some employer representatives at our committee hearings, Mr. President, shows that there are many employers who are completely sold on the desirability of group-employer collective bargaining with labor insofar as the particular problems of their industry are concerned. Take, for example, the maritime industry, with which I have had some years of experience as the Pacific-coast arbitrator. I am satisfied that the formation of the West Coast Ship Owners Association for collective-bargaining problems brought remarkable labor-relations stability to the industry during the years when I was arbitrator. I do not mean we did not have a great deal of trouble, for we did; but I do mean that the united actions of the shipowners in the great cases that we tried were a great boon to them. Prior to the formation of their employers' association the union strategy—and it is not a bad one as far as effectiveness is concerned—was to pick off shipowners one at a time, starting with the ones the union felt were in the weakest bargaining position. However, after the association was formed the officers of that association, principally through Mr. Frank Foisie, the president, and Mr. Gregory Harrison, its general counsel, were in a position to represent and speak for all the shipowners on the west coast.

I saw with my own eyes how the procedures which were developed under that type of industry-wide bargaining developed responsibility and stability within the industry. Hence, I was not at all surprised to hear Mr. Almon E. Roth, president of National Federation of American Shipping, testify in effect that the passage of Senate bill 133 would be ruinous to the maritime industry in this country insofar as stable labor relations are concerned. When Senators get the printed proceedings of the hearings I recommend that they turn to Mr. Roth's testimony, because I think he presented a very clear picture of the undesirable effect that Senate bill 133 would have upon the maritime industry. Other witnesses expressed similar views in regard to the undesirable effect of Senate bill 133 upon their industry.

Now for a few minutes let us take a look at the nature of this type of collective bargaining called industry-wide bargaining.

Industry-wide bargaining presupposes authorized representatives of employers and workers, sitting across the table from each other, negotiating a labor contract that will cover all the terms of employment for an entire industry during the life of the agreement.

In this theoretical and comprehensive sense industry-wide bargaining does not exist in any industry, with the possible exception of the coal industry, and some new, narrowly defined or locally concentrated industries. In the major industries and their chief divisions, there are many unions and many employers. Some unions within the same industry may bargain on an industry-wide scale, while others bargain locally. Some employers within the same industry may form associations to bargain on a broad regional or national scale, but the resulting contracts may still be short of industry-wide bargaining.

In an over-all sense, labor agreements are a combination of master contracts, supplemental agreements, interpretations, rulings, and understandings worked out between the parties at different levels of a structure, which, on the union side, rises from the union locals to the headquarters of the international union, and which, on the employers' side, rises from the individual plant to the national office of the company or the national headquarters of the employers' association.

Where the master contract is negotiated locally, supplemental agreements on matters of regional or industry-wide concern may be negotiated at higher levels. Conversely, master contracts negotiated at the higher levels usually require supplemental agreements to permit local diversities on matters of local concern. Even a single company contract, national in its geographic coverage, may be supplemented by local agreements negotiated at the company's local plants.

GENERAL EXAMPLES

Full-fashioned hosiery industry: The 35 member companies of the Full-Fashioned Hosiery Manufacturers of America are scattered from Massachusetts to California and the 1946–47 contract with the American Federation of Hosiery Workers states that it "shall apply uniformly to all full-fashioned factories in the United States who are members of the association." But this master agreement covers only about 35 percent of the industry. It is not a product of industry-wide bargaining.

Meat-packing industry: The Nation-wide contracts of the Big Four meat packers with headquarters in Chicago cover plants from coast to coast, but each packing company negotiates its own contracts with one or more of the three unions in the field. Such contracts are not a product of industry-wide bargaining.

Maritime industry: The Pacific American Shipowners Association and the Committee for Companies and Agents, Atlantic and Gulf Coasts each have a number of coastwide contracts with various maritime unions. Although these agreements cover extensive areas, they are not industry-wide, nor are other coastwise contracts between employers and workers in longshore operations—such, for example, as the master agreement of the Galveston Maritime Association, the Houston Maritime Association, and the Master Stevedores Association of Texas with 21 locals of the International Longshoremen's Association, A. F. of L.

Narrowly defined industries: If the transportation of automobiles or the construction of elevators or the manufacture of automatic sprinkler and fire-control equipment can be considered separate industries, then the contracts of the National Automobile Transporters with the International Brotherhood of Teamsters; of the National Elevator Manufacturing Industry, Inc., with the International Union of Elevator Constructors; and of the National Automatic Sprinkler and Fire Control Association with the United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry, approximate industry-wide bargaining, although none of these agreements pretends to cover all the contractual relationships between the parties on the terms of employment.

Stove manufacturing industry: The Manufacturers Protective and Development Association is a national employers' association in the stove manufacturing industry which has bargained with the International Molders and Foundry Workers Union since 1891. Its 30 or more members, though scattered throughout many States, represent less than 25 percent of the industry. The master agreements it negotiates usually do not set the pattern for other labor contracts in the industry.

Rubber industry: Basic agreements are negotiated between each of the big four rubber companies and the United Rubber Workers, CIO. In the spring of 1946 these four companies—Firestone, Goodrich, Goodyear, and United States Rubber—combined to negotiate wage increases with the United Rubber Workers on an industry-wide basis. This supplemental contract is now being renegotiated. The master agreements negotiated between each company and the union may themselves be a product of Nation-wide or local bargaining. In January 1947 the United States Rubber Co. negotiated with the United Rubber Workers its first country-wide basic contract. But this master agreement will not become effective until supplemental contracts are negotiated between the union locals and each of the 30 plants scattered from Rhode Island to California.

Railroad industry: Agreements covering the general terms of employment are negotiated between each individual railroad system and one or more of the operating or nonoperating unions. Supplemental agreements relating to vacations, general wage increases, and certain other items have, from time to time, been negotiated on an industry-wide basis through three regional carriers' conference committees sitting in joint session with representatives of the various unions.

Shipbuilding industry: At the top of the hierarchy of the collective-bargaining structure in the industry is the National Shipbuilding Conference—such as that of February 1946—at which industry-wide amendments to the four zone standard agreements are negotiated. The zone standard agreements—one for each of the Atlantic, Gulf, Great Lakes, and Pacific coast zones—the Government was a third party to them—are, in turn, superimposed on regional or local agreements. The most important of these is the Pacific coast shipbuilders' agreement of 1941, to which 56 shipbuilding companies and 13 different international unions were parties. Still further decentralization of bargaining within the framework of the Pacific coast shipbuilders' master agreement occurs when supplemental agreements are negotiated for each craft union and local regulations are negotiated between each company and the union.

DOES INDUSTRY-WIDE BARGAINING RESULT IN UNIFORM STANDARDS OF EMPLOYMENT?

Industry-wide bargaining does not necessarily lead to industry-wide uniformity in the terms of the labor contract, whether the subject be wages or

otherwise; nor will a prohibition on industry-wide bargaining necessarily prevent a development of uniform labor standards throughout an industry.

Industry-wide negotiating conferences may accept the principle of wage differentials and create variables in the wage scale for different localities or plants, or the general industry conference may leave wage negotiations for supplemental bargaining between union and employer at the local level. As a third possibility, the general conference may prescribe minimum-wage standards above which each employer and the union local may be free to negotiate on wages. This principle also applies to vacations, seniority, hours of work, holidays, union seniority, and other clauses of the master contract. No master agreement of wide area coverage puts all the terms of employment into a strait-jacket of uniformity.

There are several ways in which the terms of labor contracts might become standardized throughout an industry without industry-wide bargaining: First, employers and employees in preconference discussions among themselves may adopt common policies toward proposed contract terms and then attempt to maintain them through contact with their local representatives at the conference tables; second, employers and unions may follow the lead of a key company or association by accepting the same terms which it has negotiated with the union; third, through independent or cooperative research in the administration of existing contracts employers and employees may arrive at an understanding as to what terms subsequent contracts in the industry should contain. The maintenance of industry-wide research agencies by employers' associations and international unions whose findings may lead to mutual understandings between the employers and organized workers in an industry does not constitute industry-wide bargaining.

GENERAL EXAMPLES

Flour, feed, and cereal industry: A regional agreement in the Pacific Northwest between the Flour, Feed, and Cereal Employers' Association of Washington and Oregon and the Northwest Council of Grain Processors applies the generally accepted principles of legislative federalism in the following language:

> While this agreement generally covers working conditions in the plants of all employers, it is recognized that there may be local conditions at individual plants which cannot be negotiated on an area-wide basis. Accordingly a supplemental agreement for each plant shall be executed between the employer and the local union which shall set forth classifications of employment, rates of pay, seniority rules, and other stipulations, but not in substantial contradiction herewith, covering such local conditions. Such supplemental agreements, including any amendments thereto or modifications thereof, shall not be effective until approved by both the council and the association.
>
> General wage rates for employees covered by this agreement shall be negotiated on an area-wide basis between the association and the council. The specific rates for classifications established for each plant shall be set forth in supplemental agreements, but such rates shall be in accordance with those negotiated between the association and the council. However, where, due to the operations of an individual plant, the general prevailing rate for any particular classification is inequitable either to an employee or group of employees or to an employer, the rate for such classification may be negotiated between the local union and the employer, but, before becoming effective, any rate so negotiated must be approved by both the association and the council.
>
> The parties hereto recognize the principle of seniority, which shall be construed to be plant seniority unless otherwise provided in supplemental agreements entered into for each plant.
>
> During the calendar year of 1946 vacations will be granted in accordance with current practice in each plant. After the execution of this agreement the association and the council will negotiate uniform provisions regarding vacations for each plant to be effective for the calendar year of 1947 and subsequent years.

The retail meat industry: The National Association of Retail Meat Dealers with headquarters in Chicago has a national agreement with the Amalgamated Meat Cutters and Butcher Workmen of America which is confined to a statement of principles and policies of mutual interest to both parties, who agree to give their aid and good offices to the execution of fair and reasonable contracts between local unions and affiliated associations in the various localities where the said unions and affiliated associations exist.

Electrical manufacturing industry: In January 1947 officials of the United Electrical, Radio, and Machine Workers, CIO, on behalf of 225,000 members in the four largest manufacturing companies, drew up contract proposals which would be presented to each of these companies—General Electric, Westinghouse, Sylvania Electric, and the electrical division of General Motors—in separate contract negotiations. Such contract planning is in advance of actual collective bargaining on an employer or multiemployer basis.

Woolen manufacturing industry: Although representatives of some 170 woolen companies meet in conference with representatives of the Textile Workers Union, CIO, to exchange proposals and submit views, agreement is seldom reached. After the conference is concluded, the union and the American Woolen Co. negotiate a contract which often becomes the pattern for the industry. The terms of this contract are generally adopted by other companies and their union locals.

Men's clothing industry: Although the United States Clothing Manufacturers Association may negotiate no industry-wide agreements with the Amalgamated Clothing Workers, CIO, the national bargaining committee of the association and officials of the union may informally agree upon wage standards and submit their findings to the parties negotiating contracts in the various cities or market areas.

WHAT PART, IF ANY, DOES AREA-WIDE OR INDUSTRY-WIDE BARGAINING PLAY IN THE ADMINISTRATION AND ENFORCEMENT OF COLLECTIVE BARGAINING CONTRACTS?

Area-wide or industry-wide bargaining as now practiced provides a means for establishing a structure of joint agencies to administer and enforce labor contracts.

In a few instances regional or industry-wide bargaining is directed exclusively to establishing over-all administrative agencies which may act as a tribunal of last resort in settling disputes arising from the application of local contracts. In most cases of area-wide bargaining for a master contract a structure of executive agencies is provided to carry out the terms of the agreement.

GENERAL EXAMPLES

Newspaper publishing industry: The American Newspaper Publishers Association and the International Typographical Union have an international arbitration agreement, whose code of procedure is used by the Washington, D. C., Newspaper Publishers Association and local 101 of the Typographical Union in arbitrating disputes on proposed amendments to their contracts.

Retail meat industry: The National Association of Retail Meat Dealers and the Amalgamated Meat Cutters and Butcher Workmen of North America, AFL, have an industry-wide agreement creating a seven-member national labor relations board for the retail meat trade. Each party contributes 3 members, who, together with the neutral chairman, have appellate jurisdiction over labor disputes arising out of contracts negotiated between local associations and union locals throughout the United States.

Construction industry: The National Electrical Contractors Association and the International Brotherhood of Electrical Workers, AFL, have sponsored a council on industrial relations of the electrical construction industry of the United States and Canada, which has been accepted by local chapters of the association and local lodges of the union as a tribunal of last resort in resolving their differences arising from the administration of their local or regional contracts.

In January 1947 the Associated General Contractors of America and the building and construction trades department of the American Federation of Labor negotiated an industry-wide agreement creating a national joint conference committee to assist in settling disputes in the construction trades not otherwise resolved. The association and the union each select a member to represent the heavy-construction industry, another to represent the highway- and road-construction industry, a third for the building trades, and a fourth to represent specialized and subcontracting employers and their workers. These eight members of the national joint conference committee will set up separate committees for each of the three major branches of the construction industry, and in addition will appoint a suitable committee for disputes that appear to cut across two or more branches. Jurisdiction will be accepted only after all other means provided in local contracts for settlement have failed. Jurisdiction is voluntary with the parties, but once it is accepted, decisions will be binding.

Maritime industry: The Waterfront Employers Association of the Pacific Coast has a coastwise agreement with the International Longshoremen's and Warehousemen's Union, CIO, which permits appeals from local joint port labor relations committees in Seattle, Portland, San Francisco, and San Pedro to a joint coast labor relations committee with headquarters in San Francisco.

Another coastwise agreement between steamship companies in the intercoastal and offshore trade of the Pacific coast and the Sailors' Union of the Pacific provides that the employers and the union shall appoint representatives in Seattle, Portland, and San Pedro to hear and adjudicate disputes arising at these ports. Appeals in case of disagreement are taken to the port committee at San Francisco from whom a final appeal, in case of a deadlock, may be taken to a referee whose decision is binding.

The Pacific American Shipowners Association, representing 34 shipping companies, has a contract with the National Union of Marine Cooks and Stewards which, in case of disputes, also provides for appeals from the decision of employer and union representatives in Seattle, Portland, or San Pedro to the port committee at San Francisco. In a case of a deadlock—the employers and the union each have three members on the port committee—a final decision may be rendered by a referee, selected by the parties, if possible, or otherwise selected by the Conciliation Service of the United States Department of Labor.

The trucking industry: The Central States Employers Negotiating Committee representing some 800 common and contract carriers in 12 States have a master contract with the International Brotherhood of Teamsters which establishes for administrative purposes permanent State committees representing the two parties separately. Disputes not settled between the individual company and the union local are appealed to their appropriate State committees sitting jointly. Above them are permanent over-all area committees representing the two parties. These area committees sitting jointly are the highest agency for the settlement of disputes. Similar agreements are found in the Southern States, six-State agreement; New England, three-State agreement; and the Southwestern States, four-State agreement.

Mr. President, I wish to say, for the information of the President pro tempore, because I think he is entitled to a statement from me, that when I rose today to make a speech I thought certainly I could finish it in much less time than I have taken. But I believe the Chair is entitled to this explanation, that as I started to speak today there was still much of the speech in the typewriters, because I have been dictating night after night for some nights past, up to 2 o'clock this morning. Then from 8:30 a. m. until 11:30 o'clock this morning, when I came to the floor. There is more material than I originally thought, but I want to finish it this afternoon rather than proceed at some later date, in order that there may be some continuity to my statement and that it may appear in the RECORD in its entirety, because I think it will serve at least as a basis for reference so far as this very much-needed objective is concerned, if the Senate is to approach labor legislation in an intelligent and objective manner.

The PRESIDENT pro tempore. The Chair thanks the Senator for the information; but what is the latest word from the Senator's typewriters?

Mr. MORSE. I think the typewriters have stopped pounding.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point in my remarks a very excellent statement by Prof. Sumner H. Slichter, of Harvard University, who is, of course, one of the recognized authorities on labor-relations problems in the United States. I hope that every Member of the Senate will read what Professor Slichter has to say on the desirability of industry-wide bargaining.

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

TO END STRIKES IN ESSENTIAL INDUSTRIES

(By Sumner H. Slichter, Lamont University professor at Harvard)

PROHIBIT INDUSTRY-WIDE BARGAINING

The proposal to prohibit industry-wide bargaining would obviously not reach the problem presented by electric light and power companies, gas companies, and telephone companies. In these cases there is usually only one company in a market. Even in other industries the prevention of industry-wide bargaining would not prevent industry-wide shut-downs. The United Steelworkers have no industry-wide contracts, and yet the union shut down the steel industry last winter by the simple process of terminating all of its contracts simultaneously.

The prohibition of industry-wide bargaining could impose a grievous burden on employers, because it would help unions pursue the policy of picking them off one by one. Employers who sought to protect themselves against this tactic by organizing and bargaining as a unit (as they have in many instances) would be halted by the prohibition of industry-wide bargaining. Many large employers, it is true, are strongly opposed to industry-wide bargaining, but for many small employers bargaining as a group is their only hope of gaining some rough equality with large and powerful unions.

LIMIT THE PROPORTION OF AN INDUSTRY WHICH SINGLE UNIONS MAY CONTROL

The proposals that unions be limited in the proportion of men or plants in an industry which they may organize have not been carefully worked out. Occasionally one meets the suggestion that unions be limited to a single company. This would mean over 150,000 unions in manufacturing alone. A less extreme proposal is that any union be prohibited from controlling more than a given fraction (say one-fourth or one-third) of the employees in an industry or an occupation.

Breaking up unions into several in each industry would not prevent the public from being completely deprived of service in such industries as electric light and power, gas, or telephone, where one company ordinarily serves an entire city or region. Even in railroading, breaking up the unions would fail to protect many thousands of communities from being completely deprived of railroad service because many towns have only one railroad.

In other industries three or four unions would be a headache. The unions would be either in competition or in collusion. Competition would make them tough customers for employers because each union would be afraid that its rivals would accuse it of being "reasonable" or "soft." Hence competition between unions for prestige and influence would produce bad industrial relations and would tend to increase strikes. Competition in the course of time would probably lead to collusion between the several unions. If that occurred the purpose of the policy of breaking up the unions would be defeated.

Mr. MORSE. Mr. President, I also ask to have printed at this point, as part of my remarks, an evaluation of the results of multiemployer bargaining; that is, some examples of opinion of employers and labor leaders, who are parties to labor contracts and who, it seems to me, are in an excellent position to inform the Senate as to how effective the contracts are.

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

EVALUATION OF RESULTS OF MULTIEMPLOYER BARGAINING

Examples of opinions or statements of fact concerning:

National Association of Manufacturers of Pressed and Blown Glassware: "The instant case involved 47 companies and 18,000 employees in the pressed and blown glassware industry. The National Association of Manufacturers of Pressed and Blown Glassware represents the companies; The American Flint Glass Workers' Union, A. F. of L., represents the employees.

"The parties have had contractual relations since 1888, 1 year after the Union was first organized. Since that date all issues have been settled amicably with neither party resorting to strikes or lockouts to attain its aims." (From the opinion of the National War Labor Board in a case to determine a wage issue. In Re National Association of Manufacturers of Pressed and Blown Glassware and American Flint Glassworkers Union, A. F. of L., 18 War Labor Report 53, at page 54 (August 24, 1944).)

New England Trucking Employers (the Tri-State agreement covering 10 cities in Connecticut, Massachusetts, and Rhode Island had created a fair trade practice board to enforce and interpret the contract): "Both union and employer are unanimous in praise of the board. Both sides seem to feel that the benefits which they have derived from its operation have more than offset any possible losses.

"As for the union, the most important contribution which the board has made to locals has been to enable them to enforce their contracts. In past years employers frequently violated their contracts. In many cases locals were unable to do very much about the violations, partly because they did not know of them and partly because they could not afford to be continually involved in the controversies and strikes necessary to bring all employers into conformity with the agreement. The board has provided machinery by which locals can effectively ascertain the extent of suspected violations of the contract and obtain redress for them. The very existence of this machinery and the knowledge of the penalties which may be placed upon them has led many employers to comply with the contract. The result is that violations of the wage scale, use of nonunion men, overloading, and other practices contrary to the provisions of the agreement are rapidly being eliminated. The locals in this area have probably secured better compliance with their contracts than any other locals in New England.

"As indicated, the creation of the board and the observance of the no-strike provision

of the contract has eliminated the many stoppages of work which formerly occurred during efforts to enforce contracts. This has benefited the locals by creating more friendly relations between employers and employees and has led to steadier work for the membership." (Samuel E. Hill, Teamsters and Transportation, Employee-Employer Relationships in New England (1942), pp. 220–221.)

New Bedford Cotton Manufacturers' Association: "Since about the beginning of the century members of the association and of its forerunner, the meetings of treasurers, have acted in unison in matters pertaining to wages, hours, and conditions of employment. Signed written collective-bargaining agreements with the (Textile Workers) Council have been continuously in force since 1938. For many years prior to 1938, verbal agreements evidenced by unsigned written memoranda had been made. All agreements were negotiated through the association and made upon an association-wide basis. When requests were made by a labor organization for collective bargaining they were referred to the association for consideration and action. Association bargaining was conducted not only with the (Textile Workers) Council but also with the teamsters, which, as far as the record discloses, was the only craft union outside the council which attempted to organize employees of the association members.

"This system of dealing has become traditional in the New Bedford cotton-textile industry, has proved conducive to the orderly functioning of collective bargaining, and has contributed to uniformity and stability of labor conditions not only among association mills but among other New Bedford mills of like class, which as a general rule have followed the lead of the association. With the exception of a 6-month strike in 1938, precipitated by an association decision to effect a 10-percent wage reduction and ultimately adjusted in negotiations conducted by the council with the association, and a strike of shorter duration in 1934, which was part of a national textile strike, the fine-goods textile industry in New Bedford has been singularly free from major industrial strife." (From the opinion of the National Labor Relations Board in a case to determine the appropriate bargaining unit. In the matter of New Bedford Cotton Manufacturers Association and Textile Workers Union of America (CIO), etc. (47 N. L. R. B. 1345 at p. 1351. Decided Mar. 5, 1943.)

Examples of opinions or statements of fact concerning:

The brewery proprietors of Milwaukee: "The union and the proprietors agree that this multiemployer method of bargaining has resulted in amicable labor relations throughout the city. There has been no labor dispute or work stoppage since the 1934 negotiations. Grievances, it was testified, were handled by the committee which negotiated the contract." (From the NLRB opinion in a case to determine the appropriate unit for collective bargaining. In the matter of Brewery Proprietors of Milwaukee, Wisconsin, and International Union of United Brewery, Flour, Cereal, and Soft Drink Workers of America and Its Local Brewery Workers Union No. 9 (June 7, 1945), 62 N. L. R. B. 163 at pp. 166–167.)

The Packers Association of Chicago: "The facts here presented demonstrate from the standpoint of effective collective bargaining and peaceful labor relations the desirability of an association-wide unit. Moreover, it clearly appears that all member companies have delegated to the association authority to engage in collective bargaining on their behalf and to enter into binding agreements with labor organizations." (From the NLRB opinion in a case to determine the appropriate bargaining unit. In the matter of Illinois Packing Co. and United Packinghouse Workers of America (56 N. L. R. B. 221 at pp. 223 and 226). Decided May 3, 1944.)

Pacific Coast Association of Pulp and Paper Manufacturers (comprising most of the pulp-and-paper industry in the Pacific Northwest): "This particular industry was selected for study because it has not experienced a single strike or lock-out since the workers were organized and collective bargaining was instituted. * * * It demonstrates that labor peace rests upon the ability of the industry to provide economic security and an acceptable standard of living, and adequate machinery to allow worker expression and participation in the establishment of working conditions. It shows what can be accomplished when good faith characterizes the relations of both employers and unions in their mutual dealings." (From John B. Appleton's preface to the study entitled "Labor Relations in the Pulp and Paper Industry in the Pacific Northwest," by Roger Randall (1942).)

Los Angeles County Painters and Decorators Joint Committee (representing three employers associations in the area): "Prior to the adoption of this and similar agreements, in their original form, there was chaos in the painting industry and there was no machinery requiring parties thereto to live up to the agreements made with respect to hours, wages, and working conditions. Persons would agree to observe collective bargaining and then ignore such agreements, compelling their competitors likewise to reduce wages and to ignore fair hours and working conditions." (From the preamble to the contract between the Los Angeles County Painters and Decorators Joint Committee and the District Council of Painters, No. 26, which is identical to article 22 of the contract between the Arizona chapter of the Painting and Decorating Contractors Association of America and Local No. 86 of the Brotherhood of Painters, Decorators, and Paperhangers of America.)

Southern soil pipe manufacturers: "The soil pipe manufacturing industry in the South is confined almost entirely to Alabama and Tennessee. Prior to 1934, labor conditions were unstable and wages, hours, and working conditions were not only unequal between the various foundries engaged in soil pipe manufacture but were often unequal for similar work performed in the same foundry. In 1934, following arrangements previously made between the representatives of 11 or 12 foundries in Alabama and Tennessee and the duly elected delegates and representatives of the molders, a conference was held between a committee representing the manufacturers and a committee representing the molders. At this meeting piece-rate wages were discussed and rates agreed upon for approximately 5,000 patterns of pipe and soil pipe fittings. These rates were reduced to writing. Thus, for the first time in the industry in the South, there was achieved a degree of uniformity in wage rates which served to stabilize and equalize working conditions. Subsequently similar conferences between the committees were held annually and semiannually resulting in each instance in increased wage rates and in reduced working hours.

"The bargaining upon this multiple-employer basis has achieved a considerable degree of stability in the industry in the South and has resulted in the adjustment of wages and hours on a uniform basis in marked contrast to the unsettled conditions existing prior to 1934." (From the opinion of the National Labor Relations Board in a case to determine the appropriate bargaining unit. In the matter of Central Foundry Co. and the United Steelworkers of America (CIO) (48 N. L. R. B. 5 at pp. 7 and 9). Decided March 11, 1943.)

Mr. MORSE. Mr. President, I now offer a table showing the area of bargaining, with associations and groups of employers bargaining on a national or industry-wide scale. I am sure that many of the Members of the Senate will be surprised to learn that the best figures available show that bargaining on a national or industry-wide scale covers only 486,500 employees. I offer that exhibit, which I have labeled "Exhibit 3."

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

(See exhibit 3.)

Mr. MORSE. Mr. President, I also wish to offer for printing at this point in my remarks four brief memoranda which show the long history of industry-wide bargaining in the industries of pottery, pressed and blown glassware, women's clothing, and men's clothing. The reading of these memoranda, Mr. President, will show that this type of bargaining is not of recent development in the American labor movement. I offer it as exhibit 4.

There being no objection, the memoranda were ordered to be printed in the RECORD.

(See exhibit 4.)

Mr. MORSE. This type of bargaining has existed in some industries for a great many years; in some instances, such as the general ware and china branches of the pottery industry, since 1900.

I simply cannot believe that the Congress is going to upset years and years of experience with industry-wide bargaining, merely because some abuses here and there have crept into it. Abuses will not be found existing in the long-established industry-wide collective-bargaining contracts to the extent that they are creeping into many of the more recent industry-wide bargaining negotiations. I believe we can remedy the situation without destroying the right.

I speak advisedly, when I say, Mr. President, that in my judgment, if we pass S. 133, we will cause a great deal of damage to economic stability in this country, and we will injure not only good-faith collective bargaining on a multi-employer basis which is now working very successfully in many industries, but we will discourage what I think is one of the most desirable trends in employer-labor relations policies in this country, namely, the formation of employers' associations. I have been a strong advocate of such associations for many years. I advocated them when many segments of labor were particularly opposed to employer associations. However, I recognized that basic collective bargaining problems are not in many industries individual to the employers separately but that they have common interests in labor policies that affect the entire industry.

I notice that with the formation of employers' associations, resulting in joint arbitrations, for example, there was a decided increase in stability and responsibility within the industry. Hence, I think that S. 133 represents another attempt to turn back the hands of the clock and fails to take into account the realities of modern-day industry operating on a mass-production basis.

Now, Mr. President, I ask unanimous consent to have published at the end of my speech section an exhibit dealing with employer organizations and the ex-

tent of their participation in multi-company collective bargaining, a very fine memorandum which has been prepared for me by Secretary of Labor Schwellenbach through the services of Mr. Boris Stern and his staff. I hope that members of the Senate will read this memorandum when they come to consider S. 133.

There being no objection, the memorandum was ordered to be printed in the RECORD.

(See exhibit 5.)

Mr. MORSE. I may say, Mr. President, that in offering objective data and memoranda for the RECORD, I have done so on the assumption, which I know to be well-founded, that, after all, the Members of this body do want to have and will appreciate having a ready source of reference and vital material which is available to us through Government agencies on the very important labor questions raised by proposed legislation. So I have sought in this manner to give to the Members of the Senate, with such interpretations and evaluations as I see fit to place upon them, what I think is very valuable source material which can be used in the debates which are to ensue.

Before closing my comments on S. 133, I want to mention the fact, Mr. President, that the passage of the bill would create some very serious problems insofar as administering the Wagner Act is concerned. A very clear statement of the effects of S. 133 on the Wagner Act was made before the committee the other day by the chairman of the National Labor Relations Board, Mr. Paul M. Herzog.

I shall not take the time of the Senate to read the statement, which is to be found on pages 75 through 78 of the prepared statement which Mr. Herzog submitted to the committee the other morning. However, I do ask, Mr. President, permission to have his statement printed at this point of my remarks, as exhibit 6.

I wish to associate myself with Mr. Herzog's analysis of the situation because I think the problems which he points out insofar as the effects of S. 133 upon the National Labor Relations Act are so serious in nature that we cannot justify ignoring them.

There being no objection, Mr. Herzog's prepared statement, exhibit 6, was ordered to be printed in the RECORD, as follows:

S. 133, THE INDUSTRY-WIDE BARGAINING BILL

S. 133, introduced by Senator BALL, deals with the problem of industry-wide bargaining. The bill would make it an unfair labor practice for an employer to bargain with a union representing employees of any other employer engaged in the same industry or activity "unless the principal places of employment of the employees of such employers are located in the same labor market area" (sec. 2 (a)). Section 3 of the bill makes unions ineligible under the National Labor Relations Act to act as bargaining representatives for employees of competing employers under the same circumstances, and section 2 (a) makes such representation by a union an unfair labor practice. A labor market area is defined in section 4 of the bill as a metropolitan or other geographical area within which a majority of the employees regularly employed by the employer in that area reside within a maximum diameter of 100 miles.

In addition to the foregoing, the bill would make unlawful certain types of control over or joint action between labor organizations in collective bargaining. The bill also forbids employers to bargain collectively through any group, committee, or association of employees in the same industry unless all are located within the same labor-market area. These latter prohibitions are enforced by injunctions, with the provisions of the Clayton Act and the Norris-LaGuardia Act declared inapplicable.

The amendments to the National Labor Relations Act proposed in S. 133 would affect the work of the Board in at least two important respects. In the first place, the bill would limit the Board's authority to include the employees of more than one employer in the same bargaining unit. Although this is rarely done in practice, discretion to do so is essential if the Board is to administer the act in accord with prevailing custom, rather than carve up units which made for efficient collective bargaining. Under the act, as presently written, the Board has included within a single unit the employees of more than one employer in two types of situations:

First. Where two or more companies are operated as a single business enterprise, with the direct control of labor relations vested in a single source, and where the other facts in the case make the broader unit advisable, the Board has included the employees of all the companies in a single bargaining unit. See *National Labor Relations Board* v. *Lund* (103 F. 2d 815 (C. C. A. 8)), where the Court approved such a unit determination by the Board.

Second. Where a group of employers engaged in the same industry has already delegated to a trade association or other employers' organization the right to bargain collectively with a labor organization representing the employees, and where the history of collective bargaining has been on a multiple-employer basis the Board has established a single employer unit consisting of all the employees of the members of the trade association or employers' organization. It has done so, however, only when the history of collective bargaining in the industry shows the necessity and desirability of such unit from the standpoint of effective collective bargaining and peaceful labor relations.[1] Illustrative of the type of case in which the Board has recognized the appropriateness of a multiple-employer unit is the case of *Matter of Rayonier, Inc., Grays Harbor Division* (52 N. L. R. B. 1269), in which the Board considered as determinative the facts that the members of an association covering employers in the States of California, Oregon, and Washington "had established a practice of joint action in regard to labor relations by negotiation with an effective employee organization, and [had] by their customary adherence to the uniform labor agreements resulting therefrom demonstrated their desire to be bound by group rather than by individual action."[2]

S. 133 would prevent the Board from finding such units appropriate except where the plants involved were located within the same "labor market area" as required by the bill. We think that a restriction of this kind is undesirable, for it would require the Board in many cases to issue certifications and orders in conflict with existing practices of collective bargaining that are apparently satisfactory to the employers and to the majority of employees involved, and would disrupt and break up existing forms of collective bargaining that have functioned effectively for many years.[3]

We shall not review the arguments for or against industry-wide and region-wide bargaining. These have been fully presented to the committee. We are concerned only with impact of the bill upon the Wagner Act. Suffice it to say that in many cases that come before the Board the broader unit undoubtedly better effectuates collective bargaining. Thus, in the case of affiliated companies, the employees of all companies frequently have identical interests and identical problems. In such cases, the technicalities of corporate structure have no relation to collective bargaining realities. Likewise, in the case of different employers, the employees may, as in the case of longshoremen, work for one employer one day and another the next. In these cases the employees are in reality employed by the employers as a group. Under such circumstances, and particularly where collective bargaining has in fact been historically on a multiple-employer basis, the broader unit is desirable. We do not believe the Board should be restricted by the proposed amendments by prohibiting the designation of such a unit.[4] The problem is one that can be properly solved only by an administrative agency equipped to make individual determination upon the basis of facts as they arise in each case.

The second important respect in which the bill would affect the work of the Board is to increase substantially the number of cases coming before the Board, while at the same time making the expeditious processing of such cases difficult if not impossible. Employers, in order to be certain that they are not violating the new law, would be likely to request a Board certification before bargaining or continuing to bargain with an union; only by a Board certificate of recent origin could an employer be sure that the union had not expanded beyond the labor-market area. The Board would thus be faced with hundreds, and perhaps thousands, of representation cases whenever contracts expired. In each such case, as well as in cases arising under section 2 of the bill and under the refusal to bargain section 8 (5) of the National Labor Relations Act, the Board would have to determine whether the union represented employees of employers in the same industry or activity; and, if so, whether the employers were located in the same labor-market area. The Board would also have to determine through the addresses of all employees (not only those of the employer involved but also of many others with whom the union was bargaining) whether a majority of the employees resided in the labor-market area. Obviously, the necessity for

[1] Cursory examination of the Board's records reveals that multiple-employer units were found appropriate in only 10 cases during fiscal 1946.

[2] For a detailed analysis of Board decisions on multiple-employer units see Fourth Annual Report, N. L. R. B. (1939), pp. 92–93; Fifth Annual Report (1940), p. 69; Sixth Annual Report (1941), pp. 67–69; Ninth Annual Report (1944), pp. 34–35; Tenth Annual Report (1945), pp. 29–30. The most recent Board decisions on this issue are *Matter of Waterfront Employers' Association et al.* (71 N. L. R. B. 80); *Matter of Waterfront Employers' Association et al.* (71 N. L. R. B. 121); *Matter of California Metal Trades Association et al.* (72 N. L. R. B. No. 120); and *Matter of California State Brewers' Institute et al.* (72 N. L. R. B. No. 127).

[3] It is estimated that in this country more than 4,000,000 workers are covered by agreements negotiated with associations and groups of employers. Most of the agreements are products of peaceful employer-union relations of several years duration. It is estimated, too, that there are more than 5,000 employer associations and groups of employers engaged in collective bargaining. Many of these would be outlawed by S. 133.

[4] Indeed, several years ago the New York State Legislature, acting upon the recommendation of the Ives committee, extended the authority of the State board to make certain that it could find multiple-employer and association-wide units appropriate.

making such determinations would seriously encumber the processing of Board cases. Indeed, the ascertainment of the residence of each employee is in itself a formidable problem. We think that these difficulties are sufficiently serious to make the workability of S. 133 highly questionable. For this reason and because we believe that the bill might seriously impair existing labor-management relations, we urge that the bill not be enacted into law.

Mr. MORSE. Mr. President, with regard to Senate bill 55, introduced by the Senator from Ohio [Mr. TAFT], the Senator from Minnesota [Mr. BALL], and the Senator from New Jersey [Mr. SMITH], many of the observations I have made in connection with my discussion of Senate bill 360 are equally applicable. This is especially true with regard to the provisions whereby strikers lose their status as employees. As pointed out by Chairman Herzog, in his testimony before the committee last week, under sections 204 (a) and 205 (a) of S. 55 it would be illegal for employees to strike if the labor organization has failed to comply with the registration of provisions. Moreover, if employees strike during the cooling-off period provided by section 3 (b) of title I of S. 55, they automatically lose their status as employees and under section 3 (e) of the same title subject to ex parte injunctions and treble damage actions.

Mr. President, I now turn to some of the proposals which I think should be made by way of amendment to the Wagner Act.

The bill which I am now introducing falls into four general topics:

First. It defines several new unfair labor practices with regard to labor organizations and their agents and also corrects certain deficiencies in the present unfair labor practice sections of the Wagner Act; and

Second. It provides for the expansion of the Board from three to seven members in view of the increased amount of work placed upon the Board and also permits the Board to operate in departments; and

Third. The bill guarantees employers and all other persons affected by the Wagner Act their constitutional right to freedom of speech; and

Fourth. It permits the Board as the expert agency of the Federal Government dealing with labor relations to seek injunctive relief in the Federal circuit courts of appeals to restrain the unfair labor practices of both employers and employees in instances where the Board is persuaded that the situation demands speedy relief.

I shall first describe the new provisions defining unfair labor practices by labor organizations or their agents. Just as the Wagner Act now makes it unfair for an employer to interfere with or restrain his employees in the exercise of their right to select their collective-bargaining representative, so I propose that it be an unfair labor practice for labor organizations, or their agents, to interfere with, restrain, or coerce an employer in the selection of his bargaining representative.

Secondly, I have attempted to define as unfair labor practices certain types of strikes, jurisdictional disputes, and secondary boycotts. These provisions are in section 4 (d) of the bill. It is thereby made an unfair labor practice for a union, or its agents, "to engage, or to induce or encourage the employees of any employer to engage, in a strike or in a concerted refusal" to use, transport, or handle goods or to perform any services in the course of their employment, if the stoppage or action is directed at certain objectives. For example, it would be an unfair labor practice to strike or boycott in furtherance of a jurisdictional dispute regarding the performance of a particular work task by members of one union or another. As I have said before, these jurisdictional disputes are generally unjustifiable and need to be corrected. Another objective for which it will be illegal to strike or engage in a boycott is one designed to compel any employer to disregard a certification issued by the Board. Under the present law an employer who is under a duty to recognize and bargain with one union by reason of a Board election and certification can obtain no relief from the Board or the courts if the union which lost the election chooses to strike or boycott in an effort to have the employer disregard the obligation placed upon him by reason of the Board certification. Another objective which it seems to me is not defensible is that involved in a secondary boycott designed to force an employer to recognize a union. By this device, labor unions attempt to organize employer A by bringing economic pressure to bear upon employer B. It seems to me that with the democratic election machinery of the Wagner Act available, and with the provisions according Federal protection to employees in their efforts to organize, it is no longer legitimate for labor to engage in this type of conduct. A related type of secondary boycott which I think should be made an unfair labor practice, is one designed to compel another employer to bargain with a particular labor organization or to force any of his employees to become or cease being members of a particular labor organization. Here, again, I believe that resort should be had to the machinery of the act and to peaceful collective bargaining.

The third type of unfair labor practice covered by this bill is that arising out of expulsion of employees from membership in a union which has a closed shop contract with an employer, when the reason for the expulsion is that the employee has exercised his democratic right to change bargaining representatives. The Board can now remedy such conduct only by the indirect method of issuing an order against the employer who in response to a union demand discharges that employee after he has been expelled from the union. The Board can correct such conduct in this indirect fashion only when the facts show that the employer had knowledge that the contracting union expelled the employee for exercising his rights under the act. To the extent that the union is solely responsible for the discharge, I think it should be answerable. If both the employer and the union are responsible, both should be answerable. In the interest of maintaining contractual and industrial stability however, it is desirable that employees be free to engage in activity designed to change representatives only at appropriate times. I have, therefore, protected such activity only when it occurs "at a time when a question concerning representation may appropriately be raised." The purpose here is to write into law the principle now followed by the Board of allowing election petitions to be filed near the end of the contract period.

Much has been said in the hearings that have just been completed concerning the obligation of unions to bargain collectively. While it seems to me that unions would seldom refuse to engage in collective bargaining since that is one of the primary, if not the primary, reasons for their existence, I can see no valid objection to imposing that duty upon them by law. I therefore propose that it be made an unfair labor practice for a union to refuse to bargain collectively after it has been certified by the Board as the exclusive representative. It should be observed, however, that the duty imposed upon the union is the same as that imposed upon the employer—no greater, no less.

Finally, I propose that it be made an unfair labor practice for a union to violate the terms of a collective-bargaining agreement or the terms of an agreement to submit a labor dispute to arbitration. In this connection I am also proposing that similar conduct by an employer be made an unfair-labor practice. While it is my view that unions and employers should settle their contractual disputes by collective bargaining and voluntary arbitration, I recognize the force of the argument that existing law affords only nebulous remedies to employers as well as unions in case the other party has violated the contract. Should such a provision be adopted by the Congress it will be my hope that the Board would devise regulations and pursue a policy which would minimize the number of contract violation cases accepted under these proposals.

I digress a moment to stress this point: I do not know how one could be more explicit than I have been over the years, both in statements and by decisions, that when a union signs its John Henry to a labor contract that signature should be lived up to in all respects, as should the signature of the employer. I have never held a brief for labor unions or for employers who violate labor contracts. I am seeking here to provide machinery and procedures whereby the National Labor Relations Board will have jurisdiction to take cognizance of charges filed by employers alleging the unfair labor practice of violating a contract. I think that will involve primarily a question of fact in both instances. Under my proposal, as I see it, it would become the duty of the Board to determine whether or not the parties have exhausted their remedies under their own contract, and, if they have not, they should be ordered to do so. Having such a law on the statute books would in and of itself have a very salutary effect, in my judgment, because I noticed, as a member of the War Labor Board during the war, that there was tremendous opposition to our exercising jurisdiction

over certain types of work stoppages, such as the jurisdictional dispute, which we knew could not be justified on any basis by those participating in the dispute. I remember very clearly a night when we had a very serious stoppage of work in one of the vital war plants of the country because of a jurisdictional dispute. I then proposed that unless the workers went back to work at the next shift the Board should appoint an arbitrator whose decision should be final and binding. Labor vigorously opposed my position.

In that particular case the Board took a recess, and in 10 minutes one of the labor representatives came back and stated that the men had been ordered back to work by the union. That is the way they preferred it. That is the way I prefer it, too. But we could not take a chance. Therefore, I offered a resolution, which became the policy of the Board, with labor dissenting at the time it was adopted, which provided that for the duration of the life of the War Labor Board we would give the union leaders involved in a jurisdictional dispute 24 hours to proceed to settle the dispute without a work stoppage, and upon their failure to do so we would appoint an arbitrator whose decision would be final and binding.

What I wish to stress is the remarkable compliance we obtained so far as the quick settlement of jurisdictional disputes was concerned, once the resolution became the policy and procedure of the Board.

I think it ought to be frankly stated here this afternoon that probably one of the greatest benefits that will come from the adoption of such amendments to the Wagner Act as I am proposing this afternoon will be action on the part of the unions themselves to see to it that it does not become necessary, unless in exceptional cases, to resort to the machinery which I have proposed in these amendments. I am not being fooled in regard to this question. The point I wish to emphasize is that I believe that declaring certain actions to be unfair labor practices will be preventive of some of the abuses which we seek to cure, because the unions themselves will proceed to establish within their own organizations machinery capable of settling such disputes short of economic action. If that will be the effect of this amendment, it certainly will be more than justified. There will be available to employers a procedural remedy, when unions violate their contracts and are not willing to exhaust the procedures provided for in the terms of the contracts prior to resorting to economic action.

It would be a great mistake for the Federal Government to undertake to adjudicate as unfair labor practices all alleged violations of collective bargaining contracts. Certainly this procedure should not be used until the parties have exhausted the remedies available under their contract or through voluntary arbitration.

As I have previously stated, greater fairness in the administration of the Wagner Act will be obtained if an employer is permitted to file a petition with the Board and obtain an election. Although the act as presently written in section 9 does not preclude the Board from accepting an employer petition, nevertheless, by its rules and regulations the Board allows an employer to file a petition for an election only when conflicting demands for recognition have been presented to him by two or more labor organizations.

I propose, therefore, to amend section 9 of the act so as to permit any party in interest, including an employer, to request an election. However, I recognize that such a right may be subject to abuse, in that employers may seek an election at the earliest possible moment in an organizational campaign and thereby obtain a vote rejecting the union before it has had a reasonable opportunity to organize.

Therefore I would limit the employer's right to file a petition to those situations in which the union has made a claim to be recognized as the exclusive bargaining representative or where, near the end of a contract, bona fide doubt exists that the union which has the contract continues to be the exclusive representative. In the latter type of situation my proposal would require the employer to file his petition at least 30 days before the expiration of the contract. The purpose of this is to prevent abuse of the right to petition and to avoid an hiatus in the collective-bargaining relationship.

In order to assist the Board in the additional duties that would be placed upon it by the proposals I have outlined above, my bill would increase the membership from three to seven, and also empower the Board to act in sections of not less than three members. With an adequate budget and staff, as well as an augmented membership, the Board would be in a position to handle its work more speedily. Also, four additional members on the Board would have the effect of obtaining a better and more representative collective judgment from the Board. I think it only fair to point out that should the Congress create such an enlarged Board, which I think will be absolutely essential if we broaden the jurisdiction of the Board to cover unfair labor practices on the part of unions as well as employers, it must have more money with which to function. I do not desire to discuss this point at length today, but I want to state a conclusion. I have gone into the question, and I want to say that one of the reasons—and I think a primary reason—for the Board being from 18 to 20 months behind with its docket in many cases, is that the Congress has not given to the Board adequate appropriations to do the job that needs to be done if it is to be done. I do not know of any field in which time is more important than in the field of handling a labor case in the quickest possible time. It is delay which gives rise to doubts, suspicions, and discontent within the ranks of labor. Frequently we find that strikes are actually called against the Board. Hotheads lose their judgment in the union meeting and walk out in protest because they have been waiting for months for the Board's determination of a representation case, for example. Human beings are that way; and so time is of the essence in settling these highly volatile disputes. If we are to have quicker action, we must be willing, through appropriations, to give to the Board the money necessary to maintain the staff necessary to do the job quickly. I say that is a wise expenditure of money, because when a labor dispute is settled quickly the country is saved many times the cost of settling it by way of its proportionate share of the budget appropriated by the Congress for the Board.

So in fairness to the Board, I want to emphasize the importance of our acting very carefully when we approach our appropriation problems this year in the matter of making available to the National Labor Relations Board, particularly if we broaden its jurisdiction and give it greater duties and obligations to perform, sufficient money with which to do the job.

Mr. President, the question of employers' freedom of speech has generated a great deal of heat in the hearings before the Senate committee. It is, of course, self-evident that neither the Board nor the courts can impair the right of free speech guaranteed in the Constitution. It is my impression that those who propose legislation designed to enlarge the employer's right to express his views to his employees are not so much interested in vindicating their constitutional rights as they are in obtaining statutory immunity for acts and conduct which in fact interfere with and coerce employees. If for no other purpose than to correct a widespread misconception and at the same time to impress upon the Board its obligation under the Constitution, I propose that a new subsection be added to the unfair labor practice section of the Wagner Act specifically guaranteeing that all persons—employers as well as unions—are to be protected in their right of free speech.

Specifically, my amendment would provide that nothing in the act "shall be construed to interfere with the right to freedom of speech as guaranteed by the first amendment to the Constitution"; in addition, the provision would prohibit the Board from finding "that the making of any statement of views or arguments, either written or oral, constitutes an unfair labor practice, if such statement by itself or in its context contains no threat of force or economic reprisals."

I have been considerably troubled by various proposals which have been made to obtain speedy relief from unfair labor practices, particularly proposals dealing with injunctive relief against conduct by unions and employees. As I stated earlier in this speech, some of these proposals would revive the days of the midnight injunction, treble-damage actions against unions and employees, and severe criminal penalties. On the other hand, I must admit that there is considerable merit in the argument that in many instances of serious and widespread labor disputes the Government is in large part impotent to correct the conditions which have led to the serious interruption of commerce.

To my mind it is necessary to initiate legislation that will permit the Government, through the NLRB, to obtain

speedy judicial relief when labor disputes which involve unfair labor practices threaten seriously to impair vital sections of the national economy. I have several proposals designed to strengthen the Government in these situations.

First, in the case of jurisdictional disputes involving who shall perform particular tasks, I propose that the Board be empowered to appoint an arbitrator to settle the matter unless within 10 days the parties satisfy the Board that the dispute has been adjusted or that agreement has been reached for the voluntary adjustment of the dispute. After the arbitrator has rendered his award, which is to be filed with the Board, if the parties comply the unfair labor practice charge will be dismissed. One of the reasons I suggest that an arbitrator be available to handle such jurisdictional disputes is that time is of the essence, and the regular procedure of the Board for hearing and judicial enforcement would not remedy the evil sought to be corrected.

Another change in the remedies available to the Board, which I propose, would permit the Board to obtain a temporary injunction or restraining order from the courts of appeal after the Board has issued a complaint but before it has held a hearing and issued an order. Since it is the duty of the Board to prevent unfair labor practices, the Board should have adequate authority to discharge that duty expeditiously.

My proposal would in no way impair the legitimate rights of labor under the Norris-LaGuardia Act and the Clayton Act, since I do not propose that employers be allowed to obtain injunctions against labor or that unions and their members be subjected to the drastic civil and criminal penalties that could be applied in days gone by. Should my proposal become law, it will, of course, be necessary for the Board to exercise an informed discretion in administering the law to the end that labor and industry will be encouraged to adjust their differences by the peaceful methods of collective bargaining.

Therefore, Mr. President, I ask unanimous consent at this time to introduce a labor bill which consists of proposed amendments to the Wagner Act, and ask to have it printed in the RECORD at this point as a part of my remarks.

There being no objection, the bill (S. 858) to amend the National Labor Relations Act, introduced by Mr. MORSE, was received, read twice by its title, referred to the Committee on Labor and Public Welfare, and ordered to be printed in the RECORD, as follows:

*Be it enacted, etc.*, That section 1 of the National Labor Relations Act is amended by inserting before the last paragraph in such section a new paragraph as follows:

"Experience has further demonstrated that certain practices by labor organizations, their officers and members, have the intent or the necessary effect of burdening or obstructing commerce by preventing the free flow of goods in such commerce through strikes and other forms of industrial unrest or through concerted activities which impair the interest of the public in the free flow of such commerce. The elimination of such practices is a necessary condition to the assurance of the rights herein guaranteed."

SEC. 2. (a) Paragraph (1) of section 2 of such act is amended by inserting after the word "includes" the words "labor organizations, their officers, and employees or members, and."

(b) Paragraph (2) of such section is amended by inserting before the period at the end thereof a colon and the following: "*Provided*, That for the purposes of section 9 (b) hereof, the term 'employer' shall not include a group of employers except where such employers have voluntarily associated themselves together for the purposes of collective bargaining."

(c) Paragraph (3) of such section is amended by inserting before the period at the end thereof the following: "or any individual employed in agriculture (as defined in section 3 (f) of the Fair Labor Standards Act of 1938)."

SEC. 3. (a) The first sentence of subsection (a) of section 3 of such act is amended by striking out the word "three" and inserting in lieu thereof the word "seven".

(b) The second sentence in such subsection is amended to read as follows: "The terms of office of members of the Board shall be 5 years except that any individual chosen to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed only for the unexpired portion of such term."

(c) Subsection (b) of such section is amended to read as follows:

"(b) The Board is authorized to delegate to any group of three or more members any or all of the powers which it may itself exercise. A vacancy in the Board shall not impair the right of the remaining members to exercise all of the powers of the Board, and four members of the Board shall, at all times, constitute a quorum of the Board, except that two members shall constitute a quorum of any group designated pursuant to the first sentence hereof. The Board shall have an official seal which shall be judicially noticed."

(d) The first sentence of subsection (a) of section 4 of such act is amended by striking out "$10,000" and inserting in lieu thereof "$12,000."

SEC. 4. (a) Paragraph (2) of section 8 of such act is amended by inserting before the period at the end thereof a comma and the following: "or from adopting nondiscriminatory rules forbidding union activity by employees on company time and property which interferes with the business of the employer."

(b) Paragraph (4) of such subsection is amended by inserting before the word "testimony" the words "statements or."

(c) Such section is amended by adding after paragraph (5) thereof a new paragraph as follows:

"(6) To violate the terms of a collective-bargaining agreement or the terms of an agreement to submit a labor dispute to arbitration: *Provided*, That the Board may dismiss any charge made pursuant to this paragraph if the labor organization has violated the terms of such agreement or has failed to comply with an order of the Board."

(d) Such section is further amended by inserting after the section number the letter (a), and by adding at the end thereof the following new subsection:

"(b) It shall be an unfair labor practice for a labor organization or its agents—

"(1) To interfere with, restrain, or coerce an employer in the selection of his representatives for the purposes of collective bargaining.

"(2) To engage, or to induce or encourage the employees of any employer to engage, in a strike or in a concerted refusal to use, manufacture, process, transport, or otherwise handle or work on any goods, articles, materials, or commodities or to perform any services, in the course of their employment (A) because particular work tasks of such employer or any other employer are performed by employees who are or are not members of a particular labor organization, (B) because such employer or any other employer has refused to recognize or bargain with a particular labor organization as the representative of his employees, if another labor organization has been certified as the representative of such employees within the meaning of section 9 (a), (C) because some or all of the employees of any other employer are or are not members of a particular labor organization, or (D) because any other employer does not have an agreement with, or will not bargain with, a particular labor organization as the representative of some or all of his employees.

"(3) To expel any employee from membership in any labor organization holding a contract with his employer which requires membership in such labor organization as a condition of employment, because such employee has engaged in activity on behalf of another labor organization at a time when a question concerning representation may appropriately be raised; or to persuade or attempt to persuade his employer to discriminate against such employee.

"(4) To refuse, after certification as exclusive representative by the Board, to bargain collectively with the representatives of an employer.

"(5) To violate the terms of a collective bargaining agreement or the terms of an agreement to submit a labor dispute to arbitration; *Provided*, That the Board may dismiss any charge made pursuant to this paragraph if the employer has violated the terms of such agreement or has failed to comply with an order of the Board.

"(c) Nothing herein shall be construed to interfere with the right to freedom of speech as guaranteed by the first amendment to the Constitution of the United States; nor shall the Board find that the making of any statement of views or arguments, either written or oral, constitutes an unfair labor practice if such statement by itself or in its context contains no threat of force or economic reprisal."

(e) The caption preceding sections 7 and 8 of such act is amended to read as follows: "Rights of employees and employers."

SEC. 5. (a) Subsection (a) of section 9 of such act is amended by inserting before the period at the end thereof a comma and the following: "and to adjust such grievances without the intervention of the bargaining representative, if after notification such representative does not indicate a desire to participate in such adjustment."

(b) Subsection (c) of such section is amended by adding at the end thereof the following: "Any party in interest, including an employer, may request such an investigation. The Board shall not proceed on the request of an employer unless it appears (1) that one or more persons or labor organizations have made a claim to be recognized as the representative within the meaning of subsection (a) or (2) that there is a bona fide doubt that the labor organization last recognized in a collective-bargaining contract is the representative within the meaning of subsection (a) and the request is filed with the Board at least 30 days prior to the expiration of such contract."

SEC. 6. (a) Subsection (a) of section 10 of such act is amended by inserting before the period at the end thereof a colon and the following: "*Provided*, That the Board is empowered, by agreement with any agency of any State or Territory, to concede to such agency jurisdiction over any cases arising in industries not basic to the national economy even though such cases may involve labor disputes affecting commerce."

(b) Such section is further amended by adding at the end thereof the following new subsections:

"(j) The Board shall have power, upon issuance of a complaint as provided in subsection (b) charging that any person has

engaged in or is engaging in an unfair labor practice, to petition any circuit court of appeals of the United States (including the United States Court of Appeals for the District of Columbia), of if all the circuit courts of appeals to which application may be made are in vacation, any district court of the United States (including the District Court of the United States for the District of Columbia), within any circuit or district, respectively, wherein the unfair labor practice in question is alleged to have occurred or wherein such person resides or transacts business, for appropriate temporary relief or restraining order. Upon the filing of any such petition the court shall cause notice thereof to be served upon such person, and thereupon shall have exclusive jurisdiction to grant to the Board such temporary relief or restraining order as it deems just and proper.

"(k) Whenever it is charged that any person has engaged in an unfair labor practice within the meaning of paragraph (2) (A) of section 8 (b), the Board is empowered to hear and determine the dispute out of which such unfair labor practice shall have arisen or to appoint an arbitrator to hear and determine such dispute, unless, within 10 days after notice that such charge has been filed, the parties to such dispute submit to the Board satisfactory evidence that they have adjusted or agreed upon methods for the voluntary adjustment of the dispute. Upon compliance by the parties to the dispute with the decision of the Board or the arbitrator appointed by the Board or upon such voluntary adjustment of the dispute, such charge shall be dismissed."

Mr. MORSE. Mr. President, I also ask unanimous consent to introduce another bill, which does not relate to amendments to the Wagner Act but seeks to provide the Senate with the data, the facts, and the information needed as to what is going on in the country in regard to entering into labor contracts. I am introducing a bill to provide for keeping the Congress fully informed of current developments in the field of collective bargaining and labor-management relations, in order to provide basic information needed by management and labor organizations when engaged in collective bargaining.

There being no objection, the bill (S. 859) to provide for keeping the Congress fully informed on current developments in the field of collective bargaining and labor-management relations; to provide basic information needed by management and labor organizations when engaged in collective bargaining; and to aid conciliation, mediation, arbitration, and other Government agencies in the process of settling or preventing labor-management disputes and work stoppages, introduced by Mr. MORSE, was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

Mr. MORSE. Mr. President, I have only a few brief remarks to make by way of explanation of the bill.

Although collective bargaining has by now become an accepted institution in the United States, labor-management relations have continued to be one of our major national problems, and at times so serious a problem as to threaten the very stability of our social and economic life. At the present time the Congress of the United States is called upon to deal with this grave situation, and the Senate Committee on Labor and Public Welfare is holding hearings on a number of bills intended to provide a solution for our labor-management difficulties.

Unfortunately, however, the testimony heard so far has proved to be largely of the kind which may be classified as either "entirely black" or "entirely white." Judging by the statements of some of those who are opposed to organized labor in general, there is nothing good in the trade union movement, and the sooner unions are abolished altogether the happier the country will be. On the other hand, some of the labor leaders who testified before the committee took the exact opposite position; namely, that there is nothing wrong with the labor movement, and there is absolutely no need for any legislation or other Government action to deal with the problem of labor-management relations.

As is usually the case in such situations, the truth lies somewhere between those two extremes. We do need some labor legislation, but we also need considerably more factual information than we have at the present time, in order to determine how far we can go by means of legislation in handling the delicate problem of human relations in industry.

Not enough of such information is available at the present time. For a number of years the Bureau of Labor Statistics, the fact-finding agency of the United States Department of Labor, has attempted to develop some information pertaining to labor-management problems, but the Bureau's authority to collect information is so extremely limited that it has been compelled to rely on antiquated methods of collecting the necessary data, with very inadequate results. The material on labor relations prepared by the Bureau of Labor Statistics is, therefore, generally of the type of "too little and too late."

Take, for instance, the Bureau of Labor Statistics' reports on work stoppages, which frequently are cited and quoted on the floor of the Senate. Many Senators probably will be shocked to learn that this information is based, not on a direct reporting system to the Department of Labor, but on newspaper clippings from which the Bureau obtains its clues as to where and when a work stoppage occurs. Take away the clipping service from the Bureau of Labor Statistics and you automatically deprive it of its major source of strike information and make it impossible for the Bureau to issue any reports on work stoppages. Such a situation actually occurred in 1943, when the Bureau of Labor Statistics was compelled to cease publication of strike data for a period of from 3 to 4 months.

In this connection I want to emphasize that, by and large, strikes are still regarded as important news and, therefore, are reported, often in great detail, in the daily press. As a result the information on work stoppages published by the Bureau of Labor Statistics may be regarded as actually reflecting conditions that exist in the country. This, however, is not true of the collective-bargaining agreements and of the settlements of labor-management disputes before they reach the stage of a work stoppage. Such information is generally not reported in the daily press; and because we have no adequate information on the peaceful phases of collective bargaining, the Bureau of Labor Statistics' reports on work stoppages have been justly criticized as "lopsided," as placing undue emphasis on labor-management disputes, and as paying no attention whatever to the far larger area of cooperative and peaceful relations that characterize the day-to-day life of our industrial community.

In the United States, labor and management are not required by tradition or by law to file with the United States Department of Labor copies of their collective-bargaining agreements; and the Bureau of Labor Statistics is, therefore, compelled to use the costly and antiquated method of writing to each employer and to the union concerned each time it learns of the existence of an agreement between them. In this way the Bureau of Labor Statistics has managed, in the course of the last few years, to build up a file of approximately 15,000 collective-bargaining agreements currently in effect. But neither the Bureau, nor anyone else for that matter, has any knowledge as to how many agreements are actually in existence in this country at any one time, or how many new agreements are concluded each month and how many are revised or renewed each month.

I am reliably informed that the United States is the only English-speaking country that has not given its Department of Labor the necessary authority and facilities to provide this type of information, which is needed by us for legislative purposes and is needed by labor and management groups who are engaged in collective bargaining. In England such agreements are filed with the Department of Labor as a matter of course. In Canada some Provinces require, by law, that all agreements be registered with the Government agency, and such agreements do not become valid until so registered.

There is still a third field of labor information which we must have if we are to deal intelligently with the problem of labor-management relations. I refer to the data on the growth and development of the trade-union movement in the United States, on union membership, on the amount of initiation fees, dues, fines, and other assessments collected by the union from its members, and on the various types of services and benefits rendered to the members.

Again we are the only English-speaking nation where the Department of Labor does not collect and officially publish such information. For years Great Britain has been publishing annual reports on the trade-union movement, and Canada has been issuing an annual report ever since 1910. In fact, some of our own States, notably California and Massachusetts, have been, for a number of years, publishing annual reports on the trade-union development within their own borders. It is indeed high time that the Federal Department of Labor be instructed to provide this type of information, which we could use most effectively at the present time when we are

confronted with the serious problem of what we should or should not do to put labor-management relations in this country on an even keel.

The bill I am introducing today is intended to correct the situation. I am, of course, fully aware that to accomplish this aim we may have to provide additional facilities, and also may have to increase the appropriation allotted to the Bureau of Labor Statistics for its work on industrial relations. We may perhaps be required to double the $250,000 spent last year by the Bureau of Labor Statistics to provide information on industrial relations. The furnishing of such information would be a major feat to accomplish in a year when all of us are concerned with reducing and balancing the budget. Nevertheless, I feel that such an investment in providing authentic information on collective bargaining and on labor-management relations will more than pay for itself in dividends in terms of enlarging the area of industrial peace and reducing the area of industrial strife.

My reasons for this statement are direct and simple. If we are to retain our democratic way of life based on free enterprise, we must, of necessity, also retain the institution of free and strong unions and free collective bargaining. This means that, whether we like it or not, we are always going to have some strikes. In fact, the existence of such strikes may be regarded as a sign that our free democratic institutions are actually functioning. The only countries that I know of which have successfully eliminated strikes are Fascist Italy, Nazi Germany, and Communist Russia. There were no strikes under fascism in Italy and Germany and there are none under communism in Russia, but neither are there free unions, private enterprise, or any of our traditional liberties which constitute the very essence of our American way of life.

I am firmly of the opinion that we cannot legislate strikes out of existence. However, we can greatly reduce industrial strife, reduce the number of work stoppages, and minimize the disturbances to our economy caused by such work stoppages, partly by means of wise legislation and partly by the use of common sense and mutual trust on the part of labor and management. The information called for in the proposed bill should make a very substantial contribution in that direction, in my judgment.

Mr. President, I close my address both with thanks to my colleagues and with an apology on my lips. I wish to thank my colleagues who have patiently heard me through on the vital subject I have been discussing. I wish to apologize for taking so long. Nevertheless, as one who has spent many years in the field of labor relations, I felt it my duty, at least to the people of my State, to disclose, as clearly as I have tried to do today, exactly what my position is on the legislative proposals pending before the Congress, and what my attitude will be in my endeavor to have legislation enacted by the Congress which will meet the three criteria which I laid down earlier in my speech.

I want whatever law is passed to be fair; I want it to be moderate and reasonable. I believe we should rise to our obligations and pass only that type of legislation which meets those three tests for we in the Eightieth Congress can do serious harm to the stability of our economy by passing a strait-jacket type of legislation.

Finally, if I may strike a facetious note, let me say that I hope my friends in the Senate will understand, as a result of my 4-hour address today, that my objection to filibustering in the Senate does not at all spring from any lack of ability on my part to talk at length.

EXHIBIT 3

*Area of bargaining with associations and groups of employers bargaining on a national or industry-wide scale*

APPROXIMATE NUMBER OF WORKERS COVERED

| | |
|---|---|
| Coal mining | 400,000 |
| Elevator installation and repair | 3,000 |
| Glass and glassware | 60,000 |
| Installation of automatic sprinklers | 2,500 |
| Pottery | 14,000 |
| Stoves | 4,000 |
| Wall paper | 3,000 |
| Total | 486,500 |

EXHIBIT 4

POTTERY INDUSTRY—GENERAL WARE AND CHINA

Union: National Brotherhood of Operative Potters, AFL, founded in 1890. At present has approximately 22,000 members including 90 percent of workers in general ware and 65 percent of those in china. About 14,000 of these covered by one agreement with United States Potters Association representing between 60 and 80 percent of the workers in the industry.

Employers: United States Potters Association, established in 1875 primarily as a trade body. Began negotiations with union in 1894. At present has 31 member companies, 19 in general ware, and 12 in china, covering about 85 percent of each branch.

*History of collective bargaining*

1897: Joint support by union and association for restoration of 1890 tariff duties on pottery laid groundwork for national bargaining. However, reluctance of eastern operatives to establish a uniform wage list (based on an average of western and eastern prices) precluded a national agreement at this time.

1900: National wage scale drafted but union was unable to hold its eastern members in line under this scale. Bargaining reverted to sectional basis.

1901: Western agreement signed between brotherhood and association.

1904: Eastern agreement signed between brotherhood and association.

1905: First national agreement signed covered skilled workers in about 90 percent of general ware and 75 percent of china ware branches.

1922: Eleven-week strike over proposed reduction in wages; compromise settlement. This was the only break in union-management relations except for an abortive strike in 1917 and a number of local outlaw strikes which were repressed quickly by joint action of the brotherhood and the association.

1946: Current national agreement covers 80 percent of wage earners in general ware and 50 percent in china. Brotherhood agreements with nonassociation firms include additional 10 percent of wage earners in each branch; and in practice remaining firms tend to follow wage standards set by national agreement.

*Present status*

Joint collective bargaining conferences are held biennially. In event of a deadlock, a union referendum is held and union decides whether to strike or continue on employers' terms for two more years. Three joint standing committees handle the settlement of disputes involving interpretations and application of agreements, and the determination of piece rates for new types of wares or for new processes of manufacturing.

No-strike clause prohibits strikes unless or until the two national bodies have surrendered the matter to the local and company directly involved. (This has never been done.)

*Stability and industrial peace*

Both the association and brotherhood have a good record in the observance of the agreement:

"No system, of course, is perfect and we have had our troubles from time to time in disputes, but these are taken care of by our standing committees which are boards of arbitration with full authority to act, and their decisions are binding on both sides and neither can successfully combat such decisions.

"We believe that our long record of 38 years of friendly relations proves that this form of employer-employee relationship is satisfactory if one realized that at times they will find members on both sides who are prone to misunderstand." (Quoted in NLRB Bulletin No. 4, November 1939, p. 85; from statement of Charles P. Goodwin, secretary of the employers' association, given in Labor Relations Reporter, March 14, 1938, p. 8.)

"National collective bargaining in the general ware and china branches of the pottery industry since 1900 has helped to stabilize the industry through maintenance of wage standards.

"During the past four or five decades, the wage level in the pottery industry under national bargaining apparently has risen no more rapidly than for manufacturing in general, and the level of common-labor entrance rates in pottery is not above the average for all manufacturing.

"Wage stabilization under national bargaining in pottery seems to have operated with relatively little friction. Attempts by association firms or union locals to establish wage rates at variance with the provisions of the national agreement have been rare and unimportant. Perhaps partly because of the continuity of key personnel, the association and the brotherhood have been able to work out practical compromises and to maintain discipline." (Wages Under National and Regional Collective Bargaining, Industrial Relations Section, Princeton University, Princeton, N. J., 1946; pp. 30 and 31.)

"The oldest labor union in the United States employing collective bargaining, the brotherhood has called only two strikes in its nearly 50 years of existence—the first to establish recognition of collective bargaining when it was organized about 1893, and the second in 1922 over a wage decrease." (Courier-Express; Buffalo, N. Y., May 26, 1946.)

PRESSED AND BLOWN GLASSWARE INDUSTRY

Union: American Flint Glass Workers' Union (AFL), founded 1878, approximately 100 locals and 23,000 members.

Employers: National Association of Manufacturers of Pressed and Blown Glassware, established 1893.

*History of collective bargaining*

1890: Union and associated manufacturers of pressed glassware negotiated national agreements. Employer association dissolved by labor dispute in 1893.

1893: Establishment of NAMPBG; began negotiation of annual agreements for skilled departments.

1903: Star Island agreement, provides grievance and dispute procedures.

1909: Dispute in "chimney department" only break in union-management relations.

1913: U. S. Glass Co. joined association.

1937: Miscellaneous division (i. e., in addition to skilled departments), included in collective bargaining.

1943: Corning Glass Co. (largest concern in industry) organized by union (not member of association).

*Present status*

Joint conference decisions are binding on all members of association. Local agreements must be submitted to national organizations of both parties for approval. In practice, agreements with nonassociation members conform to industry pattern with but few exceptions.

*Stability and industrial peace*

Quotations from Prof. Richard Lester:

"Through uniform piece rates and minimum hourly rates for competing firms, national collective bargaining has had a stabilizing influence on the flint-glass industry during the past half century. The joint industry conferences each year have been educational, forcing both sides to think in terms of the economics of the industry. The result has been the development of responsible leadership and practical compromises. The association-union bargaining unit has also furthered stable relations by forestalling disputes arising from rival unionism.

"Excessive centralization of functions and decisions apparently has not resulted from national bargaining in flint glass.

"Through years of experience a balance has been worked out between the goal of uniform labor standards throughout the whole area of competitive production and adjustment to the variety of circumstances prevalent in different parts of the industry." (Wages Under National and Regional Collective Bargaining, Princeton University, 1946.)

MEN'S CLOTHING INDUSTRY

Union: Amalgamated Clothing Workers of America (CIO); founded in 1914 as result of secession from United Garment Workers; approximately 500 locals and 350,000 members.

Employers: Organized on metropolitan-market basis in most of the major industry markets; have varied history dating from 50 years ago; principal market-wide associations are: New York Clothing Manufacturers' Exchange and Rochester Clothiers' Exchange; over-all coordinating association: United States Clothing Manufacturers' Association.

*History of collective bargaining*

1910: Market-wide strike in Chicago; bitter and violent.

1911: Arbitration board decision for Hart, Schaffner & Marx (union: UGW); grievance machinery and permanent board of appeals established.

1912–13: Grievance machinery improved; worked smoothly.

1913: Strikes in New York City, Rochester, and Boston; resulted in agreements with UGW.

1915: Amalgamated strike against other Chicago firms; lost.

1916: Agreements signed with important firms in Baltimore and Boston.

1919: Entire Chicago and Rochester markets brought under agreement; progress in other centers; New York City still unstable; Philadelphia open shop.

1920: 26-week lock-out in New York City, Boston, and Baltimore; failed.

1924: New York City market under contract.

1929: Philadelphia brought under agreement.

1939: ACW's stabilization plan launched; designed to equalize labor costs among competing employers involved certain degree of standardization of production.

*Present status*

Major agreements signed with market-wide employer associations in leading markets. Similar agreements signed with scattered concerns outside associations and in outlying areas. (United States Clothing Manufacturers' Association and union apparently meet to set standards to guide negotiation of various association agreements. Source: reports of testimony before Senate Labor Committee.)

*Stability and industrial peace*

Quotations from R. J. Myers and J. W. Bloch, in How Collective Bargaining Works:

"Employer gains: Freedom from strikes, for the union has been remarkably successful in holding the members to their agreements."

"Public gains: Great cities have been rid of the industrial warfare which once raged periodically in their streets."

WOMEN'S CLOTHING INDUSTRY

Union: ILGWU. (AFL.) Organized and charted by AFL in 1900. (However, union activity in various branches of industry as far back as 1879 or 1880, under aegis of Knights of Labor.)

ILGWUA covers 16 branches of industry. As of July 1945, total employment in industry, 188,700; under agreement, 168,000, about 90 percent. Of the 168,000 under agreement, 151,200, or 90 percent, under association agreement. Outside of certain metropolitan areas, ILGWUA deals with individual companies.

Employers: In the United States, more than 90 associations of employers in metropolitan areas (chiefly New York, Chicago, St. Louis, Cleveland, San Francisco, Los Angeles, and Kansas City). First association formed in 1883, Cloak Manufacturers Association.

The major associations affecting the majority of workers in the industry are in the New York metropolitan area, and cover the cloak and suit branch, the waist and dress branch, and the corset and brassiere branch.

Cloak and suit associations in New York metropolitan area: American Cloak and Suit Manufacturers Association, Inc.; Industrial Council of Cloak, Suit, and Skirt Manufacturers, Inc.

Waist and dress associations in New York metropolitan area: Affiliated Dress Manufacturers, Inc.; Popular Priced Manufacturers Groups; United Better Dress Manufacturers Association; United Popular Dress Manufacturers Association.

Corset, brassiere, and lingerie associations in New York metropolitan area: Associated Corset and Brassiere Manufacturers; United Knitwear League.

*History of collective bargaining*

1879–80: First distinct labor organization in the women's clothing industry formed in New York City in 1879 or 1880 under the Knights of Labor. Name unknown; short-lived.

1882: Another organization of workers in cloak and suit shops in New York in existence; union a local assembly of the Knights of Labor. Early unions probably shop organizations in "inside" shops.

1883: Dress and Cloak Makers' Union, an organization composed of workers in several New York shops formed. Organization grew out of a strike in a number of "inside" shops. Known as the Emigrants' Strike and won by workers.

First Cloak Manufacturers Association was formed in New York to combat the above-mentioned strike.

Gotham Knife Cutters' Association was organized by the Knights of Labor. This was the first distinct craft union in the industry.

1883–84: Formation of unions outside of New York began.

1885: General strike of cloakmakers in New York resulted in what seems to be the first record of an agreement and an arbitration committee composed of union and association representatives in the industry; agreement between the Dress and Cloak Makers' Union and members of the Cloak Manufacturers Association. Forerunner of arbitral machinery characteristic of industry.

1890: Early in year, major organizational strikes by cloak makers in New York, Chicago, Boston and Philadelphia. In May another strike in New York with subsequent lock-out by Cloak Manufacturers Association. First contact with AFL, with Gompers speaking at mass meeting. Strike settled with union shop, minimum wage and settlement of grievance through peaceful negotiations.

1900: ILGWU formed and chartered by the AFL.

1900 on: Affiliated Dress Manufacturers Association formed, followed by similar employers' associations in other branches and other parts of country.

1909: Strike of the shirt makers (The Uprising of the Twenty Thousand).

1910: Involved about 15,000 workers in over 500 shops. Waist and Dress Manufacturers Association refused recognition of union as much, but 339 of 352 individual member companies negotiated with ILGWU.

1910: Strike of the cloak and suit makers in New York (The Great Revolt). Signed agreement with the Cloak Manufacturers Association known as the Protocol of Peace. Agreement conceived and formulated by a mediation committee headed by Louis D. Brandeis.

1911: Agreement similar to the protocol was signed by the Merchants' Society of Ladies Tailors of New York.

1913: Activities of the ILGWU carried on on a national basis. Strikes in Boston in the cloak and suit industry and dress industry resulted in signing of agreements with the Boston Ladies Garment Manufacturers Association and the Boston Dress and Waist Manufacturers Association.

Major strikes in New York were those of the waist and dress makers, wrapper, kimono and house dress workers, and workers in the children's dress trade, resulting in the signing of agreements similar to the protocol, with the employer associations.

1914: Agreements signed with Women's Garment Manufacturers Association and Women's Wear Manufacturers Association in Philadelphia, avoiding a general strike. Agreements of peace similar to protocol.

1915: The protocol superseded by an agreement embodying the findings and recommendations of a council of conciliation, appointed by Mayor Mitchel and headed by Dr. Felix Adler. Vital principles of the protocol remained.

Chicago strike was averted when union and cloak and suit manufacturers (Chicago Cloak and Suit Manufacturers Assocation and Northwest Cloak and Suit Manufacturers Association which were formed at that time) agreed to submit case to arbitration. Decision handed down established collective bargaining in the cloak and suit trade in Chicago.

1916: General strike in waist and dress trade in Philadelphia resulted in an agreement with the Philadelphia Waist and Dress Manufacturers Association.

1917: Agreements renewed and amended in New York without unions having to resort to strike. Organization took place in other parts of the United States.

1919: General strike throughout country of the cloak makers.

Also strikes of other workers in the apparel industry. All successful.

The ILGWU during the year signed agreements with 25 employer associations in nine cities (including Toronto), as well as with thousands of individual companies.

1921–22: Strikes in New York, Philadelphia, Baltimore, Chicago, and Los Angeles in the cloak industry.

Strike in New York caused by the New York cloak and suit manufacturers.

Protective association's decision to return to the piecework system, cut wages, and return to a 48-hour week.

Temporary injunction granted international by the Supreme Court; made permanent in 1922. On January 10, 1922, Secretary of Commerce and of Labor suggested thorough investigation of the cloak industry, findings to be the basis of an agreement; January 16, attorney for employers notified the international that shops would be reopened under the old conditions; strike ended January 17.

1922: Strike of waist and dress makers in Philadelphia was lost and seriously disorganized the union. Chicago dress and waist agreement was renewed without a strike.

Also agreements of the cloakmakers was renewed in July 1922 for 2 years.

1924: Post of impartial chairman in cloak and suit industry formally established.

1926: Cloakmakers strike—caused by Communist element in ILGWU; 40,000 cloakmakers were involved in New York City. After 3-month strike Communist-led locals withdrew and formed Needle Trades Workers Industrial Union. (Returned to ILGWU in 1933.) Industry beset for next 7 years by dual unionism. ILGWU membership sank in 1932 to lowest level since 1910; racketeering thrived, wages were cut, etc.

1930: Strike of New York dressmakers; settled through intervention of Governor Roosevelt; significant feature was introduction of arbitration system with full-time impartial chairman in the dress industry.

1933 on: The first Nation-wide attempt to regulate the women's apparel industry came under the NIRA which was passed in 1933. Chaotic conditions in industry ended.

Cloakmakers returned to ILGWU—signed agreement with the Cloak, Suit and Skirt Manufacturers' Protective Association. Strike of dress workers in New York and its environs resulted in signing contracts with the major dress associations.

Since 1933: No major disturbances in the women's apparel industry. Some strikes, localized and of short duration.

*Present status*

Inasmuch as ILGWU is an industrial union, in order to represent the combined interests. ILGWU constitution provides for formation of joint boards wherever there are two or more craft unions in a city or region. For example, in New York market joint board of cloakmakers (includes locals of cutters, operators, finishers, and pressers); joint board of dressmakers (four locals). In most other markets cloakmakers and dressmakers are combined in same joint board. The joint boards negotiate agreements for entire membership with employers' associations and with individual employers.

In New York City the administrative board of the dress industry represents five employers' associations and is a counterpart of the joint board of dress and waist makers. The scores of needle trade's employer's associations follow narrow craft line like the unions, and coincide with the markets.

Impartial chairman for an industry in a given market is chosen and paid by the union and the employers' association. He is the final arbiter in disputes, although the procedure varies slightly from market to market. The impartial chairman is chosen not so much for his knowledge of the industry as for his ability as an arbitrator, e. g., Charles Poletti, Hon. James J. Walker, Harry Hopkins, etc.

The post of impartial chairman was informally set up in 1910 with the committee of negotiators that issued the Protocols of Peace for the cloak industry, and formally set up in 1924; for the New York dress industry the post was set up in 1930.

*Stability and industrial peace*

The industry which in its early history was characterized by numerous long and violent strikes is at present known for its continued amicable relations between union and employers. In some instances agreements run for 5-year periods.

At the twenty-fifth convention of the ILGWU in 1944 the harmonious relations between labor and management were attested by the following statements:

"Your organization has been a great stabilizing and constructive force in the ladies' garment industry. It has pointed the way to effective cooperation between labor and management and has successfully improved the conditions of labor in this trade. It has been a pioneer in its enlightened policy of making public each year an itemized account of its income and disbursements. You have every reason to be proud of the accomplishments under your leadership." (President F. D. Roosevelt, quoted in MLR Reprint No. 1694, p. 1.)

"Coat and suit workers and employers have reached the stage of industrial maturity where it is taken for granted that joint effort is required to assure the growth of the industry. This effort, in turn, requires organization—organization of workers, organization of employers, and joint organization. * * *

"It is not merely important for workers alone that their organization continue to be effective. The country at large benefits from the liberalizing influence which characterizes labor unions.

"The record of the ILGWU encourages us to believe that it will continue to be sensitive to the larger responsibilities it has acquired by virtue of becoming one of the great labor organizations of the country." (Alexander Printz, Chairman of National Coat and Suit Recovery Board, and head of Printz-Biederman Co., in Cleveland, quoted in MLR, op. cit., p. 2.)

"This record of industrial peace has not been all a one-way affair; the leaders of our industry, with but few exceptions, have cooperated with the union in keeping labor-employer relations on a balanced keel." (ILGWU General Executive Board Report, quoted in MLR, op. cit., p. 2.)

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EXHIBIT 5 [a]

EMPLOYER ORGANIZATIONS AND THE EXTENT OF THEIR PARTICIPATION IN MULTICOMPANY COLLECTIVE BARGAINING

The simplest form of employer-group bargaining sometimes raises the most perplexing problems of identification. In a given city a number of bakers, aware of their ineffectiveness in bargaining separately with unions of their employees, meet informally to discuss the terms of a proposed labor contract. They agree upon a common policy to be followed during the stages of contract negotiation, whether they collectively bargain with the union or not, and even though each employer signs a separate contract. Once the contract becomes effective, collaboration among employers may cease until the time for a renewal of the contract.

The evidences of these collective efforts among employers are not easy to detect. The contracts signed with employees may contain no reference whatever to employer group action. An actual example occurred in Baltimore where five tugboat owners and operators met informally to negotiate contracts with unions represented among their employees. The owners adopted no common name and created no formal organization. After discussing proposed wages and working conditions among themselves they negotiated an agreement with a committee representing the union. The resulting contracts were identical for each of the five companies. The union ratified them all at a single meeting and each company signed its own contract. Yet no contract contained any evidence of employer-group participation in its formation.[1]

Another example of employer collaboration not readily disclosed from an examination of existing agreements is to be found in the flat glass industry where a single agreement covers an association of "Little Glass" companies, and separate agreements exist with each of the two "Big Glass" companies—Pittsburgh Plate and Libby-Owens-Ford. Yet the two large companies negotiated their contracts jointly, both with the Window Glass Cutters League and with the Federation of Glass, Ceramic and Silica Sand Workers. Although each contract is signed by only one firm, the union agreements are identical for both companies. The two companies even collaborate during the administration of the contract to insure uniform patterns of interpretation; yet there is no evidence in the agreements of any common organization or machinery through which joint action is taken.[2]

Other employers' associations, unlike the informal groups whose members mutually assist one another during the negotiations of contracts, offer more tangible evidence of their existence. They possess a common name, perhaps a constitution and by-laws, sometimes a staff of elected officials and permanent employees. They may hold regular meetings of their membership; they may levy assessments and collect dues; they may be affiliated with a number of other employer groups, and they may be incorporated under State law. Thus the Confectioners Industrial Relations Board, composed of 18 companies in the New York metropolitan area is incorporated under the laws of New York State and its officials include a board of directors, an executive-secretary, a treasurer, and a general counsel. On the other hand, the Puget Sound Shipowners Association is not incorporated, has no fixed dues, holds no regular meetings, but levies special assessments when needed and calls meetings when necessary to consider problems of general concern.

Employers' associations of this type are characterized by their primary concern with problems of labor relations. They are either created expressly for the purpose of collective bargaining or they have come to accept the management of labor problems, including the bargaining function, as their predominant interest. Thus the Affiliated Dress Manufacturers, Inc., which since 1900 has negotiated union contracts in the women's ready-to-wear industry of New York City, was organized, as declared in its certificate of incorporation, for the purposes of promoting conciliation and settling disputes between its employers and employees, and of making, on behalf of its members, agreements with other organizations, including trade agreements with labor unions. Likewise, the Association of Doll Manufacturers in New York City was organized in 1933 to handle the labor relations of its members; and its executive secretary has declared that 90 percent of the association's time is devoted to labor problems. On the west coast, the San Francisco Scrap Iron Dealers Association was organized in 1937, as stated in its agreement of association, for the purpose of "the regulation of labor conditions in the scrap and metal industry" through the joint efforts of its

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[a] Prepared by Mr. Jesse T. Carpenter, under the direction of Nelson M. Bortz, chief, Union Management Research Division, Industrial Relations Branch, Bureau of Labor Statistics.

[1] The Maritime Labor Board which obtained some of this information in the field also found evidences of a similar arrangement among the vessel operators and the contracting stevedores in the Great Lake ports. Report of the Maritime Labor Board (March 1, 1940), p. 97.

[2] Richard A. Lester and Edward A. Robie, Wages Under National and Regional Collective Bargaining (1946), pp. 70-72.

members and "by means of collective bargaining."[3]

Formed to bargain collectively with labor unions, a typical employers' association may fluctuate in its membership from year to year. Generally, refusal to accept a contract negotiated by the employer group is tantamount to withdrawal from the association. Or, having accepted a master contract, a member may resign from the association because of disagreement over the administration of the contract or for other reasons. Notice of resignation is usually adequate to effect a separation, provided the company's financial obligations to the association have been fulfilled. Some associations provide for the expulsion of members as a penalty for violating the contract terms. A number of association contracts specify that the separation of a member from the group does not terminate the obligations of the company to the union under the agreement.[4]

Despite the singularity of their purpose, these employers' associations differ widely in their structure and powers. The constitution of the Doll Manufacturers Association, cited above, places highest authority in a board of directors with an executive secretary acting as general manager. In the Scrap Iron Dealers Association, just referred to, authority is so highly centralized that the association negotiates labor contracts and sends copies to its members with instructions "to conduct all relations with your employees in accordance therewith." Most employers' associations follow trade lines and are to be found in the cities. The Associated Laundry Owners of Greater Kansas City, the Employing Bakers of Cleveland, the Chicago Retail Furniture Dealers Association, the Associated Fur Coat and Trimming Manufacturers, Inc., of New York City, the Cincinnati Printers League, the Associated General Contractors of Omaha—all are examples of local employers' associations with union contracts.

Many city associations of this character have no more than the simplest headquarters—if any; no more than the barest outlines of a permanent organization—if any; no more than one or two full-time employees—if any. In many cases their work as an association ceases momentarily with the signing of the contract, even though the association be an indisputable party to it. Like the informal employer groups, many associations remain dormant between negotiating periods. An example is that of the molders and foundrymen of Pittsburgh and vicinity which is an association of foundry and machine shop employers created in 1903 to bargain with the International Molders and Foundry Workers Union. Yet this body has never had a constitution, bylaws, articles of association, nor permanent records. It has never collected dues nor maintained a treasury. It holds no meetings save for those of its negotiating committee and exercises no compulsory powers over its members.[5]

The amount of organization generally varies directly with the strength of the association; and association strength depends in part upon the ratio of actual to eligible membership in the area covered by the agreements. The strongest local associations are generally those with the largest percentage of eligible members over a city-wide or metropolitan area. A newspaper publishers' association with only a few members is likely to be powerful because these associations generally represent most if not all of the newspaper publishing business in their respective metropolitan areas; whereas, a laundry owners' association may be relatively weaker despite the number of its members if, as frequently happens, it represents only one of several such associations in the same city.

An employers' association of the less formal type may be created overnight from a single meeting of employers who select a negotiating committee to bargain with the union. Associations whose only identifying titles are those of their negotiating committees doubtless began operations without the formalities that often accompany the establishment of a new organization. The Fir Employers' Negotiating Committee of Portland, Oregon; the Lumbermen's Industrial Relations Committee of Seattle, Wash.; the Petroleum Labor Group of Minneapolis, Minn.; and the Motor Carriers Negotiating Committee of Nashville, Tenn., were probably created to meet an immediate need in collective bargaining. In December 1945, 13 commercial aviation companies formed the Air Line Negotiating Committee expressly to bargain with the Air Line Pilots Association on the subject of a contract for the pilots of four-engined planes.

The evolution of association bargaining may be illustrated from the experience of the Associated Metal Fabricators and Engineers of Detroit. From 1937 to 1940 several companies engaged in industrial sheet metal work in the Detroit area operated under individual collective bargaining contracts negotiated separately with the United Steelworkers of America. Then for the next 2 years, 1940 to 1942, the United Steelworkers negotiated contracts with a group of from 6 to 9 firms designated in the resulting blanket contracts as sheet metal companies. In December 1942, these companies who were parties to the blanket agreement formed the Associated Metal Fabricators and Engineers; and thereafter the secretary of the association represented the members in the negotiation of labor contracts.[6]

At the formative stage of an employers' association the question of representation is most likely to become a stumbling block. For in many instances the members of the association will most certainly be of unequal size and importance; and they are likely to be too numerous for all to be represented directly at the conference table. In the flat glass industry, for example, the two large companies with 15,000 employees have refrained from joining an association of five smaller companies whose combined workers number only 2,500. The Radio Corporation of America with 8,000 employees negotiates its own contracts with the United Electrical workers (CIO) while in the same industry 20 members of the Electronics Manufacturers' Association have a contract with the same union covering 6,000 employees. The Big Four meat packers in Chicago negotiate individual contracts while the Packers Association of Chicago representing 11 other companies negotiates an association contract covering less than one-tenth as many workers.[7]

The membership of an employers' association is not always drawn from a major industry or trade group. Some associations cut across trade lines; others are confined to narrow crafts within a single major industry or service. Often the character of membership is determined by the particular union with which the association must deal. An association formed to bargain with the Upholsterers' International Union would normally be confined to members of the upholstered furniture industry; and such is the case with the members of the Minneapolis Retail Upholstering Employers Association or with the Upholstered Furniture and Frame Manufacturers Association of Philadelphia. But an association formed to bargain, for example, with the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers may be composed of employing upholsterers, milk distributors, ice manufacturers, and meat dealers, all of whom are faced

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[3] *National Dress Manufacturers Assn., Inc., et al.* (1940) (28 N. L. R. B. 386); *Admiar Rubber Co.* (doll manufacturers) (1938) (9 N. L. R. B. 407); *Hyman Michaels Co., United Commercial Division et al.* (scrap iron) (1939) (11 N. L. R. B. 796).

[4] The War Labor Board has held that all obligations contracted by the association on behalf of a company redound on the company itself when it resigns from the association. *In re United Motors Service, Inc., etc.* (Seattle Automotive Supply and Equipment Association) (September 1, 1944), 19 War Labor Reports 479. But notice of resignation from the agreement amounts to resignation from the association, according to the contract between the Los Angeles County Painters and Decorators Joint Committee and the District Council of Painters No. 26. An example of the instability of some employer groups occurred in the fall of 1946 during the general trucking strike in New York City. Two organizations of employers—the Motor Carriers Association and the State Motor Truck Association—had created a joint wage scale committee to negotiate with the teamsters' union. On October 21, 1946, after several large chain stores had broken away from the group, representatives of 80 trucking companies which remained loyal to their associations met and signed cards expressly authorizing the joint wage scale committee to negotiate for them. It was reported that financial penalties were to be imposed upon those who violated their pledges. Subsequently, the joint wage scale committee was dissolved and the members relieved of their pledges. Individual contracts were then signed with the teamsters' union.—New York Times, October 22, 1946, p. 28; October 29, 1946, p. 21.

[5] Sterling Steel Foundry Co. (1943) (53 NLRB 896 at p. 898). See also F. L. Hartung Co. (Spokane Detail and Millwork Association) (1943) (50 NLRB 1).

[6] *J. D. Schmieg, etc.* (1945) (62 N. L. R. B. 1474 at p. 1476). A similar evolution occurred in the case of the Plywood and Door Manufacturers Industrial Committee. See *Springfield Plywood Corporation* (1945) (61 N. L. R. B. 1295 at p. 1297). The New Orleans Steamship Association, Inc., under the laws of the State of Louisiana, August 12, 1912, was preceded by an informal organization known as the New Orleans Steamship Conference. (Report of the Maritime Labor Board, March 1, 1940, p. 95.) In the commercial aviation industry 18 companies formed the Air Lines Negotiating Conference in August 1946 after several months' experience with the Air Lines Negotiating Committee which represented 13 companies. (See transcript of the hearings held in the matter of the investigation of the air lines negotiating conference. Civil Aeronautics Board Case No. 738-739. Docket No. 2603, December 16-18, 1946.)

[7] On the Electronics Manufacturers' Association, see Bureau of National Affairs, "Transition from Individual Company to Association Bargaining: A Case Study," in Collective Bargaining Negotiations and Contracts (Apr. 22, 1946) 16: 201-204. The Pacific Pulp and Paper Manufacturers Association, however, found an expedient through which the Crown-Zellerbach Corp. and its affiliates with about half the business of the association could be represented on a plant basis, so that with 17 of the 34 mills in the association it received recognition roughly according to its strength. Roger Randall, Labor Relations in the Pulp and Paper Industry of the Pacific Northwest (1942), p. 60.

with the problem of delivery service.[8] It is therefore possible for a single company or firm to be a member of several employer groups each of which bargains with one or more unions.

In the needle, printing, and construction trades, employers' associations, like unions, tend to follow narrow craft lines. The apparel industry is noted for the number and diversity of its associations. In New York City alone there are scores of employers' associations in the needle trades, covering such specialties as the manufacturers of bathrobes, corsets, and brassieres, popular priced dresses, women's hats, infants and children's coats, covered buttons, artificial flowers, buttonholes, ladies' handbags, gloves and sportswear. Associations in the printing trades are divided into newspaper publishers, book publishers, edition bookbinders, employing printers, electrotypers, photoengravers, stereotypers, lithographers, and others.

The construction trades have a host of employers' associations in almost ever large city where workers are organized along craft lines. In some cities the divisions are more finely drawn than in others. Examples are the Painting and Decorating Contractors of Cleveland, the Master Plasterers of Boston, the Contracting Plumbers of St. Louis, the Heating, Piping, and Air Conditioning Contractors of Greater New York, the Associated Metal Fabricators and Engineers of Detroit, and the Mason Contractors of St. Louis. However, the Builders Guild of St. Louis represents principally but not exclusively the general contractors; and in Seattle, Wash., the Seattle Construction Council is a general employers association covering many branches of the construction trades, just as the local A. F. of L. Building and Construction Trades Council with which the association bargains, embraces a number of unions of employees in the construction trades.

There is substantial evidence that employers' associations tend to follow the pattern of the union organization with which they deal. In California where more than a dozen local unions of the International Brotherhood of Teamsters, Chauffeurs, Warehousemen, and Helpers are organized into a highway drivers council, the employers have a corresponding organization for collective bargaining in the Truck Owners Association of California. In San Francisco, where local unions of bartenders, waitresses, cooks, waiters, dairy lunchmen, and miscellaneous employees are associated in a joint executive board of culinary workers and bartenders, some 50 employers representing hotels, lunchrooms, restaurants, bars, and grills have organized the San Francisco Culinary Employers Conference. A single contract is negotiated between the two bodies. Again the Plumbing, Heating, and Piping Employers Council of Southern California holds a contract with the Southern District Council of the California Pipe Trades Council which represents the employees.

In the Midwest, the Central States Drivers Council, an organ of 330 locals in the International Brotherhood of Teamsters, negotiates contracts with the Central States Employers' Negotiating Committee representing some 800 common and contract carriers in 12 States.[9] In Indiana where several unions are affiliated in a Federal Council of Limestone Trades, their employers negotiate with them through the Stone Industry Industrial Relations Committee of the Indiana Limestone Institute.

The problem of transporting supplies in the construction industry of Pennsylvania has produced a State-wide contract negotiated between the Pennsylvania State Council of Building Contractors and the Pennsylvania Commercial Drivers Conference. In the vicinity of Boston, Mass., the Building Trades Employers Association of Boston and vicinity and the Associated General Contractors of Massachusetts jointly negotiate contracts with the General Laborers Local Unions of the Eastern Massachusetts Laborers District Council.

The retail and wholesale trades sometimes provide the basis for general employers' associations whose contracts are distinguished by the number of trade groups embraced and by the number of unions involved. Thus the Merchant Employers' Association of Anaconda, Mont., which bargains with the Retail Clerks' Protective Association, has a membership representing grocery, drug, shoe, clothing, furniture, and variety stores as well as general merchandising. In Toledo, Ohio, Retail Associates, another merchants association, has a single contract with 13 different union signatories. Since 1939, the Pittsburgh Labor Standards Association composed of five of the six major department stores in the city has negotiated contracts for its members with 21 different unions. One contract alone covers 12,000 sales employees.[10]

In many cities, employers' associations, like the unions with which they deal, have formed local federations to provide a medium of cooperation among different branches of the same trade or among various trade groups. These federations are more common among associations organized along narrow craft lines within the same industry or trade group. But there may still be an additional need for common counsel on labor problems among all employers within the city, inasmuch as labor disputes in one firm or business invariably affect conditions in other trades or industries. General federations of employer groups also facilitate the adoption of basic labor policies to be promoted by management throughout the locality.

Such federations, like their component members, may be nameless or titled, simple or complex, temporary or permanent. In some cases the only evidence is the existence of a contract covering a number of associations in the same city. Thus four brewery associations in Chicago—the Illinois Association of Breweries, the Wholesale Beer Distributors Association, the Associated Chicago Beer Distributors, and the Out-of-State Shipping Brewers—have jointly accepted common contracts with the Beer and Liquor Chauffeurs and Helpers, Local No. 714, of the teamsters' union. One contract applicable to all four associations covers the bottle-beer drivers; another covers the keg-beer drivers. In the same city three contractors' associations in the construction industry have a joint agreement with local No. 73 of the sheet-metal workers; four laundry associations have practically identical contracts with local No. 712 of the teamsters; three dress manufacturers' associations have common contracts with the Chicago Joint Board of the International Ladies' Garment Workers' Union; and three trucking associations have an agreement with several locals of the International Brotherhood of Teamsters.[11]

In Detroit, the Greater Detroit Movers Association, the Detroit Van Owners Association, and the Detroit Furniture Warehousemen's Association have set up a common labor relations committee which negotiates contracts applicable to all three associations with local No. 243 of the teamsters' union. In the San Francisco Bay area, six painting and decorating contractors' associations have created the Bay Area Painters and Decorators Joint Committee, Inc., which negotiates contracts with several locals and district councils of the Brotherhood of Painters, Decorators, and Paperhangers. Still another example of a negotiating committee representing more than one association was the joint agency representing the Motor Carriers Association of New York and the State Motor Truck Association which bargained with the teamsters before and during the trucking strike in New York City (September to October 1946).[12]

Local federations of employers' associations are common in the clothing industry, where the term "board" or "council" in the title of an employer group usually identifies the organization as a federation of associations, just as these words in labor union terminology usually signify a combination of union locals. The administrative board of the dress industry, for example, represents five employers' associations in New York City and is a counterpart to the local joint board of the International Ladies Garment Workers Union with which most association contracts in the apparel industry are negotiated. Another typical federation of employers' associations is found in the silk and rayon dyeing and finishing industry of New York City and vicinity. In 1943 seven employers' associations in this area formed a central bargain-

[8] One contract between the St. Paul Employers of Truck Drivers, St. Paul, Minn., and local No. 120 of the teamsters' union covers 12 different industries.

[9] *In re Central States Employers' Negotiating Committee, etc.*, (Oct. 14, 1942), 4 War Labor Reports, 132 at 133–134. For analogous organizations of employers and employees on a county-wide basis see *In re National Association of Glove Manufacturers for Fulton County, etc.* (Nov. 3, 1942), 4 War Labor Reports, 307 at 309–310. In 1925 when workers of Greek descent in the fur industry of New York City established separate locals in their union, the fur manufacturers of Greek descent organized the United Fur Manufacturers Association to bargain with them. *United Fur Manufacturers Association, Inc.* (1944), 49 N. L. R. B. 1405.

[10] From an article on the "Pittsburgh Labor Standards Association" in Women's Wear Daily, June 28, 1946. The association was a party to a case before the War Labor Board, region III. In re Labor Standards Association, etc. (Oct. 18, 1945) 28 War Labor Reports 561.

[11] The construction employers are the Ventilating and Air Conditioning Contractors Association of Chicago, the Sheet Metal Contractors Association of Cook County, and the Air Conditioning Contractors Alliance. The laundry groups are the Chicago Linen Supply Association, the Chicago Laundry Owners Association, the Commercial Laundry Institute, and the Industrial Launderers and Cleaners. The dress-manufacturing associations are the Chicago Association of Dress Manufacturers, the United Dress Manufacturers Association, and the Chicago Dress Contractors Association. The trucking associations are the Cartage Exchange of Chicago, Inc., the Illinois Motor Truck Operators, and the Central Motor Freight Association. See *In re Cartage Exchange of Chicago, Inc.*, etc. (1943–45), War Labor Reports 7:576; 24:309, 648; 27:510.

[12] In Seattle, Wash., Local Union No. 105 of the Retail Clerks' International Protective Association has identical contracts, except for a few clauses covering job classifications and salaries, with five local employers' associations: Retail druggists, retail drug distributors, retail food industries, retail grocers and meat dealers, and the bakers. In addition, other copies of the agreement are prepared as form contracts for department stores, shoe stores, and variety stores. In the same city, Local No. 44 of the International Brotherhood of Teamsters has identical contracts, except for job classifications and salaries, with the Automobile Supply and Equipment Association, the Automobile Dealers Association, the Kings County Tire Dealers Association, and the service stations.

ing council which negotiates contracts with the unions for its member associations.[13]

Although many associations which otherwise maintain their independence have since VJ-day joined informally to work out common policies on wage increases, federations of employers' associations are not a recent development; nor were they a strikingly unusual institution prior to the war production drives of the 1940's and the NRA codes. More than 40 years ago the Building Trades Employers' Association of New York City represented 30 employers' associations in handling labor problems for the construction industry. This it did through the medium of a board of governors consisting of three members from each association.[14]

In 1946 this association negotiated with the Building and Construction Trades Council a contract which applied to 19 employers' associations and 26 union groups. These member associations covered 19 different branches of the construction industry. They included such associations of employers as the Asbestos Contractors; the Master Carpenters; the Window and Plate Glass Dealers; the Contracting Plumbers; the Composition Roofers, Waterproofers and Dampproofers; the Heating, Piping, and Air Conditioning Contractors; and the Master League of Cement Workers. These trades associations each have contracts with their corresponding unions; but the master contract of the Building Trades Employers' Association set basic standards which superseded conflicting provisions in the existing contracts of the member associations. Each association is encouraged, however, to continue its contracts supplementing the master agreement.[15]

Employer-group federations embracing all types of business within a city are largely a development of the last 10 years and are primarily concentrated in the far Western States. Leader in this field is the San Francisco Employers Council, which in April of 1945 had 1,995 members, 919 of whom were affiliated through their various industry groups. The other members were individuals or independent companies. The objectives of the council, as stated in its articles of incorporation, are (1) to encourage the organization of autonomous employer groups and cooperation among these groups in matters relating to labor relations; (2) "to promote the recognition and exercise of the right of employers to bargain collectively;" and (3) upon request, "to assist its members and others in matters relating to the negotiation, execution, and performance of fair labor contracts." During its first year of service the council negotiated 106 contracts, adjusted 67 labor complaints, handled 8 arbitration cases, filled 295 separate requests for advice, and provided 48 special services. In its 1944 annual report the council noted that its members had made increasing use of its facilities and services.[16]

Of a similar character is the Industrial Conference Board of Tacoma, Wash., an over-all agency for a number of independent companies and 15 or 20 employers' associations each of which has one or more union agreements. Both the Reno Employers Council of Reno, Nev., and the Silver Bow Employers Association of Butte, Mont., participate in the formation of labor contracts for their various employer groups. In Sacramento, Calif., the Sacramento Valley Associated Industries is the unifying agency for a dozen or more associations covering such varied fields as bowling alleys, beverages, furniture warehouses, taxicabs, machine shops, liquor and tobacco dealers, retail foods, wholesale bakeries, draymen, druggists, tire dealers, and building owners. Each association has a union contract signed in its behalf by the individual who serves both as executive secretary to the association and as general managers of the Associated Industries.[17]

Many forms of employers' associations found in cities and metropolitan areas are duplicated in associations with a larger area of coverage. There are intrastate district associations, like the Southeastern Massachusetts Shoe Manufacturers Association, the Food Industry of Western New York, and the Plumbing, Heating and Piping Employers Council of Southern California. There are State-wide associations like the Timber Producers Association of Minnesota, the Montana Contractors Association, or the Indiana Coal Operators Association. There are interstate regional associations like the Pacific Coast Association of Pulp and Paper Manufacturers, the Great Lakes Sand Boat Operators, or the Southeastern States group of motor-carrier operators. Finally, there are a limited number of national associations with industry-wide contracts like the Wall Paper Institute, the United States Potters Association, and the National Elevator Manufacturing industry, Inc.[18]

There is a tendency for the geographic scope of association bargaining to gravitate toward areas of keenest competition among employers. Most commonly this area is a metropolitan district. Owners of hotels, laundries, groceries, and other service establishments seldom compete with other members in their respective trade groups beyond the limits of the metropolitan area in which their business is located. An increasing number of association contracts cover a greater city or a city and vicinity. Such are the contracts of the Union Foundrymen of Pittsburgh and Vicinity, the Retail Furniture Dealers Association of Greater Cincinnati, or the Sacramento Automotive Associations in the Sacramento Metropolitan Trading Area.[19]

The tendency for collective bargaining to coincide with "markets" accounts for the prevalence of regional associations which follow areas of economic rather than political interest. Western Pennsylvania has its regional associations of contractors, motor carriers, and beer distributors. Northern California has its foundrymen's institute, its retail druggists, and its chapter of the Electrical Contractors Association. In the coal industry associations follow the valleys. In the apparel industry they follow the leading apparel-producing cities and their supporting hinterlands. The Merchants Ladies Garments Association defines the "Metropolitan district" embraced by its contract with the International Ladies Garment Workers as "the city of New York and all such cities and towns in the State of New York, New Jersey, Connecticut, and Pennsylvania in which garments are being manufactured by or for members of the association or other manufacturers, jobbers, or wholesalers doing business in New York City."[20]

For the same reasons martime and longshore associations on the Atlantic and Gulf coast are separate from those on the Great Lakes or the Pacific coast. The Pacific American Shipowners Association, for example, is composed of 30 or 40 shipping companies whose home ports are on the Pacific coast, and it has a series of deep-sea agreements with the National Organization of Masters, Mates, and Pilots (AFL); the National Marine Engineers Beneficial Association, Pacific Coast Division (CIO); the National Union of Marine Cooks and Stewards (CIO); the American Communications Association, Marine Division (CIO); the Sailors Union of the Pacific (AFL); and the Pacific Coast Marine Firemen, Oilers, Watertenders, and Wipers Association (Independent). It also has separate coastwise agreements with each of these six unions for vessels in the steamer-schooner trade. These agreements are in no way tied up with similar contracts negotiated through the Committee for Companies and Agents, Atlantic and Gulf coasts.

Often it is as difficult to identify association bargaining on a regional basis as on a local one. Here, too, there are many "form" contracts applicable to all employers in certain States or regions who will accept them either by signing individually (a separate contract for each employer) or in groups (several signatories to a single document). Here, too, it is not always clear whether the

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[13] Richard A. Lester and Edward A. Robie, Wages Under National and Regional Collective Bargaining (1946), p. 62.

[14] W. F. Willoughby, Employers' Associations for Dealing with Labor in the United States, Quarterly Journal of Economics, November 1905, vol. 20, p. 139.

[15] On January 8, 1947, the chairman of the board of governors of the Building Trades Employers' Association of New York City and the president of the Building and Construction Trades Council, AFL, on behalf of 21 employers' associations and 30 participating unions jointly announced a wage stabilization agreement applicable to 200,000 building trades workers in New York City. New York Times, January 8, 1947, p. 1.

[16] See the annual reports of the San Francisco Employers Council, and the article by its first president, Almon E. Roth, Objectives and Operations of the San Francisco Employers Council" in American Management Association, Personnel Series (1939) No. 37, pp. 4–15.

[17] Employers' councils are an outgrowth from the older city-wide associated industries which were often hostile to organized labor. See the 250-page report on the Associated Industries of Cleveland, 76th Cong., 1st sess., S. Rept. No. 6, pt. 5. This is a part of the La Follette committee report on Violations of Free Speech and the Rights of Labor, which deals extensively with the labor policies of the older type of employers' associations. The Employers Association of Detroit, whose members embrace all manufacturing groups, most of which are in the automobile industry, has since its formation in 1902 collected and disseminated information on labor relations for its members, but does not negotiate contracts. William H. McPherson, Labor Relations in the Automobile Industry (1940), pp. 13–14.

[18] Some association agreements are national in their geographic scope but not industry-wide in their coverage. Thus the 35 hosiery companies covered by the 1946–47 agreement between the Full Fashioned Hosiery Manufacturers of America and the American Federation of Hosiery Workers are scattered from Massachusetts to California, but they represent only about 35 percent of the full-fashioned hosiery industry. The Manufacturers' Protective and Development Association has a contract with the International Molders and Foundry Workers Union which covers less than 25 percent of the industry, although the member companies are scattered throughout the country.

[19] The Sacramento groups of employers consist of 16 automobile dealers, 10 body, fender, and welder shops, 11 parts houses, 2 brake shops, and 40 automotive-maintenance concerns. They have a contract with the Sacramento Automotive Trades Council, which includes the International Association of Machinists and the International Brotherhood of Teamsters.

[20] Everywhere collective bargaining tends to follow expanding areas of competition in business. In the textile industry of New England the employer basis for bargaining has grown from the company to the association to combinations of associations. In 1945 the New Bedford Cotton Manufacturers Association and the Fall River Manufacturers Association negotiated a joint agreement with the United Textile Workers of America. Another group composing the Textile Directive Steering Committee represents 29 New England cotton and rayon companies operating 40 mills and employing 31,000 people. In re The Textile Directive Steering Committee, etc. (November 19, 1945) (28 War Labor Reports 738 at 739).

employers accepting these blanket agreements are acting as members of an association or as independent companies. Many regional groups are loosely organized with little more than a negotiating committee to represent them. Such is the Committee for Companies and Agents, Atlantic and Gulf Coasts, which, in October 1946, negotiated coastwise maritime agreements with the National Organization of Masters, Mates, and Pilots (AFL), and the National Maritime Marine Engineers Beneficial Association (CIO).[21] Such also is the Southeastern Area Employers Negotiating Committee, representing common, contract, and private carriers by motortruck, which negotiates contracts with the southeastern area union negotiating committee of the International Brotherhood of Teamsters, Chauffeurs, Warehousemen, and Helpers.

Employers in some branches of the construction trades sign identical form contracts of State-wide or national application. An Indiana blanket agreement was drafted to govern the employment relations of the International Union of Operating Engineers with the "signatory" contractors in the State. One copy of this agreement has been signed by representatives of 20 different companies, who, by the terms of the contract, are directed to name one of the three members to a joint grievance board. Some means for collective action among employers is therefore required to fulfill the obligations of the contract, whatever may have been its origin or the intention of those who framed it. In Montana, there exists a form contract defined as an agreement "between the employers of granite cutters in the State of Montana and the Montana branches of the Granite Cutters International Association of America."

A Nation-wide blanket agreement exists between the sheet metal contracting division of the construction industry and the Sheet Metal Workers International Association. One space is provided for inserting the name of the contractor or contractors' association, party to the agreement; another, for defining the territory covered by the agreement. A similar 1946 blanket contract between the Master Insulators Association and the International Association of Heat and Frost Insulators and Asbestos Workers is prepared for use throughout the country by having the appropriate parties insert their titles in the following clause of the contract: "This agreement, made and entered into this —— day of ——— 19—, by and between the Master Insulator Association of ———— and vicinity as party of the first part and International Association of Heat and Frost Insulators and Asbestos Workers' Local No. ——— of ——— as party of the second part."[22]

[21] This employers' negotiating group was first organized during the war as a committee for the general agents of the War Shipping Administration, Atlantic and Gulf coasts. It was the negotiated coastwise agreements with the National Maritime Union (CIO) and the American Communications Association (CIO) as well as the National Organization of Masters, Mates, and Pilots (AFL) and the National Marine Beneficial Association (CIO). While most of the companies represented by this committee are also members of the American Merchant Marine Institute, and although the president of the institute is at the same time chairman of the negotiating group, the committee is not a creature of the institute. Letter dated February 3, 1947, from William G. Mullins, director of labor relations, American Merchant Marine Institute, to Ewan Clague, United States Commissioner of Labor Statistics.)

[22] Apprenticeship training has also been a subject of Nation-wide bargaining between national associations of employers and international craft unions in the construction trades. Thus, in June 1946 the National Terrazzo and Mosaic Association, Inc., and the Bricklayers, Masons and Plasterers International Union of America signed a national apprentice agreement, the terms of which have already been accepted by the Chicago Terrazzo and Mosaic Contractors Association in a contract with local No. 41 of the Marble Mosaic and Terrazzo Workers Union. Again, the National Joint Carpentry Apprenticeship Committee, in cooperation with the Federal Committee on Apprenticeship, prepared the National Standards for Carpentry Apprenticeship, which were approved by the Associated General Contractors of America, the National Association of Building Trades Employers, and the United Brotherhood of Carpenters and Joiners (AFL) in 1941. These national standards were made a part of the current agreement between the Building Construction Employers Association of Chicago and the Chicago and Cook County Building and Construction Trades Council.

The larger the area of coverage the more likely is an association to operate through local or district agencies each of which may exercise some particular function in the conduct of labor relations. The Waterfront Employers Association of the Pacific Coast embraces employers of longshoremen handling general cargo along the entire west coast; but the work of the association is carried on through affiliated local waterfront employers associations in Seattle, Portland, San Francisco, and San Pedro (Los Angeles). Each of these associations has its own port agreements covering certain workers who are members of the International Longshoremen's and Warehousemen's Union. The coastwise longshore agreement is negotiated by the Waterfront Employers Association of the Pacific Coast "on behalf of" these four local associations.[23] In the bituminous-coal industry, employers' associations are pyramided from a broad base of local associations covering a county or a valley up through district associations, some of which are State-wide, to regional associations, like the Appalachian Coal Operators, representing 21 district associations, or the Southern Coal Producers Association, composed of 14 district associations and 4 individual members.[24] At the apex of this pyramid of coal associations in the last few years has been the temporary negotiating committees, representing the entire industry in bargaining for contract revisions with the United Mine Workers of America.

National employers' associations are usually at the head of complex association "systems," with units of their organizations extending down through States and districts into localities. These systems differ widely in their distribution of responsibility for conducting labor relations at the various levels of authority. The National Association of Retail Meat Dealers, with headquarters in Chicago, is, by the terms of its current contract with the Amalgamated Meat Cutters and Butcher Workmen of America, recognized to be "a national association of retail meat dealers consisting of affiliated State and local associations in various cities and States of the United States." This national agreement, first negotiated in 1937, does not establish a high degree of centralization in the association system, however; for in article I of the agreement, "both parties recognize that local conditions require local treatment and that it is not practical or feasible to include in this agreement the matters of wages, hours, and conditions of employment." The national agreement is therefore confined to a statement of principles and policies of mutual interest to both parties, who agree to "give their aid and good offices to the execution of fair and reasonable contracts between local unions and affiliated associations in the various localities where the said unions and affiliated associations exist."

In the building industry the Associated General Contractors of America is a national organization with State and local chapters, each of which may be a party to a labor contract. In 1942, for example, the Arizona General Contractors negotiated with the building and construction trade-unions a State-wide agreement which was signed for the employers by the secretary of the Arizona chapter of the Associated General Contractors of America and for the unions by a representative of the Building and Construction Trades Department of the A. F. of L. Twenty-four contractors and 17 different union groups also signed the contract. Intrastate chapters of the national association hold similar contracts—some, like that of the Southern California General Contractors, are district-wide; others, like that of the Portland, Oreg., chapter are local.[25]

The National Master Plumbers Association and the Heating, Piping, and Air Conditioning Contractors National Association have a common agreement with the United Association of Journeymen Plumbers and Steamfitters of America which states that it "may be used as a national guide for the local associations, and/or unions of both parties in negotiating their particular local agreement." This national agreement sets minimum wages and working conditions for all construction and repair work of the association in the United States and Canada, "it being understood that local groups of both parties will negotiate any higher hourly wage rate and overtime rate other than the minimum rate herein provided for."

Other industries and services have similar federated employer-group systems whose various echelons contribute directly or indirectly to collective bargaining and the maintenance of industrial peace. The American Trucking Association with headquarters in Washington, D. C., claims 40,000 members organized into 55 State and local associations. Numerous contracts of regional, State, and local coverage are now in effect with the International Brotherhood of Teamsters. The Industrial Council of Cloak, Suit, and Skirt Manufacturers, Inc., which bargains with the local joint board of the International Ladies' Garment Workers Union, covers a number of associations in New Jersey, New York, Connecticut, and Pennsylvania; yet the council is only one of four major coat and suit industry associations which are members of the National Coat and Suit Industry Recovery Board. A recent development in the apparel industry on a still more comprehensive scale has been the creation of a National Federation of Apparel Associations, the purpose of which, as stated by its general manager, is "to effect a greater affiliation between trade associations in the apparel industry so that they will be able to act together and speak with one voice regarding matters of common interest."[26]

[23] See the United States Department of Labor, Report and Recommendations of the Pacific Coast Longshore Fact Finding Board (May 13, 1946), mimeographed, pp. 2–3. More information about these associations can be found in Shipowners Association of the Pacific Coast, et al. (1938), 7 NLRB 1002, at pp. 1014–1021; (1941) 32 NLRB 668; and In re Waterfront Employers' Association of the Pacific Coast, etc. (Aug. 18, 1945), 26 War Labor Reports 514.

[24] On the southern operators, see Lillybrook Coal Co. (1945), 60 NLRB 31.

[25] Other national associations with chapters negotiating group contracts include the Master Barbers Association of America, Chapter 855, of Paterson, N. J.; the National Electrical Contractors Association, Northern Florida chapter; the Institute of Scrap Iron and Steel, Chicago, Ill., chapter; the Painting and Decorating Contractors of America, Cleveland, Ohio, chapter.

[26] New York Times, May 28, 1946, p. 4.

TRIBUTE TO THE LATE JOHN B. POWELL

Mr. DONNELL. Mr. President, the remarks which I am about to make are submitted on behalf of my colleague the junior Senator from Missouri [Mr. KEM] and for myself.

On February 28, 1947, at a luncheon meeting of Missouri University Alumni held in Washington, D. C., the guest of honor voiced the view that there is no need for us to fight Russia in the near future, if at all, if we take advantage of our common friendship and common grounds. He presented also the proposition that the Pacific islands that form a protective screen for America should never be relinquished. He set forth the fact that there are three ideologies at work in Asia, namely, communism, imperialism, and the American democratic idea, and expressed the view that what happens to China, India, to a billion people, will depend on the attitude and action of the United States. He expressed the hope that our national leadership has the intelligence to maintain our position in the Orient, and will exercise that intelligence in the years to come. He further declared that events in Asia will be of supreme importance in the future. The words of the speaker were based upon a wealth of knowledge which he possessed from a quarter of a century spent in the Far East.

Startlingly soon after the conclusion of his address, and while yet seated at the head table of the luncheon meeting, he whose words had just been uttered collapsed. Within a few moments he had passed to "the undiscover'd country from whose bourn no traveller returns."

The speaker was John B. Powell, Missouri born, graduate of the University of Missouri School of Journalism, newspaper man in Hannibal, Mo., for 3 years, instructor for 4 years at the university of which he was a son, and subsequently editor, foreign correspondent, and author. In 1917, Mr. Powell became connected with Millard's Far Eastern Review in Shanghai, China. Subsequently he bought the publication and changed its name to China Weekly Review. He was editor and publisher of it at the time of his death, having served in those capacities for many years, though his son, J. W. Powell, had been its managing editor since the resumption of publication in 1945 following the war. The publication had been suspended since Pearl Harbor. Among the products of the authorship of John B. Powell is the work entitled "My Twenty-five Years in China."

In his career in the Far East Mr. Powell was notably distinguished by his clear perception of the designs of Japan upon China and by his courageous and persistent warning to the world that the Japanese possessed such intentions. In an editorial entitled "He Being Dead Yet Speaketh," the Kansas City Times said:

As managing editor of the China Weekly Review at Shanghai, John Powell early showed a real understanding of Chinese character and a comprehension of Japanese plans to establish an overlordship in China. For many years he was a voice crying in the wilderness, warning his countrymen against the danger of the conflict he so clearly saw impending.

The St. Louis Globe-Democrat said of him:

He was one of the first who saw the menace of Japanese aggression and was outspoken in his condemnation.

The New York Times declared:

Soon convinced that Japan intended to swallow China, he made it his mission to warn the world. Threats, bribe offers, and bombing never swerved him.

The Louisville, Ky., Courier-Journal said:

John Powell's voice in the China press was just one man's, but it kept crying in the wilderness of the Orient, crying out against Japanese aggression.

His outspoken, daring, and repeated announcement to the world of the plans of Japan caused it to be likely that he would be a victim of the hatred and cruelty of that empire. The likelihood was to become a certainty. Less than 2 weeks after Pearl Harbor he was incarcerated by the Japanese in Bridgehouse Prison which at once aroused in him the thought of the Black Hole of Calcutta. In this prison he spent 7 months. He experienced the loss of two-fifths of his weight and the freezing and gangrene of his feet. Ultimately, as a result of his prison experience he suffered the loss of one foot and much of the other. As he spoke to his fellow alumni on the day of his death he stood on crutches and artificial feet.

The Washington Post said that he "wrote with clarity and pungency, but his prime virtue was courage." Continuing, the Post said:

A man of some means, he could have left the Far East when the overrunning of China by the Japanese was foreseen by most China hands, let alone an acute observer like Powell. But he stuck to his post.

The Washington Evening Star pointed out that after the Japanese moved into Manchuria in September 1931, "every agency of the Jap Government joined in a concerted effort to remove Mr. Powell from the Orient." Continuing the Star article reads:

His publications were denied postal privileges. His cable messages were mercilessly slashed by Jap censors and he was showered with threatening letters.

Nevertheless, the fighting editor wrote a series of stories for the Chicago Tribune dealing with Japan's preparations for war in 1934 and 1935.

Mr. Powell died among University of Missouri alumni. It was appropriate that it was among them that his final message was delivered, for he possessed an abiding affection for his alma mater. His courageous and steadfast adherence to duty vividly brings to our minds the words from a song of that great university:

Old Missouri, fair Missouri, dear old varsity,
Ours are hearts that fondly love thee,
Here's a health to thee.
Proud art thou in classic beauty
Of thy noble past.
With thy watchwords, honor, duty,
Thy high fame shall last.

Mr. President, although a copy of the remarks made by Mr. Powell as the concluding public message of his life does not exist, there has been reconstructed from notes and recollections a statement which is thought to be a close approximation of what he said on that notable occasion. I ask unanimous consent that, at the conclusion of my remarks, that statement be set forth in full.

There being no objection, the statement was ordered to be printed in the RECORD at the conclusion of Mr. DONNELL'S remarks.

(See exhibit 1.)

Mr. DONNELL. I also ask unanimous consent that following the statement just mentioned there may be set forth the following editorials from the Washington Post; the Louisville Courier-Journal; the Kansas City Times; the St. Louis Globe-Democrat; the New York Times; the China Daily News (Shanghai), March 3, 1947; the China Press (Shanghai), March 2, 1947.

There being no objection the editorials were ordered to be printed in the RECORD.

(See exhibit 2.)

Mr. DONNELL. Mr. President, to his surviving widow, his son, his daughter—Mrs. Martha Hensley, his brother, sisters, and friends, may there come consolation from the beautiful words of the paragraph with which is concluded the editorial, just mentioned, from the China Press of Shanghai:

May the earth lie softly above your head J. B. This is the beginning of a long sleep. But your work will be carried on. For you make truth nobler—a more fearless thing. And as long as truth will survive so too will your memory.

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EXHIBIT 1

TALK BY JOHN B. POWELL, DISTINGUISHED EDITOR AND AUTHOR, ON FAR EASTERN AFFAIRS TO UNIVERSITY OF MISSOURI ALUMNI, AT SHERATON HOTEL, WASHINGTON, D. C., FEBRUARY 28, 1947

Mr. Chairman (Clark Nichols, Missouri, '06), fellow alumni, and guests, I have come here today, at the invitation of your chairman and of my classmate, Roy Miller (Missouri, '10), who has introduced me so extravagantly, to talk to you of something of the significance of events in the Far East. To do that I will comment from my long-time experiences there, dating back to 1917.

(NOTE.—John B. Powell had been presented to the University of Missouri alumni as the "most apt to be known from the Yukon's frosty peaks to Rio's Corcovado and in the bazars of far Cathay as well as here in the old U. S. A."

(A notice by Clark Nichols, president of the Washington, D. C., branch of the University of Missouri Alumni Association, in announcing the speaking date said, "This modest little man, whom everyone stood to honor at the luncheon in honor of Senator JAMES P. KEM on January 30, has become, because of his long years of service in China as managing editor of the China Weekly Review and correspondent for the Chicago Tribune, his dodging of Japanese assassins, his services as war correspondent, and as author of My Twenty-five Years in China and other books on the Far East, the University of Missouri's most famed graduate of this era.")

Reference has been made to My Twenty-five Years in China, and it has been said that I am most familiar with affairs in China. What I am really most familiar with at the present time is plastic surgery. At present, I am becoming accustomed to my new feet, one of them courtesy the Press Club, and the other courtesy the Army.

I am especially glad today to see here two longtime friends, James R. Young of the International News Service and Morris J. Harris (Missouri '25) of the Associated Press. We

share a like distinction in that all three of us have served in Japanese jails. In my own case, I was thrown into Bridgehouse Prison by the Japanese on December 20, 1941.

In historic retrospect, I want to emphasize the importance of China and the Far East to the United States economically, in the past as well as for the future. Although the United States fought largely in the Pacific, as a Nation we know less about the Far East than in the days of the clipper ships. After the American Revolution, our trade and commerce with China and the Far East brought this country out of an economic depression.

For an illustration, it was not uncommon of New England sea captains to cut a shipload of ice in the winter season, and sell it in the Far East and in China. As a historical landmark to such trading, there is an Icehouse Street in Hong Kong today.

China is in much the same position as we were a century ago. She will eventually regain her outlying possessions, as we won the West. Primarily it is a case of transportation. It was not until we extended our railroads to the Coast that we could be sure of our land. We built the railroads, at terrible cost, but if we had not, the Pacific Coast would not have been ours, but would have been British and Spanish, and perhaps Russian.

For the next decades China, with only 10,000 miles of railroads, against our 260,000 in a smaller country, will have to extend her communications. Then Manchuria, Mongolia, and Sinkiang, a territory in itself as large as the United States, will be restored to her.

There are three ideologies at work in Asia—communism, imperialism, and the American democratic idea. What happens to China, India, to a billion people * * * will depend on the attitude and action of the United States.

Shall we be left in a world with more than a billion hostile people against our quarter million in the Western Hemisphere?

Once when there was a Presidential election we got a cable, through the same channel, "Harding leading in early returns."

"There will be later reports," I told the English owner of the paper. He wanted to know why there should be. I told him that the States are far-flung, and that reports trickle in gradually till the election was no longer in doubt.

"Do you mean they wait for reports from the interior?" he asked.

"Yes, from the various States, Missouri, for instance."

"Missouri?" replied the boss. "Missouri? Is that one of the Indian reservations?"

As for Missourians, you see them everywhere, at home and abroad. I well remember one visit to Dallas, where there are more Missourians than Texans.

At a gathering of Missouri alumni, such as this one, someone had prepared a long list of illustrious Missourians. After the list was read, someone else pointed out a noted omission, of a man who had influenced business, railroads, and economics, perhaps more than almost any other.

When no one could supply the name of this man, he who had called attention to the omission finally said Jesse James.

In a discussion of far-eastern affairs today, my mind turns back to 1921. At that time, after 3 years as Chicago Tribune correspondent in China, I was back in this country. I called on my boss, Col. Robert R. McCormick, then as now the editor and publisher of the Tribune.

He asked me if there was anything I especially wanted to do, and I replied that I wanted to interview Warren Gamaliel Harding, then newly elected President, but still at his home, at Marion, Ohio. He arranged for me to call on President-elect Harding at Marion for the interview. At his Marion home, President Harding invited him there on a number of occasions.

It was one of my assignments to cover the Disarmament Conference, with Charles Evans Hughes presiding, when discussion of the Pacific problem was high on the agenda. Today, we are still making peace in the Pacific after World War II.

I was forcibly reminded of this when in Tokyo recently for the war crimes trials. A young attorney on the staff, from Kansas City—I believe his name was Brooks—was discussing far eastern problems. He said that the more he studied the situation today and compared it with his historical knowledge of the developments after World War I, that he was impressed that "the situation has not changed much—only the actors have changed." I have reflected many times since on the fundamental soundness of that judgment.

In the Far East three major political areas are concerned. These include Siberia, a second Canada; Manchuria, Outer and Inner Mongolia, comparable to our Minnesota or Iowa; and China proper. Additionally, there is India.

Our best prospect for future trade is in India, but in order to take full advantage of that market we must maintain the position we hold today in China.

Russia has been in Siberia for three centuries without scratching the surface there. Only in the past 10 or 12 years is Russia building some factories there, for purposes unknown to us.

It was always interesting to ride the trains in Siberia, where the forests grew up so close they scratched the sides of the cars, and it was a common saying it was a battle between man and the trees, and the trees winning. Newsprint is a problem with us today, but there is enough newsprint in Siberia to supply all the papers in the world for a long, long time to come.

It has been stated that Russia has never been successfully invaded, but I remember that we had one division of troops in Siberia at the end of World War I that went everywhere they needed to go. And I can recall Charles Evans Hughes pounding the desk at the 1921 Disarmament Conference to require the Japanese troops there to withdraw.

It had been agreed among the Allied Powers that each would send a division of troops into Siberia as an occupation force, and we had sent our usual division of about 10,000 men, while the Japanese division was 70,000 strong. If we had not run them out, when Charles Evans Hughes cracked down at the Disarmament Conference, they undoubtedly would have stayed on and be there today.

Lesser areas of importance are Korea, the Philippines, Malaya, and the Netherland East Indies.

The Far East is so big you can have a war in one part of it, and the people in another part will not know anything about it.

I once heard Fiorello H. LaGuardia, when mayor of New York, make an address to a group where he was in his element and whose language he spoke—the garment makers. He told them "you had better quit playing pinochle or those fellas in Los Angeles and San Francisco will take your business away from you." In the Far East that holds true for us today.

In the past, we have looked to Europe for significant events. This is largely because of our own background, and roots. We have ignored Asia. We ignore it today in the schools. I remember well, before going to China, how difficult it was to find anything comprehensive and authentic in the schools and libraries, and the situation has not improved much today.

In our country, the Republicans are in control of Congress, as they were in 1921. At that time, after World War I, we wrecked our fighting forces. We thought we could avoid war by throwing away the means of fighting.

The Republicans are in control in our Houses of Congress again today. They have the same responsibility for basic foreign policy decisions that will determine our course and future, and I sincerely hope they, and the Nation have learned something by our experience of the past 25 years.

The Pacific islands that form a protective screen for America should never be relinquished. We could have purchased them for $5,000,000 from Spain after the close of our war with Spain, but we did not want them.

They were subsequently sold to Germany, which owned them until 1914, when the Japs took them. Now, I cannot think of any circumstances, or combination of circumstances, that could cause us to give them up to any nation.

I read in the papers that Russia will not question our control of the Pacific isles. I wonder that Russia, or any other nation, would even think of questioning our control.

The papers have been saying, too, that Lt. Gen. John R. Hodge, our military Governor in Korea, is surprised to find the Russians training a half million Koreans today, but that is no surprise to me, for the Russians were training Koreans at Vladivostok when I was there in 1931.

I hope today that our Nation has increased its vision, and accepts its responsibilities more intelligently than we did 25 years ago. There is no need for a war with Russia unless we scrap our fighting services, and withdraw within ourselves, as we did in the 20's.

Any war fought against Russia would be fought in Siberia, and the atom bomb would be of no use to us in Siberia, in striking at its remote areas and sections, but the atom bomb, used by Russia against us, could do enormous damage by hitting at our population centers and industrial areas. There is no need for us to fight Russia, however, in the near future or at all, if we take advantage of our common friendship and common grounds.

The Orient has been placed on our doorstep, and our national leadership should have the intelligence to maintain our position there. I hope that it has, and exercises that intelligence in the years to come.

After World War I the Far East looked to Europe for trade, commerce, and dominance. Today it looks to the United States for the trade and commerce it got before from Europe.

For in the years to come, and particularly in the next half century, we must cease to regard developments in Europe as of first importance. Developments in Asia will be of more importance. Events in Asia will be of supreme importance in the future.

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EXHIBIT 2

[From the Washington Post]

JOHN B. POWELL

The dramatic death of John Benjamin Powell after a speech he had just delivered to a Washington gathering of his friends will be mourned by newspapermen in America and Asia. Powell was an ornament to the calling of journalism. It was, indeed, a calling to him, not a business or even a profession. Trained at the School of Journalism in his native State of Missouri, he soon after went to China, and bought the China Weekly Review, in which for 20 years he exposed the machinations of militaristic Japan in China. He wrote with clarity and pungency, but his prime virtue was courage. A man of some means, he could have left the Far East when the overrunning of China by the Japanese was foreseen by most China hands, let alone an acute observer like Powell. But he stuck to his post. Inevitably he was thrown into a concentration camp as soon as the Japanese captured Shanghai, and his sufferings

were so harrowing that, on his repatriation, his feet were so gangrenous that they had to be amputated. A slight man even in health, he was a mere shadow when he came home, but he had won a moral stature that his colleagues, including the members of the National Press Club, delighted to acknowledge. For months he had been bedridden at Walter Reed Hospital, but his spirit never flagged, nor his interest in world, particularly Far Eastern, affairs. A letter from his pen appearing in our columns as recently as Monday warned Congress against sinking into the same apathy which found us unprepared in the Pacific in 1941. A shining knight of the pen was John B. Powell, and his life and work will be an inspiration to the neophytes of his craft.

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[From the Louisville (Ky.) Courier-Journal]

A NEWSPAPERMAN WHO TRIED TO WARN US

John Powell's voice in the China Press was just one man's but it kept crying in the wilderness of the Orient, crying out against Japanese aggression. But from the time of the Manchurian invasion in 1931 until the day of Pearl Harbor a decade later, nobody in the United States listened.

An agent of the pro-Japanese Nanking regime threw a grenade at John Powell one day in October 1941, as he walked the streets of Shanghai. And when the war came, the Japanese quickly captured and imprisoned him. He lived through tortures. But he lost part of each foot from gangrenous infection and starvation. He was an ill man in August 1942, when he was repatriated.

Since then Americans have been more willing to listen to his voice. He was in Washington Friday night telling some of them why United States must keep strong in the Far East, how the occupation of Japan must be long continued. And it was the last warning he ever gave us, because when he sat down at the speakers' table he died of a heart attack. What he had said, of course, was just one man's opinion. But it was the opinion of a man who realized what was happening long before the rest of us did, and who knew what he was talking about. His last warning ought to be heard and understood.

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[From the Kansas City Times]

HE BEING DEAD YET SPEAKETH

John B. Powell was a pioneer in that series of fine young newspapermen sent out to the Orient from the University of Missouri School of Journalism under the leadership of the revered Walter Williams. These men made a deep impression on journalism in Japan and China and helped make the university at Columbia a center of interest in current Oriental affairs.

As managing editor of the China Weekly Review at Shanghai, John Powell early showed a real understanding of Chinese character and a comprehension of Japanese plans to establish an overlordship in China. For many years he was a voice crying in the wilderness, warning his countrymen against the danger of the conflict he so clearly saw impending.

The fiery American editor was a thorn in the side of the Japanese. They did everything possible to suppress him. He lived under constant threat of assassination. But attempts at intimidation and glittering offers to buy his newspaper were alike futile. It took courage to maintain his position in Shanghai in the face of the coming storm and Powell paid the penalty in his brutal imprisonment after Pearl Harbor.

When he finally was exchanged and returned to the United States on the *Gripsholm* he was in for a long period of invalidism and his address was listed in Who's Who as Harkness Pavilion, Presbyterian Hospital, New York. While he was able at last to leave the hospital he remained partly crippled and his exhausted heart eventually gave way.

John Powell left a great legacy to his alma mater and to his profession. He is one of that noble company of whose members it may be said, "He being dead yet speaketh."

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[From the St. Louis Globe-Democrat]

A FIGHTING EDITOR

Death came unexpectedly last week for a heroic Missourian. Addressing a meeting in Washington of University of Missouri alumni, John B. Powell, fighting editor of the China Weekly Review, collapsed and died just as he finished his speech. It was, we believe, as he would have preferred it, for the university, of which he was an alumnus and a former faculty member, always held a strong place in his affection.

"J. B.," as he was known throughout the Orient, was an editor who never pulled his punches. He was one of the first who saw the menace of Japanese aggression and was outspoken in his condemnation. He was one of the first Americans marked for arrest after Pearl Harbor and the hardships he suffered in a Japanese prison camp necessitated the amputation of both feet. Last summer he had recovered sufficiently to return to the Far East and testify in the Japanese atrocity trials, but undoubtedly his prison treatment hastened his death.

Newspapermen around the world salute his memory as that of a fighting editor who literally gave his life to print the truth as he saw it.

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[From the New York Times]

J. B. POWELL

John B. Powell, hobbling painfully about on his crutches, never thought of himself as a hero. But Japanese hatred and stubborn American courage raised him inevitably to heroic stature. He died as he lived, fighting to the end for his convictions.

Powell, a small-town Missouri editor, went to China in 1917 to run a newspaper there. For a score of years he did run it against hell and high water. Soon convinced that Japan intended to swallow China, he made it his mission to warn the world. Threats, bribe offers, and bombing never swerved him. From 1931 on he was high on the Japanese black list. After Pearl Harbor they had their revenge. Flung into Shanghai's notorious Bridgehouse Prison, his captors froze him, starved and kept him sitting cross-legged in Japanese fashion until beri-beri gangrene began eating away his feet. When he was freed and brought home his feet were gone, but his heart was high.

Three years of operations to restore the use of his legs did not daunt him. From an invalid's cot he threw himself into the fight for a free China, free of the Communist threat as it was finally freed of the Japanese menace. It was with a plea for our strong and unrelaxing vigilance in the Far East still on his lips that his tired heart failed him at last. No civilian in our history ever fought more stanchly for his country or against greater odds. This Nation can best honor his memory by holding as steadfastly to its high principles as he did.

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[From the China Daily News, Shanghai, March 3, 1947]

J. B. POWELL

So J. B. Powell is dead. There is not the slightest doubt that his demise at the early age of 59 was largely brought about by suffering he was subjected to by the notorious Japanese gendarmerie in the Bridgehouse immediately at the outbreak of the Pacific War. He has been an outspoken critic of Japan's aggressions in China—but J. B. managed to hit home against the Japanese with such frequence and telling effect that he was regarded by the Japanese as their number one enemy amongst the foreign journalists. It's a matter of little concern now whether it's always possible to agree with everything which the able journalist wrote, but opportunity must be availed to emphasize how true a friend he was of China and how fearlessly he espoused her cause. It may be truly said Powell has given his life for his friends—the Chinese. They and all his colleagues no matter their nationality will regret his passing, though there is consolation in the fact that Powell by residence and work in this country made it richer through sympathy and understanding which he displayed. There can be devout certainty, as the Greatest of All Editors passers upon his work, it will be with well deserved commendation.

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[From the China Press, Shanghai, March 2, 1947]

FRIEND OF CHINA PASSES

United States and China—and journalistic circles around the world—are emptier places today for J. B. Powell has written 30. And he wrote it the way all of his many friends and colleagues wherever they may be will be proud of. He wrote it while "still in the saddle" despite the loss of both legs in the course he helped to make for the cause for more than half of mankind.

We humbly bow in the presence of the Great Maker. Little there is to say of J. B. that his great deeds have not already said for him, little truth there is to utter that he has not already made known, to his very last breath. J. B. paid the price for his outspoken, fearless attacks against Japanese aggression. And in paying the price, he was paying it not only for China, not only for the United States, but for all freedom-loving peoples.

In these days of difficulties between the United States and China both peoples should recall the memory of J. B. His was only a journalist's pen. But that pen gave him credentials of an ambassador. China will not forget.

May the earth lie softly above your head, J. B. This is the beginning of a long sleep. But your work will be carried on. For you make truth nobler—a more fearless thing. And as long as truth will survive, so too will your memory.

## NAVY REQUISITION FOR TABLEWARE AND SILVERWARE

Mr. AIKEN. Mr. President, I desire to make a brief report on a matter which has been mentioned several times on the floor of the Senate recently. I refer to the Navy requisition for tableware and silverware.

Some 3 weeks ago, upon hearing the reports that the Navy had issued a requisition for silver-plated finger bowls and unnecessarily elaborate tableware, I wrote to the Secretary of the Navy and asked if he would withhold placing the order which, according to reports, was contemplated and also to send to the Committee on Expenditures in the Executive Departments a copy of the requisition for such tableware and silverware. Mr. Forrestal has been good enough to do this, and the requisition has been received by the committee.

It has been examined by the staff of the committee, and it was found that it not only contained an order for 38,744 silver-plated finger bowls, but also for the same number of silver-plated plates to put under the bowls. The plates, strangely enough, cost a little more than the bowls and come to $48,222.50. The

total cost of the bowls and the plates amounts to $97,252.50.

One thing which stands out in the requisition is that each rank, from captain on up, is entitled to its own distinguishing mark on its silverware. Thus, an admiral has one mark on his silverware, a vice admiral has another mark on his silverware, a rear admiral, another; and so on. Silverware for the ward rooms, where the general run of the officers eat, has a separate mark, as does the ware for warrant officers.

This means that each order for forks, for example, must be broken into as many as seven orders for forks, bearing seven different kinds of marks. No one knows how much these little perquisites of rank are costing the taxpayer.

The Secretary of the Navy, Mr. Forrestal, has taken a very fine and commendable stand in this matter, and I should like to read the letter which I have received from him, under date of March 6:

THE SECRETARY OF THE NAVY,
*Washington, March 6, 1947.*

Hon. GEORGE D. AIKEN,
*United States Senate, Washington, D. C.*

DEAR SENATOR AIKEN: In further reply to your letters of February 20 and March 4, 1947, I am transmitting herewith a copy of the request for tenders of bids for tableware which you requested.

I am very glad that you brought this matter up because it involves a problem which the Navy Department has had under consideration for some time; to wit: the declaration as surplus of articles for which the Department may have a need in the future. After VJ-day the Office of War Mobilization and Reconversion requested the Services to declare surplus all material for which there was a civilian use and which was excess to their reasonable short term future needs. Reasonable short term future needs varied depending upon the type of article involved. In the case of tableware it was defined as a 12-month period beyond the procurement lead period. At the time this action was taken it was known that similar articles to those declared surplus would have to be purchased in the future. However it was felt that the assistance being given to civilian reconversion justified the action. This policy was continued for several months until it was felt that the most urgent civilian needs had been satisfied. It is not the policy of the Navy at the present time.

Because of this policy a large quantity of tableware has been declared surplus and disposed of by the War Assets Administration. There is, therefore, not now available in stock a supply of tableware to fill present needs. During the war, to expedite procurement and conserve critical materials, the Navy procured an inferior grade of tableware which was uneconomical to maintain. With the passage of time, a large portion of this wartime tableware has suffered from corrosion to the extent that its use would be dangerous to health.

The replenishment of tableware is necessary at the present time and to take care of these needs the Bureau of Ships forwarded a letter to the Bureau of Supplies and Accounts requesting that bids be obtained for certain types of prewar tableware on the ships' allowance lists. This was the basis for the request for tender of bids, but due to the prices submitted none of the items have been purchased.

I understand none of them will be purchased.

Furthermore, the Bureau of Ships has been directed to modify its specifications for tableware so that a different and simpler type can be obtained.

I am completely in accord with the thoughts expressed in your letter as to the distinction between necessities and niceties of living and, while the allowance lists have been in existence for more than 20 years, I feel that this is an appropriate time for a review of these lists and a deletion therefrom of the niceties. The Bureau of Ships has been directed to do this.

I want to thank you for calling this matter to my attention, and if there is any further information you desire, please let me know.

Sincerely,

JAMES FORRESTAL.

The Committee on Expenditures in the Executive Departments is hopeful that by calling attention to these letters before the Senate and directly to the departments, substantial savings may be made, and, more important, that a genuine spirit of economy and conservative buying may be engendered in Federal personnel.

Mr. President, I believe by cooperation between the legislative and the executive branches of Government and by saving a million dollars here and a million dollars there, that after a time it will be found that a very large amount indeed can be saved.

EFFECT OF REMOVAL OF PRICE CONTROLS

Mr. McMAHON. Mr. President, what capitalism and democracy can least afford now is the collapse—even a partial collapse—of this single remaining stronghold of free enterprise. If a crisis develops in the next few months on the domestic scene, the reason will be failure to keep prices within reach of mass buying through a failure to restrain the impulse to pile up profits in an inflating economy with prices uncontrolled. So far in 1947, I think we can all agree that labor has exercised restraint in trying to force higher wages—this despite prices steadily mounting from already inflated levels and profits at unprecedented heights.

I should like to call attention to some promises which were made to the Seventy-ninth Congress and to the people of the United States in full-page newspaper advertisements in July of last year when we were considering the continuation of price controls.

This is what the National Association of Manufacturers told the people of the country on July 3, in an advertisement entitled "The Future with Confidence," published in the Washington Post:

THE FUTURE WITH CONFIDENCE

The members of the National Association of Manufacturers have no intention of rocking the inflation boat—now or at any other time.

If OPA is permanently discontinued, the production of goods will mount rapidly and, through free competition, prices will quickly adjust themselves to levels that consumers are wiling to pay.

The great majority of American manufacturers are determined to produce as much as they can, as fast as they can, to sell at the lowest possible prices.

American manufacturers are also determined that such price increases as may be necessary will be only those fully justified by increases in wage and other production costs.

Then, Mr. President, the advertisement further states:

Then as production gets rolling again, supply will catch up with demand, prices will be fair and reasonable to all, quality will be improved, black markets will disappear, and America will enter the period of prosperity that everyone has been hoping for.

That advertisement is signed "National Association of Manufacturers." Under the signature appears the following: "For a Better Tomorrow for Everybody."

I now refer, Mr. President, to what the American Meat Institute told the people of the United States on July 5, in a rather prophetic article, at least so far as the title is concerned, because it is entitled "What Price Meat?" This is what the Meat Institute had to say on July 5, when we were considering the question of continuing price control:

WHAT PRICE MEAT?

Painful experience has proved that under OPA regulations:

A. Livestock does not come to market in sufficient quantities.

B. A large proportion of the meat animals which do reach the market are gobbled up by buyers who divert meats from the average consumer to dishonest channels with which the meat industry cannot and will not compete.

It's the consumer who gets hurt.

In making that statement they certainly knew what they were talking about.

I read further:

During the past week of open competition—the first since 1942—there was improvement in marketings of livestock. Such increases in the prices of livestock as have occurred have gone back to the livestock grower as an incentive to production.

Many meat packing plants on which consumers have relied have been completely or partly shut down. It takes a little time for them to start up operations and get their distribution systems working again.

Your meat dealer soon will be able to serve you at honest prices.

American Meat Institute, headquarters, Chicago; members throughout the United States.

Now I should like to call to the attention of the Senate the schedule of prices issued by the Bureau of Labor Statistics on March 6, 1947. It is entitled "Agricultural Prices Rise Sharply"; and I ask unanimous consent that the release be printed at this point in the RECORD as a part of my remarks.

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

WHOLESALE PRICES FOR WEEK ENDED MARCH 1, 1947 [1]

AGRICULTURAL PRICES RISE SHARPLY

Substantial increases for agricultural commodities and continued advances for industrial goods raised average primary market prices 1.5 percent during the week ended March 1, 1947, according to the Bureau of Labor Statistics, United States Department of Labor. The Bureau's index of commodity prices in primary markets reached 146.4 per-

[1] Based on the BLS weekly index of prices of about 900 commodities which measures changes in the general level of primary market prices. This index should be distinguished from the daily index of 28 commodities. For the most part, prices are those charged by manufacturers or producers or are those prevailing on commodity exchanges. The weekly index is calculated from 1-day-a-week prices. It is designed as an indicator of week-to-week changes and should not be compared directly with the monthly index.

cent of the 1926 average, the highest level since late 1920 but still 12 percent below the May 1920 all-time peak. The index was 4.3 percent above a month earlier and 36.1 percent above a year ago.

Farm products and foods: Market prices of farm products rose 2.6 percent during the week, reaching a level more than 2 percent higher than their previous peak in late November. Markets generally were influenced by bad weather which restricted shipments and by continued heavy demand. Demand for grains was stimulated by the Government's flour-purchase program and expectations of increased export needs. Most quotations advanced as wheat reached the highest levels since the last war and rye, an all-time high. Livestock quotations advanced generaly with hogs at a new peak. Fruits and vegetables averaged slightly higher and prices of eggs were up. There was a fractional advance for raw cotton and prices increased for hay, flaxseed, and peanuts. As a group, farm products were 34.7 percent above the corresponding week of 1946.

Food prices also rose, influenced by the general market conditions, with the group index up 3.1 percent during the week to a level of 55.2 percent above a year earlier. Meat prices rose sharply with pork prices up more than 10 percent, largely reflecting decreased hog shipments. Increases for other meats were due to active demand. Butter prices advanced and there was a fractional increase for cereal products. Scarcity caused higher prices for a number of other foods, including vegetable oils, lard, oleo oil, edible tallow, black pepper, and cocoa beans.

Other commodities: Average prices of all commodities other than farm products and foods advanced 0.3 percent during the week to a level 26.8 percent above a year earlier. Higher costs caused increases for wool fabrics, and cotton goods rose under strong demand. Prices of jute increased following reduction in India's export quota and burlap prices were up. Quotations for calfskins rose sharply as a result of a shortage due to light slaughterings. Prices for other hides and skins continued to decline. Lead prices increased 1 cent a pound, reflecting higher prices in world markets, and bar-silver prices were higher with increased demand. Higher raw-material costs caused increases for silver nitrate, bismuth subnitrate, logwood extract, and iron oxide. Prices of fats and oils and cattle feed advanced. Resistance to previous high prices together with availability of a synthetic substitute, resulted in lower prices for shellac. Turpentine prices dropped sharply. There were price increases for prepared roofing and millwork, still in short supply.

*Wholesale prices for week ended Mar. 1, 1947 (1926=100)*

| Commodity groups | Mar. 1, 1947 | Feb. 22, 1947 | Feb. 15, 1947 | Feb. 1, 1947 | Mar. 2, 1946 | Percent changes to Mar. 1, 1947, from— | | |
|---|---|---|---|---|---|---|---|---|
| | | | | | | Feb. 22, 1947 | Feb. 1, 1947 | Mar. 2, 1946 |
| All commodities | 146.4 | 144.3 | 143.1 | 140.3 | 107.6 | +1.5 | +4.3 | +36.1 |
| Farm products | 176.1 | 171.7 | 168.9 | 164.8 | 130.7 | +2.6 | +6.9 | +34.7 |
| Foods | 167.5 | 162.5 | 160.9 | 154.1 | 107.9 | +3.1 | +8.7 | +55.2 |
| Hides and leather products | 174.1 | 175.8 | 173.6 | 171.0 | 120.1 | −1.0 | +1.8 | +45.0 |
| Textile products | 137.0 | 135.4 | 135.5 | 135.8 | 101.4 | +1.2 | +0.9 | +35.1 |
| Fuel and lighting materials | 98.6 | 98.6 | 98.6 | 98.5 | 85.4 | 0 | +0.1 | +15.5 |
| Metal and metal products | 138.6 | 138.4 | 138.4 | 138.3 | 107.8 | +0.1 | +0.2 | +28.6 |
| Building materials | 173.0 | 172.6 | 172.8 | 168.6 | 121.0 | +0.2 | +2.6 | +43.0 |
| Chemicals and allied products | 129.3 | 129.2 | 128.3 | 127.8 | 96.0 | +0.1 | +1.2 | +34.7 |
| Housefurnishings goods | 125.5 | 125.3 | 123.0 | 122.8 | 108.0 | +.2 | +2.2 | +16.2 |
| Miscellaneous commodities | 111.2 | 110.7 | 110.0 | 109.9 | 95.4 | +.5 | +1.2 | +16.6 |
| Special groups: | | | | | | | | |
| Raw materials | 158.9 | 156.2 | 154.3 | 152.6 | 119.5 | +1.7 | +4.1 | +33.0 |
| Semimanufactured articles | 142.7 | 141.3 | 141.7 | 139.5 | 99.6 | +1.0 | +2.3 | +43.3 |
| Manufactured products | 142.0 | 140.0 | 139.1 | 135.6 | 103.7 | +1.4 | +4.7 | +36.9 |
| All commodities other than farm products | 139.9 | 138.3 | 137.6 | 135.0 | 102.5 | +1.2 | +3.6 | +36.5 |
| All commodities other than farm products and foods | 128.7 | 128.3 | 128.1 | 127.5 | 101.5 | +.3 | +.9 | +26.8 |

*Percentage changes in subgroup indexes from Feb. 22, 1947, to Mar. 1, 1947*

INCREASES

| | |
|---|---|
| Meats | 6.8 |
| Cattle feed | 5.6 |
| Livestock and poultry | 4.3 |
| Grains | 2.7 |
| Woolen and worsted goods | 2.6 |
| Cotton goods | 2.2 |
| Other foods | 1.9 |
| Other farm products | 1.1 |
| Dairy products | 1.0 |
| Nonferrous metals | 1.0 |
| Other textile products | 0.8 |
| Paint and paint materials | 0.8 |
| Cereal products | 0.6 |
| Fruits and vegetables | 0.6 |
| Oils and fats | 0.5 |
| Leather | 0.4 |
| Other building materials | 0.4 |
| Cement | 0.2 |
| Furnishings | 0.2 |
| Anthracite | 0.1 |
| Drugs and pharmaceuticals | 0.1 |
| Furniture | 0.1 |
| Other miscellaneous | 0.1 |

DECREASES

| | |
|---|---|
| Hides and skins | 5.4 |
| Fertilizer materials | 0.3 |

Mr. McMAHON. I should also like to call the attention of the Senate to the fact that in last week's issue of United States News magazine there appears an article entitled New Rise In Commodity Prices. Higher Costs For Food and Materials Despite Buyer Resistance. Wholesale price rises since the end of controls are listed in a box, and I shall cite a few of them:

Wheat, on October 14, was $2.12. It is now $2.35.

Steers, $19.63 a hundred pounds; now $25.25.

Copper, 14.2; now 19.9.

Tin, 52 cents; now 70 cents.

I am informed that those prices are not yet reflected in full measure in retail costs. For the period between 1939 and 1946, I believe the figures show a rise in commodity prices, during those 7 years, of approximately 33 percent. In the last 7 months—not 7 years—that price rise has been duplicated. I think the Ford Motor Co. and the International Harvester Co. are entitled to great credit for the steps they recently have taken voluntarily to cut the prices of their products.

A few days ago the senior Senator from Georgia [Mr. GEORGE], the distinguished former chairman of the Finance Committee of this body, stated that in his opinion corporate earnings were rising to a dangerous point. I think those who want to be fair-minded, who believe truly in the profit system and the system of free enterprise, cannot but take alarm when they look at the earning reports which are now coming forth from the great corporations. I beg and plead with some of the managers of vast corporate enterprises not to pull down the pillars of the temple in which we reside. I ask them to exercise restraint. I ask them to stop before it is too late and before they start another inevitable demand for further wage increases that can do nothing except plunge into decay and ruin the free-enterprise system as we know it, which, with the exception of that of Canada, is the last on the face of the earth.

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

Mr. McMAHON. I yield.

Mr. PEPPER. The Senator has told us that corporate profits have risen to a dangerous level; he has told us about prices rising to unprecedented heights. No doubt the Senator has intimated that we now have in our economy the greatest concentration of monopolistic power we have ever had in our history. Yet is it not a fact that while all those things are true, we are confronted today with the most determined drive we have ever faced to weaken the power of labor in America?

Mr. McMAHON. I thank the Senator.

## AID FOR THE PHYSICALLY AND MENTALLY HANDICAPPED

Mr. SPARKMAN. Mr. President, having long been deeply concerned with the welfare of our physically and mentally handicapped citizens, including disabled veterans, I am much interested in the latest effort to promote full employment of the handicapped which has just been launched by Secretary of Labor Lewis B. Schwellenbach.

Secretary Schwellenbach has written to all governors of States, calling attention to the employment needs of our millions of disabled, and suggesting a practical method of States' participation in developing an employment program for them.

To meet modern-day requirements, Secretary Schwellenbach suggests that each State establish, as an integral part of its employment system, an agency to be known as Services for Handicapped, and has supplied an outline detailing ways and means that such an agency should be operated.

This is a very fine conception and I congratulate the Secretary upon his appropriate suggestion to the governors, and hope that they will meet the challenge by establishing Services for Handicapped in every State.

My own interest in this field developed largely through my sponsorship, while a Member of the House, of a bill to establish a Federal Commission for the Physically Handicapped, in collaboration with

the American Federation of the Physically Handicapped, whose president, Mr. Paul A. Strachan, has been indefatigable in efforts to improve the condition of all handicapped people, and who was the author of National Employ-the-Handicapped Week, enacted by the Seventy-ninth Congress, and which was sponsored in the House by former Representative Jerry Voorhis, and in the Senate by our colleague the senior Senator from West Virginia [Mr. KILGORE].

I may say that this past year, spearheaded by a national campaign in which all Federal and State agencies at interest participated, and including national organizations of industry, business, labor, veterans, farm, women, religious, civic, educational, scientific and professional, and other groups, National Employ-the-Handicapped Week was the means of placing in gainful employment, through the 1,800 local offices of the United States Employment Service, 29,422 handicapped people, of whom 19,200 were disabled veterans. That is a splendid result, and the Congress is to be congratulated upon its support for this most worthy program which, by law, will be continued every year hereafter.

I am sure the progressive step advocated by the Secretary of Labor in suggesting that services for handicapped be a regular part of the machinery of the State employment system will produce good results, and I ask unanimous consent that the Secretary's letter to governors, as well as the Outline of a Model Plan for Employment of Physically and Mentally Handicapped, be included in the RECORD, at the conclusion of my remarks.

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

UNITED STATES DEPARTMENT OF LABOR,
*Washington, February 26, 1947.*

DEAR GOVERNOR: During the past 2 years, it has been my pleasure to cooperate with your State in promoting the observance of National Employ the Physically Handicapped Week. I have been gratified, as I am sure you have been, with the results obtained from that effort. Largely through the State and Federal cooperative program, startling results have been obtained in increasing the number of job placements for handicapped people. Last October, the month in which this effort was made, 29,400 placements of handicapped were made through the public employment offices, of whom 19,200 were disabled veterans. This represented an increase of 38 percent over the previous month.

The statistics for the months following October show a decided drop in the total number of handicapped people placed and, to me, indicate a problem which we must attack jointly if anything like adequate service to the handicapped is to be achieved. Clearly we need a program which will give us results on a year-round basis to supplement the special 1-week effort carried on by the States and the Federal Government during the past 2 years. We must see that constant improvement is made in the service provided by the agencies which have been given the responsibility for assisting the handicapped in becoming gainfully employed.

The return of the Employment Service to the States furnishes an opportunity to continue the development of improved services for workers and employers of the Nation. These improvements can be worked out most effectively, in my judgment, in a spirit of mutual cooperation and good will between the Federal and State Governments.

I am presenting for your consideration in this letter and the attached document the serious employment problem of our handicapped citizens, a brief description of the recommended program for placement of the handicapped by local employment offices, and a suggested State and community program for coordinating the efforts of individuals and organizations interested in the employment problems of the handicapped. A copy of the statement also is being forwarded by the Director of the United States Employment Service to the head of the State agency of which the Employment Service is a part.

It is estimated conservatively that of the approximate 28,000,000 of our citizens who are physically handicapped, from five to seven million of these are employable. Public concern with the problems of the handicapped has been intensified by the return of disabled veterans to civilian life. In addition, most communities face the problem of providing assistance to individuals who have become disabled through industrial accidents or other causes. Productive and useful work is not only a means of securing a livelihood, it is also a means of inculcating self-reliance and maintaining self-respect, the very pillars of our Nation's independence and development.

The trend of our effort, then, is to provide ways and means so that our handicapped citizens may become economic assets instead of liabilities. You, as chief executive of a great State, certainly understand the relation between the tax dollar and the handicapped. If we can find ways and means to rehabilitate and put them to work we shall not only be performing a great humanitarian task but we shall be saving—even gaining—money, because restoration of many of these individuals to productive, taxable status will, naturally, not only aid them but their communities, States, and the Nation itself.

The United States Department of Labor and the United States Employment Service have emphasized the importance of placing the handicapped in suitable and productive employment. More than 1,000,000 handicapped persons have been placed by the local employment offices in the past 6 years through selective placement procedures. We have tried many different procedures and have retained those we have found worth while. The program includes the promotion of employment opportunities for the handicapped and assistance to employers in establishing plans for the utilization of handicapped workers. The program described in the attached document has been based upon this experience.

In order to encourage the provision of the kind of service needed by the handicapped, I urge that you give to each of the State agencies which have a part in providing the services your strongest support for their programs, to achieve on a year-round basis the high degree of public interest, cooperation, and coordination exhibited during National Employ the Physically Handicapped Week. I urge, also, that you take whatever steps are appropriate to establish the permanent services for handicapped described in attached plan.

I would appreciate it if you would review the suggested plan and discuss it with the appropriate State officials. I would also appreciate it if you would let me have the benefit of any comments you may wish to make. I am confident that through such cooperative efforts important strides can be made in meeting this challenging problem.

Yours very truly,

LEWIS B. SCHWELLENBACH,
*Secretary of Labor.*

OUTLINE OF SUGGESTED PLAN OF EMPLOYMENT FOR PHYSICALLY AND MENTALLY HANDICAPPED PUBLIC EMPLOYMENT SERVICES

I. PROBLEMS OF THE HANDICAPPED

Millions of citizens with some physical or mental impairment or deficiency are capable of doing good work and earning their way, if they are provided with suitable employment. Handicapped individuals, generally, may be designated as falling into one or the other of the following classifications:

1. Hospitalized, or institutionalized, or home-bound.

2. Those needing sheltered work conditions; being capable only of substandard performance, short-time jobs, and similar limited employment.

3. Those competitively employable.

It is sound public policy to provide ways and means by which handicapped persons can be matched with suitable and productive jobs, in which they can utilize their skills effectively.

There is a great and understandable humanitarian interest in the individual problems of the handicapped worker, whether the handicap arises from military or civilian life, as evidenced by the widespread public interest in the October 1946 observance of National Employ the Physically Handicapped Week in some 4,000 cities across the country. Productive and useful work is not only a means of securing a livelihood—it is also the means of assuring the self-respect and self-reliance which are at the root of American character. We must do everything within our power to encourage such attributes of independence.

In addition, there is a direct economic advantage to be gained by the Nation through the provision of assistance which will enable our handicapped citizens to assume their proper places as productive workers in our economy and thus turn themselves into assets rather than liabilities. Effective training and placement of the handicapped results in reduction of the tax burden which would otherwise be imposed for direct relief, and in the increase of our productive facilities. The handicapped portion of our labor force is a material resource which should not be left idle or ignored.

II. SERVICES FOR HANDICAPPED (STATE AGENCY)

The primary means for accomplishing the objectives of this program are the facilities of the Federal-State system of public employment services.

Each State should establish a service for handicapped in the State employment service agency, to be headed by a chief, who would be provided with sufficient staff and facilities to enable him to discharge his responsibilities in an adequate and efficient manner.

*Local offices selective placement program*

Selective placement is the term which the employment Service applies to its over-all program of service to the handicapped. All local office interviewers are trained to recognize those handicapped individuals who need special assistance in selecting an occupation or in obtaining a suitable job. Individuals requiring these specialized services are served by staff, designated as selective placement counselors.

Recommendations of the United States Employment Service on staffing services to handicapped in the local offices are as follows:

"Employment counseling and selective placement of the handicapped involve the use of special techniques in assisting applicants who present problems in occupational adjustment. To assure effective performance, personnel designated and especially trained to perform the functions are required in all offices, although in small offices it will constitute only a part-time activity. When the size of staff and volume of activity

requires more than one full-time counselor, personnel should be designated to specialize in service to the handicapped.

"Counseling staff shall be assigned to specialize in service to handicapped applicants in accordance with the pattern described below.

"Variations in load will require more staff time in some offices than that indicated in the table.

"In all cases, performance of the selective placement functions shall have priority over all other duties assigned to the individual."

The experience of the United States Employment Service has shown that in offices of 9 or less staff members, 1 individual must be given responsibility for this function and must be given sufficient time to handle the work load; in offices from 10 to 29, 1 staff member assigned and trained with expectancy that at least half his time would be required; in offices from 30 to 49, 1 staff member on full time, and in some cases that staff member should be assisted by a second individual on part time; in offices from 50 to 75, 1 person, full time, and a second staff member designated to provide part-time assistance; in offices from 79 to 99, 2 full-time staff members to be designated, and in some cases additional, part-time assistance from other staff members; in offices with staff of 130 to 149, 4 full-time selective-placement counselors should be assigned.

Recommended functions to be performed by the selective-placement counselor for the handicapped are as follows:

a. Assisting handicapped applicants to develop suitable occupational plan.

b. Assisting them to put the plan into effect, which may involve:

A. Directing them to other agencies for services, to supplement those provided by USES; for example, vocational training or rehabilitation, under the provisions of Public Laws 16 and 113.

B. Participating in placement activities when necessary to supplement the placement activities of regular interviewers.

C. Developing job opportunities for specific applicants.

D. Performing activities designed to promote opportunities for the handicapped. These include:

1. Working with the local office employer-relations representatives in order that they will be equipped to place proper emphasis on employment of the handicapped during their visits to employers and will recognize opportunities for using the technical assistance of the Selective Placement Counselor.

2. Obtaining employer acceptance of the selective placement approach and the local office selective placement program, through visits to employers or employer institutes.

3. Providing assistance to employers in establishing in-plant programs for employment of the handicapped, including instructing their personnel departments and foremen in the selective placement approach and techniques.

4. Working with labor organizations, veterans' organizations, civic organizations, and other agencies, to promote their understanding of the selective-placement program.

5. Training other local office staff, as required in all phases of service to the handicapped, and providing technical assistance to them.

6. Evaluating local office service to the handicapped and recommending to the next level of supervision necessary changes in procedures and methods. (In offices in which there is more than one selective-placement counselor, this function shall be performed by the supervisor).

III. QUALIFICATIONS OF PROFESSIONAL PERSONNEL

Effective service to the handicapped rests upon the professional competence of the selective-placement counselors. It is clear that they must possess better than average ability and experience, because they are charged with the duty of placing persons who present special problems. Personnel assigned to serve the handicapped should, therefore, be selected from the most able and experienced placement officers. In addition to the ability and knowledge required for the analysis of jobs and job applicants, such persons should be mature, well adjusted, and have a real interest in the problems of the handicapped. It is well to note that in many instances qualified placement officers, who are themselves handicapped, have made the best showing as selective-placement counselors.

Salary scales for handicapped placement specialists should be commensurate with the importance and value of their position. Today, because of the too-low salary levels in this vital service, Federal and State employment services are being rapidly denuded of many of their best men and women, and there should be an immediate upward revision of their compensation so as to provide proper pay and career opportunities for them.

*Training*

The United States Employment Service, in addition to developing procedures, tools, and facilities, has devised comprehensive training programs. All States inducting new personnel for this function should utilize material and services and call upon the United States Employment Service for any technical assistance they may need. Adequate training of personnel is basic to the conduct of an effective program.

For interviewers experienced in regular placement, experience has shown that at least a formal training period, approximating 1 week, is necessary. Additional time should be added, as supervisory responsibilities are increased.

Frequent refresher courses and conferences should be carried on. It is suggested that such courses and conferences be spaced at intervals of not less than 4 months apart, so that the latest developments in this field may be available to all, and thus insure continual improvement in techniques.

IV. BUDGET

Intelligent recognition and understanding of the relationship of the handicapped problem to sound public policy dictates that agencies serving their interest have separate additional budgetary allowances. Handicap placement, for example, is more expensive than placement of nonhandicapped, primarily because it takes more time to interview the applicant, and more time to find suitable jobs. Further, there should not be undue stress, on the part of local managers, to the end that the number of placements be arbitrarily maintained at high number, without regard to suitability of job for the applicant, or vice versa. Placements made under forced pressure and without proper consideration of all factors can only result in deterioration of the handicapped program, and lessened effectiveness of service to both employers and the handicapped.

Special budgetary allowances should cover the following:

1. Books, periodicals, and other material on the handicapped.
2. Conferences of agencies interested in the handicapped.
3. Conferences for development of program.
4. Cost of training courses for personnel.
5. Promotional literature.
6. Exhibits for public places, required for promotion.
7. Motion pictures for promotion purposes.
8. Testing programs for specific job.
9. Research in the special problems of the several types of disabilities and possible solutions.
10. Studies of occupations and occupational research leading to determination of physical demands of each occupation.
11. Continual surveys of handicapped, as to their working capacities, including volume and quality of work performed.
12. Absenteeism, attitude toward the job, etc.
13. Special studies of problems in sparsely settled rural areas.

V. COMMUNITY PROGRAMS

There should be close cooperation between services for handicapped, and local organizations, including chambers of commerce, manufacturers' associations, labor unions, veterans' organizations, civic groups such as Rotary, Kiwanis, Civitan, Lions, etc., women's clubs, fraternal orders, professional groups such as medical societies, engineering and research organizations, etc., together with the various organizations especially serving the handicapped.

In rural areas there should be close cooperation with the Extension Service of the Department of Agriculture; local organizations of the American Farm Bureau Federation, National Grange, and National Farmers Union. In rural areas, handicapped have been neglected to a considerable degree, and strong efforts should be made to remedy this situation.

In the larger cities where such services are available, there should be close cooperation with organizations conducting sheltered workshops, or, other industries established primarily for handicapped workers.

VI. NATIONAL EMPLOY THE PHYSICALLY HANDICAPPED WEEK

Enactment of Public Resolution 176 by the Seventy-ninth Congress establishes the first week in October in each year as National Employ the Physically Handicapped Week. Presidential and gubernatorial proclamations have, for the past 2 years, in connection with this observance, called to public attention the need for employment of the physically handicapped. The results have been excellent and plans are being made for continuance of this laudable activity, which has been responsible for greatly increasing the number of placements of handicapped individuals.

All States should continue to participate wholeheartedly in this program.

VII. EMPLOYERS' INSTITUTES

Services for handicapped could, and should, promote employers' institutes, where there may be full and free discussion of all phases of employment of handicapped. Such institutes might be made annual or semiannual affairs so that the yearly program would contemplate operating such conferences in several cities in each State, without conflict as to dates.

VIII. EXPOSITIONS

An effective way to promote public and employer interest in the handicapped would be, to stage expositions, in which the products of their work would be shown, as well as actual demonstrations showing the handicapped at work.

Such expositions could be promoted by inviting all local businesses and interested public and private agencies to participate. One such exposition was held in Detroit, Mich., in October 1946. While it was a modest beginning, the idea was sound, and the American Federation of the Physically Handicapped, which initiated the effort, enlisted support of business, labor, professional, welfare, and other organizations, and with the cooperation of the United States Employment Service, Veterans' Administration, State rehabilitation service, and other public and private agencies, succeeded in a large measure in making the community conscious of the abilities of handicapped, as workers. The AFPH, with these other organizations, is planning to make this an annual exposition. The plan is commended to all States.

SUMMARY

The suggestions submitted herein, it is believed, are necessary and practicable. This memorandum contains sufficient reference to administrative methods and procedures to demonstrate the feasibility of the suggested plan, but it is not intended to be an exhaustive study.

Upon application, the details of this outline will be made available.

## MESSAGE FROM THE HOUSE—ENROLLED BILL SIGNED

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, announced that the Speaker had affixed his signature to the enrolled bill (H. R. 1030) to continue in effect certain war excise tax rates, and for other purposes, and it was signed by the President pro tempore.

## THE PRESIDENTIAL TERM

The Senate resumed the consideration of the joint resolution (H. J. Res. 27) proposing an amendment to the Constitution of the United States relating to the terms of office of the President.

The PRESIDING OFFICER (Mr. KNOWLAND in the chair). The question is on agreeing to the first committee amendment, on page 1, in lines 6, 7, and 8.

Mr. WILEY. Mr. President, today has been somewhat of a field day, and perhaps we have neglected the pending measure. If possible, I should like to have a quorum present and a vote taken on the first committee amendment to House Joint Resolution 27.

The PRESIDING OFFICER. Does the Senator from Wisconsin suggest the absence of a quorum?

Mr. WILEY. I do.

The PRESIDING OFFICER. The clerk will call the roll.

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

| | | |
|---|---|---|
| Aiken | Hayden | Myers |
| Baldwin | Hickenlooper | O'Conor |
| Ball | Hill | O'Daniel |
| Brewster | Hoey | O'Mahoney |
| Bricker | Holland | Overton |
| Brooks | Ives | Pepper |
| Buck | Jenner | Revercomb |
| Bushfield | Johnson, Colo. | Robertson, Va. |
| Byrd | Johnston, S. C. | Russell |
| Cain | Kem | Saltonstall |
| Capehart | Kilgore | Smith |
| Capper | Knowland | Sparkman |
| Chavez | Langer | Stewart |
| Connally | Lodge | Taft |
| Cooper | Lucas | Taylor |
| Cordon | McCarran | Thomas, Okla. |
| Donnell | McCarthy | Thye |
| Dworshak | McClellan | Tobey |
| Ecton | McFarland | Tydings |
| Ellender | McGrath | Umstead |
| Ferguson | McKellar | Vandenberg |
| Flanders | McMahon | Watkins |
| Fulbright | Magnuson | Wherry |
| George | Maybank | White |
| Green | Millikin | Wiley |
| Gurney | Moore | Williams |
| Hatch | Morse | Young |
| Hawkes | Murray | |

Mr. WHERRY. I announce that the Senator from New Hampshire [Mr. BRIDGES], the Senator from Nebraska [Mr. BUTLER], and the Senator from Iowa [Mr. WILSON] are necessarily absent. The Senator from Nevada [Mr. MALONE] is necessarily absent on State business. The Senator from Pennsylvania [Mr. MARTIN] is absent by leave of the Senate. The Senator from Kansas [Mr. REED] and the Senator from Wyoming [Mr. ROBERTSON] are absent because of illness.

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

The question is on agreeing to the first committee amendment, which will be stated.

The CHIEF CLERK. On page 1, line 6, after the words "ratified by", it is proposed to strike out "the legislatures of three-fourths of the several States" and insert "conventions in the several States, as provided in the Constitution", so as to read:

That the following article is hereby proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by conventions in the several States, as provided in the Constitution.

Mr. WILEY. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. TAFT. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. TAFT. Is my understanding correct that a vote "yea" is a vote in favor of the convention method of ratification, and a vote "nay" is a vote in favor of ratification by the legislatures of the several States?

The PRESIDING OFFICER. The Senator from Ohio is correct. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. WHERRY. I announce that the Senator from New Hampshire [Mr. BRIDGES] and the Senator from Nebraska [Mr. BUTLER] are necessarily absent. The Senator from Nevada [Mr. MALONE] is necessarily absent on State business. The Senator from Pennsylvania [Mr. MARTIN] is absent by leave of the Senate, and the Senator from Wyoming [Mr. ROBERTSON] is absent because of illness.

The Senator from Iowa [Mr. WILSON] is necessarily absent. If present and voting he would vote "nay."

The Senator from Kansas [Mr. REED] is absent because of illness. He is paired with the Senator from New York [Mr. WAGNER].

Mr. LUCAS. Mr. President, the senior Senator from Kentucky [Mr. BARKLEY] is absent because of the death of his wife. If he were present he would vote "nay."

The Senator from California [Mr. DOWNEY], the Senator from Mississippi [Mr. EASTLAND], the Senator from Utah [Mr. THOMAS], and the Senator from New York [Mr. WAGNER] are necessarily absent.

The Senator from New York [Mr. WAGNER] has a general pair with the Senator from Kansas [Mr. REED].

I announce further that if present and voting the Senator from Utah [Mr. THOMAS] would vote "nay."

The result was announced—yeas 20, nays 63, as follows:

YEAS—20

| | | |
|---|---|---|
| Cooper | Langer | O'Conor |
| Donnell | Lodge | O'Mahoney |
| Fulbright | McGrath | Pepper |
| Green | McMahon | Taylor |
| Hatch | Magnuson | Umstead |
| Hill | Murray | Wiley |
| Kilgore | Myers | |

NAYS—63

| | | |
|---|---|---|
| Aiken | Gurney | Morse |
| Baldwin | Hawkes | O'Daniel |
| Ball | Hayden | Overton |
| Brewster | Hickenlooper | Revercomb |
| Bricker | Hoey | Robertson, Va. |
| Brooks | Holland | Russell |
| Buck | Ives | Saltonstall |
| Bushfield | Jenner | Smith |
| Byrd | Johnson, Colo. | Sparkman |
| Cain | Johnston, S. C. | Stewart |
| Capehart | Kem | Taft |
| Capper | Knowland | Thomas, Okla. |
| Chavez | Lucas | Thye |
| Connally | McCarran | Tobey |
| Cordon | McCarthy | Tydings |
| Dworshak | McClellan | Vandenberg |
| Ecton | McFarland | Watkins |
| Ellender | McKellar | Wherry |
| Ferguson | Maybank | White |
| Flanders | Millikin | Williams |
| George | Moore | Young |

NOT VOTING—12

| | | |
|---|---|---|
| Barkley | Eastland | Robertson, Wyo. |
| Bridges | Malone | Thomas, Utah |
| Butler | Martin | Wagner |
| Downey | Reed | Wilson |

So the amendment was rejected.

Mr. TOBEY. Mr. President, I ask unanimous consent for leave of absence on Wednesday, on official business.

The PRESIDING OFFICER. Without objection, the leave is granted.

Mr. WILEY obtained the floor.

Mr. MAGNUSON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MAGNUSON. Does the Senator from Wisconsin intend to ask for the adoption of the second committee amendment at this time?

Mr. WILEY. Yes.

Mr. MAGNUSON. I have an amendment at the desk which I wish to offer as a substitute.

The PRESIDING OFFICER. The clerk will state the second amendment of the committee.

The CHIEF CLERK. On page 1, after line 9, it is proposed to strike out "Any person who has served as President of the United States during all, or portions, of any two terms, shall thereafter be ineligible to hold the office of President; but this article shall not prevent any person who may hold the office of President during the term within which this article is ratified from holding such office for the remainder of such term" and to insert "A person who has held the office of President, or acted as President, on 365 calendar days or more in each of two terms shall not be eligible to hold the office of President, or to act as President, for any part of another term; but this article shall not prevent any person who may be holding the office of President or acting as President during the term within which this article becomes operative from holding the office of President or acting as President during the remainder of such term."

The PRESIDING OFFICER. Does the Senator from Washington offer his amendment as a substitute for the committee amendment?

Mr. MAGNUSON. I offer my amendment as a substitute, and ask that it be stated.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from Washington.

Mr. GEORGE. Mr. President, before the amendment is offered formally, and read at the desk, I assume there will be

no objection to taking the same action with reference to the amendment in section 2 as the Senate has just taken as to section 1, that is, to restore the provision calling for ratification by the legislatures rather than by the convention method. I make that suggestion to the Senator from Wisconsin, in charge of the joint resolution.

Mr. WILEY. If there is no objection, Mr. President, I ask that, in accordance with the vote just had in relation to the amendment in section 1, similar action be taken with regard to the amendment in section 2.

The PRESIDING OFFICER. Without objection, it is so ordered, and the committee amendment on page 2, lines 15 and 16 is rejected.

Mr. MAGNUSON. I now offer my amendment as a substitute.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. In lieu of the language proposed to be inserted on page 2, beginning in line 4, and extending down to and including line 12, it is proposed to insert the following:

No person shall be elected to the office of the President more than twice.

Mr. MAGNUSON. Mr. President, to my mind, the suggested amendment is in the nature of a perfecting amendment. There was much discussion in committee, legal and otherwise, regarding not only the House bill but the committee amendment which is now before the Senate. Many questions were raised; for example, as to whether a man who was acting as President was actually a President; and as to the period during which a man could hold office as acting President, and if he was elevated to the office of President through circumstances beyond his control, to what period he should be limited.

The committee amendment is in very complicated legal language. I doubt if many State legislators could really understand its wording, but in effect it was an honest attempt to provide a restriction, so that if, through an unfortunate circumstance, such as the death of the President, or otherwise, the Vice President should assume the office of President, or act as President for any one year, meaning one calendar year of 365 days, thereafter he would be eligible to run for the Presidency only once.

We might as well get down to brass tacks: This joint resolution was submitted by those who are anxious to have it passed, as I understand their position, solely because of their objection to a man who had deliberately sought and obtained the office of President, using the office during the course of two terms in an effort to perpetuate himself in the office.

A Vice President, or a Secretary of State, and so on, all down the line of succession, through circumstances beyond his control, and with no deliberation on his part, might, because of some unfortunate circumstances, be required to assume the Presidential office. If he assumed the office and occupied it for 1 year, not as the result of a deliberate act upon his part, and then held the office for another term, he would be barred from running for the office again. What is really intended to be reached by those who desire the passage of the measure would be accomplished by the language of my amendment, which merely says in simple language, "No person shall be elected to the office of President more than twice." It seems to me it is a perfect amendment which could be easily understood by everyone, and which would not involve complicated legal questions such as, "When is a man Acting President? When does he assume the office?"

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

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from Illinois?

Mr. MAGNUSON. I yield.

Mr. LUCAS. Am I to understand from the Senator's remarks that he construes this amendment simply to mean, for example, that if a Vice President went into the Presidency and served, let us say, 30 days, and the term of the incumbent expired, then he would only be eligible for another 4 years?

Mr. MAGNUSON. If he served longer than a year—that is, more than a calendar year of 365 days.

Mr. LUCAS. If he served more than a year, then he would only be eligible for 4 more years; in other words, 5 years would be the limitation placed upon him.

Mr. MAGNUSON. In effect, under the committee amendment, it is possible that a man could be President for only 5 years. The 1 year he served prior to his first 4-year term would bar him from running for another 4 years, although his first service might have been brought about by no deliberation on his part, but because of an emergency or an unfortunate circumstance beyond his control.

What is really being sought by those who oppose more than two terms, as I garner it, as the result of conversations, is to prevent a man's deliberately using the office of President in order to perpetuate himself in office; that is, for more than two terms. I think the language of the committee amendment is bad; it is difficult to understand. It seems to me that my amendment makes it simple and strikes at the heart of what is desired to be corrected.

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

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from Arkansas?

Mr. MAGNUSON. I yield.

Mr. McCLELLAN. I very much favor the Senator's amendment, and I think it says what we want to say, if we are going to say anything about it.

I want to call attention to another thing. A man might serve as Vice President and be required to fill the vacancy. That is understood. He would feel inclined, he might even feel in duty bound, to carry out the policies of the man he succeeded, under those circumstances. Every man is entitled to have an endorsement term of his own policy. Having been elected, and having served for a term, he is entitled to an endorsement term. That is democracy.

The committee amendment would preclude such a man having the opportunity to submit his candidacy for an endorsement term, if he served out an unexpired term.

Mr. MAGNUSON. Because he did his duty, he would be penalized. He would be barred from running for the office of President more than once.

Mr. McCLELLAN. If the joint resolution were adopted in the form proposed by the amendment of the Senator from Washington, it would, in my opinion, be far more persuasive with the American people and would be more persuasive with the State legislators than the joint resolution in its present form.

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

Mr. MAGNUSON. I yield.

Mr. TYDINGS. I like the amendment of the Senator from Washington much better than the committee amendment. I am not a member of the committee. There may be some reason why the amendment of the Senator from Washington is not preferable to the committee amendment. But until some Senator gives us a better reason than has heretofore been given I shall continue in the belief that the amendment of the Senator from Washington is preferable and does what we want to do.

Mr. LODGE. Mr. President, I should be glad if the Senators on the other side of the Chamber would raise their voices so that we on this side could hear the discussion that is going on.

Mr. TYDINGS. Mr. President, I stated that I am not a member of the committee; that there may be good reasons why the committee amendment is preferable to the amendment offered by the Senator from Washington, but that, so far as I have been able to think my way through, I am convinced that the amendment of the Senator from Washington is preferable to the committee amendment. What we are trying to do is to stop any man from being elected President more than twice. I am for that. I think it is a fine thing to put in the Constitution. But under the committee amendment a man could be prohibited from being elected President more than once, provided that he had served more than 1 year prior to the time he was elected President. Therefore it is conceivable that a man would be limited, under the committee amendment, to serving in the Presidency only 5 years. I think that provision is a little stringent. I think if we limit the Presidency to two elected terms in that office we will do what I believe a great many Americans want done. If we were to strain it still further I am afraid we would bring about opposition in some of the legislatures to the adoption of the proposed constitutional amendment. Whereas if the constitutional amendment provided for two elected terms, and that is all that was put before the legislature, in my judgment it would secure more votes and have a better chance of adoption. I should like to see the Presidency limited to two terms.

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

Mr. MAGNUSON. I yield.

Mr. WILEY. I think possibly the Senator from Maryland has in mind the language as it came from the House when he speaks of the limitation that would

be made. The House language is as follows:

> Any person who has served as President of the United States during all, or portions, of any two terms, shall thereafter be ineligible to hold the office of President.

Under the committee amendment he could hold the office for two terms and almost 1 year, but if he had been in office more than 1 year before the next term of office, he would be limited to election to the additional term only.

Mr. MAGNUSON. That is correct. But under the committee amendment, it is possible that if a man was elevated to the Presidency from the Vice Presidency, and served as President 1 year, through a calendar year, then he would be forever barred from running for the Presidency more than once thereafter. He would be limited to only one term thereafter.

Mr. WILEY. That is correct.

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

Mr. MAGNUSON. I yield.

Mr. TYDINGS. Let me say to the Senator from Wisconsin that I think he and I agree on what the language means. To illustrate, let us assume that the Vice President becomes President through death of the President or in any other way, and serves only 300 days. Then he is elected President. He could then be elected for a second term, serving two terms and a little less than a year of the term of his predecessor. But if he served 366 days as President by reason of the death or otherwise of his predecessor, and then was elected President, he would be forbidden from running for President again after he had served the one term to which he was elected. Considering that wars and depressions and all kinds of unforeseen things quite often come to pass during a Presidential term, it seems to me that the people ought to have the right to elect a man to two full terms in the Presidency if they want to do so, and that we ought not to deny them the right to elect a President for two full terms, but we ought to provide that a man cannot be elected President for more than two terms.

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

Mr. MAGNUSON. I yield.

Mr. CONNALLY. The Senator's amendment provides that "No person shall be elected to the office of President more than twice." But he could have served a portion of a term by reason of death or resignation or disability of the previous incumbent.

Mr. TYDINGS. That is correct.

Mr. CONNALLY. It seems to me that opposition to such a provision is not tenable.

Mr. TYDINGS. I think the amendment is a good one.

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

Mr. MAGNUSON. I yield.

Mr. HICKENLOOPER. It seems to me the amendment offered by the Senator from Washington, if adopted, would create a most peculiar situation under the American system of elections. Under the Senator's amendment, an individual who becomes President by accident, an act of divine providence, or otherwise, and who was not originally elected to the position, is the only person who can hold protracted office in the Presidency. One who was elected to the Presidency by the will of the people, under the Senator's amendment, can serve only two terms, and accident, chance, or act of divine providence will be the only reason whereby an individual can hold office for a substantial period beyond the two terms.

Mr. MAGNUSON. That is correct, but of course we cannot foresee such contingencies or legislate against them. But by the same token, and in reverse, an individual could serve in the Presidency 366 days and then he would be forever barred, under the committee amendment from running for the Presidency more than once thereafter.

The committee discussed the matter at great length. There can be Acting Presidents of the United States. That is legal. In other words, what is sought to be done by this limitation of the Presidential tenure is to abolish what some say might become the evil of a man deliberately seeking the office and then using the power of office to perpetuate himself.

Mr. HICKENLOOPER. Mr. President, will the Senator yield again?

Mr. MAGNUSON. I yield.

Mr. HICKENLOOPER. That may be the purpose of the sponsor of the amendment, the Senator from Washington, but in the amendment he is creating a most unusual situation. The only person who can possibly serve for more than two terms, under the Senator's amendment, is someone who, let us say, as I stated a moment ago, by divine providence or some other intervention accidentally comes into the Presidency, who has never been voted upon by the people for that office.

Mr. MAGNUSON. That is correct.

Mr. HICKENLOOPER. Instead of giving the preference and the privilege to a man or a woman who has been affirmatively voted into the Presidential office by the people, the advantage is given to someone who has never been voted into the particular office by the people.

Mr. MAGNUSON. The disadvantage is given to the same man under the committee amendment. I do not think we should deal with contingencies whereby a man because of circumstances beyond his control is elevated to a high office.

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

Mr. MAGNUSON. I yield.

Mr. KILGORE. Does not the committee amendment make a discrimination? Does it not discriminate against the man who, as the Senator from Iowa says, accidentally gets into office and while he is accidentally holding the office does such a good job that he is elected to the office? Would not the theory of the committee proposal bar such a man from being reelected? It seems to me that we should reward rather than punish merit.

Mr. MAGNUSON. That would not be true under the theory of my amendment.

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

Mr. MAGNUSON. I yield.

Mr. TYDINGS. The argument of the Senator from Iowa, if I may have his attention, will not, I think, hold water, because he is perfectly willing for a man to be elected twice and to serve, in addition to his two terms, 300 days.

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

Mr. MAGNUSON. I yield.

Mr. HICKENLOOPER. I do not quite agree that the Senator is right in assuming what I believe. In fact, I would just as soon limit the term of service of a President to not more than two terms, in any event, leaving out of consideration the 365 days.

Mr. TYDINGS. The trouble with the argument of the Senator from Iowa, as I understand it, is that he has no objection, under the committee amendment, to a man serving two terms plus less than a year. Am I wrong?

Mr. HICKENLOOPER. That might be said to be stretching a belief a little.

Mr. TYDINGS. Am I wrong?

Mr. HICKENLOOPER. The Senator is wrong——

Mr. TYDINGS. Therefore what the Senator says about a man getting into office by accident does not apply, because he says that if he gets into office by accident and serves 364 days, he may run for President again. But if he gets into office by accident and serves 366 days, he may not run for office again. So it seems to me the Senator meets himself coming back. He takes a week-end trip of 3 or 4 days and changes the whole Constitution.

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

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

Mr. TAFT. If I correctly understand the difference between the two amendments, under the committee amendment a man might be held to a service of 5 years. The longest he could serve would be 8 years. Under the amendment proposed by the Senator from Washington, he might serve 8 years, or he might serve as long as 11½ years. My objection to the Senator's argument is that 11½ years is too long. I think the general precedent has been the other way.

Mr. MAGNUSON. Does not the Senator feel that 5 years is too short?

Mr. TAFT. Strange to say, Presidents have died in the first year of their terms. Garfield died in the first year of his term. Arthur served 3 years. William Henry Harrison died in the first year. Tyler served 3 years. McKinley died in the first year of his second term, and Theodore Roosevelt served for 3 years and was elected for a full term, serving a total of 7 years. At that time that was considered to be in conformity with the two-term rule, as then applied. He did not run for reelection.

In the case of Coolidge, Harding died almost within his first year. Coolidge served for 3 years, and for an elective term of 4 years in addition, and then did not run again, apparently feeling that the total of 7 years was in conformity with the two-term rule.

It is not only a question of power. It seems to me that it is a question of whether a man should serve that long as

President of the United States. By reason of the Vice Presidential situation, we cannot say "8 years or nothing." I should be perfectly willing to vote for one term of 6 years and say that no one should be President more than 6 years. The provision of the committee amendment that no man shall be President for more than 5 years is perfectly reasonable to me. If the Senator wishes to make it 6 years, I am willing to compromise with him. But I think it is a great mistake to say that a man may serve for 11 years. I think that is too long. I think it would break down his health. I do not believe that any man ought to serve that long, from the standpoint of his welfare or that of the Nation.

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

Mr. MAGNUSON. I yield.

Mr. TYDINGS. I will say to the Senator from Ohio that I think there is a great deal in what he says, that 11½ years in the Presidency is too long. My point is that 5 years in the Presidency may be too short. If this amendment were changed so that a man could serve 7 years in the Presidency, then I think we might prevent him for running for a second elective term. But this amendment takes the other extreme, so to speak. The two extremes are 11 years and 5 years, instead of 8. If we are to allow some Presidents to serve 8 years, then in good faith we ought to permit Vice Presidents who are elected President after they serve a part of the term of their predecessor, due to his death, a longer time than 5 years in which to be President. If it is right to have a limitation of 8 years for a twice-elected President, then why in heaven's name is it not right to give a Vice President the 3 years which he may serve in the term of his predecessor plus one full term, rather than limit him to 5 years?

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

Mr. MAGNUSON. I yield.

Mr. TAFT. Under the amendment of the Senator from Washington he could serve for 11 years, and be elected twice.

Mr. MAGNUSON. We are talking about extremes.

Mr. TAFT. The people can end his service at 4 years, if they so desire. It is the extreme in which we are interested, and not the short term.

Mr. MAGNUSON. In any event, the people of the United States should have the right once to vote for a man and say, "We want him for our President." They should also have the right to say, "He has been a good President, and we want to elect him again." Under the committee amendment that would not be possible.

Mr. TAFT. I am willing to vote for one term of 6 years, instead of two terms totaling 8 years.

I should like to read a resolution adopted by the Senate——

Mr. MAGNUSON. Am I to understand that the Senator from Ohio favors one term of 6 years?

Mr. TAFT. I do not care whether it is one term of 6 years or two terms of 4 years.

I should like to read the resolution adopted by the Senate near the end of Coolidge's term, after he had served 3 years of the term of his predecessor and 4 years of an elective term. Apparently the question worrying the Senate was whether Coolidge intended to run for another term, and thereby serve 11 years. The Senate adopted the following resolution:

*Resolved*, That it is the sense of the Senate that the precedent established by Washington and other Presidents of the United States in retiring from the Presidential office after their second term has become, by universal concurrence, a part of our republican system of government, and that any departure from this time-honored custom would be unwise, unpatriotic, and fraught with peril to our free institutions.

Mr. MAGNUSON. Was that after Coolidge declined to run?

Mr. TAFT. No. That was near the end of Coolidge's term, before he had declined to run. It was in the nature of a warning. The Senate did not think he ought to run. I may say that the distinguished Senator from Kentucky [Mr. BARKLEY] voted for that resolution, as did the distinguished Senator from Maryland [Mr. TYDINGS].

Mr. TYDINGS. I am still for it.

Mr. TAFT. The Senator from Tennessee [Mr. MCKELLAR] and several other Senators now Members of this body voted for it.

I think the generally accepted belief has been that if a man has served 3 years of the term of his predecessor and 4 years of an elected term, that conforms to the two-term rule, and he should not be reelected. Whether the 1 year of service mentioned in the committee amendment is perhaps too short, I am not prepared to say. But I think it would be a great mistake to say that after a man had been President for 3 years, he should then be eligible for two more terms, serving a total of 11 years. If that is all that is to be accomplished by the joint resolution I do not believe it is worth while to pass it. Personally I would prefer one 6-year term. But certainly the length of service should not be more than 9 years, in accordance with the committee amendment. I think that is as long as anyone should be permitted to serve.

Mr. MAGNUSON. Mr. President, we are talking about two extremes. There is probably a happy medium. What impresses me most is that when a man assumes the office of President by reason of the death or disability of his predecessor, the people ought to have the right to endorse him for a second term if he has done a good job. They can do so only by election.

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

Mr. MAGNUSON. I yield.

Mr. LUCAS. It is not quite material to this issue; but in view of what the Senator from Ohio said about the resolution which was adopted during the Coolidge administration, I wish to reemphasize the point that it was merely a resolution adopted by the United States Senate.

For some reason at that time it was not felt advisable to introduce a joint resolution providing for a constitutional amendment and submit it to the American people. I do not know what went on in those days, but I imagine it was much the same as what is going on today. Partisan politics played its part in that particular resolution when there was talk about running Coolidge for a third term; and partisan politics is playing its part today on the floor of the United States Senate. Partisan inspiration is responsible for this proposed constitutional amendment. The Senator from Ohio has seen fit to call attention to the fact that the Senate went on record in a resolution which followed the language of the Springer resolution back in the days of Grant. Representative Springer, of Illinois, used the same language which was later used in the Senate during the Coolidge regime. At that time Members of the House did not sponsor a constitutional amendment. They chose to adopt a pious political resolution. I will not say that some Members of Congress do not have convictions upon this question; but I do say that at the bottom of this resolution is partisan politics. The basis of the resolution which was adopted in the Coolidge days, and the one adopted in the days of Grant, was partisan politics.

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

Mr. MAGNUSON. I yield.

Mr. HILL. On last Friday I spoke at some length on the pending joint resolution, but nothing that I said at that time points up the fallacy of the joint resolution or demonstrates so clearly and unmistakably how unwise the pending measure is, as does the debate which has just taken place on the committee amendment and the amendment offered by the Senator from Washington. The debate shows beyond all peradventure of doubt that this iron-handed and rigid provision should not be put into the Constitution to deny the people their right to determine this question themselves. The question of who should be elected President and how long he should serve should remain where it has been for the past 150 years, that is, in the sound judgment and the wisdom of the people of the United States.

Mr. HATCH. Mr. President, will the Senator from Washington yield?

Mr. MAGNUSON. I will yield in a moment. I want to make my position clear. I said at the outset that this was, in my opinion, a perfecting amendment. In the committee the Senator from Rhode Island [Mr. MCGRATH] and I and several other Senators joined in having the joint resolution amended so as to provide for the convention system, so that the people would have the right to pass on the question. Now that the committee amendment has been rejected, I reserve the right, if the question goes to my State, to decide how I shall vote on it. I am almost constrained, particularly if this language stays in, to vote against the pending joint resolution. My only purpose is to make it simple so that the people of the United States will know what they are voting on when it is presented to the States.

Mr. HATCH. Mr. President, will the Senator from Washington yield to me for a moment? If he has concluded, I will take the floor in my own right.

The PRESIDING OFFICER. Has the Senator from Washington completed his remarks?

Mr. MAGNUSON. Yes. I yield the floor.

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

Mr. HATCH. Mr. President, on this question I have had many ideas. First, let me say that on Wednesday, because of long-standing engagements, I shall have to be absent from the Senate. I ask unanimous consent that I may absent myself from the Senate on Wednesday.

The PRESIDING OFFICER. Without objection, permission is granted.

Mr. HATCH. I have previously told the people of my State that they had the right, aside from partisan politics, to decide for themselves by constitutional amendment whether they wanted to tie their hands on the election of a President. If I were present on Wednesday, and if this resolution should come to a vote, I would vote to submit such an amendment. I had made up my mind to do that because I had made previous promises which I wanted to keep. But as I have listened to the debate this afternoon I have almost changed my mind, because, like the Senator from Washington [Mr. MAGNUSON], I see nothing in this resolution but party politics. Yes; I see something more than that. I see the complete failure of the majority party to carry the responsibility which they said they were willing to carry when they went into the campaign last November.

Mr. President, I agree wholeheartedly with everything the Senator from South Dakota [Mr. BUSHFIELD] said when he stated that the majority party had failed in the promises which they had made.

Nothing could be more evident from the debate this afternoon than that the Republican Party, the majority party, is still looking backward. It is still the party of fear. What do they fear? They are afraid, Mr. President, of the voice of a ghost, of the only man who was ever reelected President 3 times. They are afraid of him, and they are now endeavoring to legislate against Franklin D. Roosevelt.

Mr. President, I still intend to vote to submit the proposed constitutional amendment to the people of my State and to the people of the Nation so that they may determine whether they wish to adopt an amendment by which they would limit themselves to choosing a President for two terms, for 8 or 11 years.

What a mighty debate this has been! What a wonderful thought was conveyed to the country when the Senate of the United States argued over the difference between 8, 9, and 11½ years!

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

Mr. HATCH. I yield to the Senator from Wyoming.

Mr. O'MAHONEY. Does the Senator not feel that the debate with which we have been regaled during the past hour and a half is a pretty conclusive demonstration that the constitutional fathers knew what they were doing and could write an understandable provision into the Constitution?

Mr. HATCH. So persuasive is the Senator from Wyoming that while I still adhere to the promise which I made, I shall go back to New Mexico, before the legislature, or before a convention, and say, "Turn down this amendment; vote it down quickly, because you, the people, have a better idea as to whom you want to elect President than any party politician can have."

So, Mr. President, I shall vote to submit the amendment.

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

Mr. HATCH. I yield.

Mr. LUCAS. Does the Senator agree with me, as a result of what he knows has happened in the last 150 years on the question of tenure, that the founding fathers were the only ones who were fair and impartial with reference to this very question?

Mr. HATCH. They knew so much more than we that I am frankly ashamed of our poor, pitiful effort as demonstrated here today, when we argue over the difference between 8 and 11 years.

Mr. LUCAS. The Senator knows that the Nation has lived and prospered and been happy for 150 years under the tenure provision in the Constitution of the United States, and now the Senate is about to say that it has more wisdom than had the founders of the Republic, and that it is better prepared to say what the citizen of tomorrow should do than would the citizen himself if a great emergency should confront him 50 years hence.

Mr. HATCH. No; I cannot agree to that.

Mr. LUCAS. That is what we are saying if we pass this joint resolution.

Mr. MAGNUSON. Of course the Senator has no objection to trying to make the people understand what they are doing.

Mr. HATCH. I certainly could vote for the amendment of the Senator from Washington, because, after all, the only basis on which it is submitted is that no man should be elected to the office of President more than twice. There is a great deal of confusion. It is not only a question whether he may be elected twice, but how long he may serve if he succeeds to the office as Vice President—for 365 days or 366 days. There are 366 days in some years.

I am wondering if it is possible that some Senators could be looking at the present situation. The Senator from Washington [Mr. MAGNUSON] is nodding his head. He is a member of the committee. Are Senators afraid that the present President of the United States will be reelected in 1948 and possibly again 4 years later? Ah, Mr. President, with the great problems of reconstruction, the great problems of world affairs confronting us, with the peace of all the world and the lives and safety of our sons involved, yet we argue over the difference between 5 years and 11 years.

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

Mr. HATCH. I yield.

Mr. TYDINGS. I point out to the Senator from New Mexico that, under the committee amendment, if the President were to die and the Vice President, for example, were to take the office during leap year, he could be elected President at two succeeding elections, provided the President had died at such a time as to make the unexpired part of the deceased President's term run for 366 days. But if the President happened to die on a year that was not leap year, the Vice President could serve for only one succeeding term.

Mr. HATCH. I thank the Senator from Maryland.

Mr. President, I have very little more to say. I hope I have not been offensive to anyone in my remarks. I have been deadly in earnest. These things are so wrong. They could be handled so simply. I have the highest regard in the world for the chairman of the Judiciary Committee. I know his intentions are good. I know his patriotism cannot be questioned.

Then, Mr. President, why bring up these questions? If an amendment to the Constitution is desired, why not adopt a simple amendment providing, "No President shall be elected twice"? Why not do that? That would cover everything that it is desired to cover.

But, no, Mr. President; it is the opinion of some Senators that we must deal in days and hours, trying to gain a petty, insignificant political advantage. What is to be gained by that? Mr. President, I do not think it is important at all that either the Democratic or the Republican Party win in the election in 1948. I am quite sure in my own mind that whoever is nominated on the Republican ticket in 1948 for President of the United States will be a loyal and patriotic American, with whom I could work without any regrets and without too much opposition. I feel the same way about whoever is nominated on the Democratic ticket at that time.

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

Mr. HATCH. I yield.

Mr. MYERS. It occurred to me that the limitation might better be placed upon political parties, rather than upon individuals, because I have seen it happen that there have been three different Presidents during 12 years' time, and yet the result has been merely to change the person in the Executive office, rather than to change the policy or the philosophy, since the same fundamental political philosophy has continued.

So, Mr. President, if the proponents of this resolution desire to cure what they believe to be an evil, the limitation might better be placed upon parties, rather than upon individual candidates for the Presidency.

Mr. HATCH. Mr. President, I wish now to conclude my remarks. I think it is quite true that during the past years the candidates on the Republican ticket have endorsed the fundamental philosophies for which we have argued. I do not think there is too much difference among us. I regret very much to see going out to the country the impression that we in the Congress argue and debate

about inconsequential matters, because I accord to every Member of this body on the other side of the aisle the same full devotion to the United States which I claim for myself.

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

Mr. HATCH. I am through; I yield the floor.

Mr. HICKENLOOPER. I simply wish to comment on some of the remarks the Senator from New Mexico has made. I am fully in sympathy with his solicitude about quibbling and disputing over minor matters, but I call his attention to the fact that the quibbling and disputing were started over the amendment proposed by the Senator from Washington [Mr. MAGNUSON] and practically all the quibbling and disputing which have occurred during recent days have come from those on the other side of the aisle.

Mr. WILEY. Mr. President, I am about to propound a unanimous-consent request. However, before doing so, I wish to say a few words.

The debate which has taken place during the last hour—for this subject has been discussed today for only 1 hour—is similar to the debate which occurred at the time of the formation of the Republic, with one exception; namely, that in those days there was no insinuation that the debate was for political purposes. In those days the founding fathers saw the challenge which certainly those of us today who have eyes to see with, see now. The House saw it, and so indicated by voting by such a vast majority in favor of the joint resolution. Five or six or seven Senators saw it, and so indicated by submitting resolutions. In the subcommittee Democratic and Republican Senators saw it, and indicated as much by reporting this resolution. What they saw was simply that power vested too long in the hands of anyone is dangerous to the community and to the Nation.

Even President Roosevelt saw that, and even that great Democrat, Thomas Jefferson, saw it when he endorsed the two-term tradition, which has become the unwritten law of the land. He said:

> No pretext should ever be permitted to dispense with it—

He was referring to the principle of rotation in the Executive Office—

> Because there will never be a time when real difficulties will not exist to furnish a plausible pretext for dispensation.

When I quoted that language at the time when I opened the debate on this subject some days ago, I showed what the pretext was in the case of President Roosevelt.

No, Mr. President; we are not afraid of shadows. We are not even fearful of realities. But we feel it is our obligation to face them.

Under the joint resolution as passed by the House, and as it has been discussed here, provision is made that anyone who has occupied the Office of President of the United States during all, or portions, of any two terms, shall thereafter be ineligible to serve in that office in a succeeding term.

Under the Senate committee's version of the resolution, the Chief Executive might in one case serve for as long as 9 years.

Those who have read the debates which occurred in the early days of this Republic know that up to the very last the founding fathers debated the question whether the President should be eligible for only one term and whether such a term should be for 7 years. Mr. President, I have been glad to hear Senators on the other side of the aisle express their admiration for the founding fathers. Finally, in order to compromise and get things accomplished, the founding fathers left the question undecided. But the first President of the United States, George Washington, recognized the validity of the arguments and of the ideas which had been presented at that great period in our history, when our Nation was being formed; and he established the principle of not more than two terms for any President. The other founding fathers indicated their concurrence in that view.

Now we have arrived at a period in the history of the world in which we have seen demonstrated on a world scale how dangerous it is for power to gravitate into the hands of one man or one group. I do not think there should be any insinuation that partisanship or mere politics is responsible for the bringing of this resolution before the Senate. In the debate in the Committee on the Judiciary, I do not think partisan politics was ever mentioned. There was unanimity on this subject, with the exception of one member of the committee; and now, as I understand, even that Senator has indicated a desire to have the Congress legislate explicitly that those who serve in the office of Chief Executive of the Nation shall not serve for more than two terms.

So, Mr. President, I ask unanimous consent that the Senate vote on the amendments and on the joint resolution on Wednesday at not later than 3 o'clock, and, if that is agreed to, I shall ask a recess be taken.

Mr. GREEN. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. GREEN. I have it in mind, when the proper time comes and I have an opportunity, to move to postpone action in this matter. May I make that motion now?

The PRESIDING OFFICER. The motion will be in order at the time the Senator is recognized.

Mr. GREEN. I have been recognized.

The PRESIDING OFFICER. No; the Senator from Wisconsin has the floor. The Chair understood the Senator to rise to propound a parliamentary inquiry.

Mr. GREEN. Then, if I am forced to do so, I regretfully object.

Mr. TAFT. Mr. President, it may be impossible to agree on a time to vote, but I wish to say that in my opinion the matter before us is obviously not a partisan question. We cannot adopt the amendment unless the Democrats, or a large number of them, join in voting for it.

For years I have been in favor of limiting the presidential term either to 8 years or 6 years. We cannot get away from the complicated problem produced by the fact that a Vice President may serve a portion of a term after succeeding the President. So far as I am concerned, if this is taken in some way as an attack on President Truman, I am willing to except the present incumbent of the office. I am more interested in the general principle and not in that particular feature, if that is the basis of the charge of partisanship, because that certainly was not in mind.

I suggest that the Senate now adjourn, and it may be possible to work out, with those who favor the general principle, some compromise on this question, which may be taken up on Wednesday.

Mr. LUCAS. Mr. President, I should like to remind Senators on the other side of the aisle that the Democrats have not taken too much time in the debate on the floor of the Senate this afternoon. So far as we are concerned, we would as soon go along and work this matter out tonight. We want the country to know that we are not in accord with what the Senator from Ohio [Mr. TAFT] said a few days ago, after he came out of a conference, when he attempted to shift the responsibility for the failure to enact legislation onto the Democrats on this side of the Senate. Of course, that is not the case.

I know that there are some speeches to be made on this side, and I myself wish to say some things in connection with the pending measure. If Senators wish to have a night session, so far as I am concerned, we can have one, taking an hour for dinner, and returning and remaining here until 1 o'clock tomorrow morning, if necessary.

Mr. President, I should like to have something done in this Congress, so far as I am concerned, and I resent the fact that the Senator from Ohio saw fit to say, simply because we carried on for some 10 days—that is, every other day for 10 days—discussing the budget question, that the Democrats were attempting to delay action. We are not at all attempting to delay action.

Mr. WHITE. Mr. President, I think it is perfectly obvious that we will not be able to conclude the debate tonight. It is equally clear to me that we should dispose of the pending measure as soon as we can. The Senator from Ohio spoke of an adjournment. I suggest that the motion should be for a recess.

Mr. TAFT. I spoke carelessly. My only point is that it seems to me that if there is complete disagreement on the particular issue now before us, it will prevent the passage of the joint resolution, which I should like to see passed. It seemed to me that a recess might give an opportunity to reach some compromise with those who think the pending committee amendment cuts the tenure too short, and I thought we might do better by taking a recess than by going ahead to a vote tonight. However, I have no objection to a vote on the pending amendment, if the Senate wishes to take it. We can work the compromise out afterward.

Mr. WHITE. Mr. President, I repeat, I see no object in continuing the session further. It is perfectly certain that we are not going to conclude the debate today. In addition to that, I am repeating

and emphasizing that those of us upon this side of the aisle have an important meeting as we think, at 8 o'clock.

Mr. LUCAS. I do not think it will be nearly so important as passing the pending joint resolution. I do not know what the meeting is, of course.

Mr. WHITE. Mr. President, I have never seen such a case of jitters as are now so prevalent on the other side of the aisle. In all my experience, which goes back a number of years, I have never seen a party so much disturbed, so far ahead of a general election, over the possible consequences of it. I am now going to move that the Senate recess——

Mr. MAGNUSON. Mr. President, will the Senator from Maine yield?

Mr. WHITE. I yield.

Mr. MAGNUSON. Because of the fact that the pending amendment is my amendment, I was hoping we could get a vote on it tonight, unless there is to be more discussion. I do not know of any other Senator who desires to speak, and I should like to have a vote on the amendment.

Mr. WHITE. I have understood quite differently as to those desiring to speak.

Mr. MAGNUSON. I did not know of any.

RECESS TO WEDNESDAY

Mr. WHITE. I now insist upon my motion that the Senate recess until 12 o'clock noon on Wednesday next.

The motion was agreed to; and (at 6 o'clock and 8 minutes p. m.) the Senate took a recess until Wednesday, March 12, 1947, at 12 o'clock meridian.

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NOMINATIONS

Executive nominations received by the Senate March 10 (legislative day of February 19), 1947:

DEPARTMENT OF STATE

John E. Peurifoy, of South Carolina, to be an Assistant Secretary of State.

DIPLOMATIC AND FOREIGN SERVICE

James E. McKenna, of Massachusetts, now a Foreign Service officer of class 3 and a secretary in the diplomatic service, to be also a consul general of the United States of America.

UNITED STATES ATTORNEY

Hon. Drake Watson, of Missouri, to be United States attorney for the eastern district of Missouri, vice Hon. Harry C. Blanton, term expired.

UNITED STATES PUBLIC HEALTH SERVICE

The following-named candidates for promotions in the Regular Corps of the Public Health Service:

SENIOR ASSISTANT SURGEON TO BE TEMPORARY SURGEON

Paul V. Joliet

ASSISTANT SURGEONS TO BE TEMPORARY SENIOR ASSISTANT SURGEONS

Leo J. Gehrig
Warren W. Kreft
Eric P. Lofgren
Arthur E. Rikli
Robert Leslie Smith

SENIOR ASSISTANT DENTAL SURGEONS TO BE TEMPORARY DENTAL SURGEONS

Eugene H. Hess
Maurice S. Rodgers

SENIOR ASSISTANT SANITARY ENGINEER TO BE TEMPORARY SANITARY ENGINEER

Chris A. Hansen

ASSISTANT NURSE OFFICER TO BE TEMPORARY SENIOR ASSISTANT NURSE OFFICER

Hazel E. Owen

# HOUSE OF REPRESENTATIVES

## MONDAY, MARCH 10, 1947

The House met at 12 o'clock noon.

Rev. Lawrence P. Gatti, assistant pastor, St. Stephen's Roman Catholic Church, Washington, D. C., offered the following prayer:

O Heavenly Father, Almighty God, in whom the founding fathers of our country have directed that we should put all our trust, deign in Thy loving goodness to give guidance and protection to the Members of our Congress. Impart to each of them the wisdom of Thy ways.

May they, by Thy inspiration, have an ever-constant sense of their responsibility as servants of the people by whom they have been elected to office, and from whom they receive sustenance to work for the public welfare. Grant that the awareness of their civic trust may be deepened in their souls to the end that their statesmanship may redound to the credit of this Nation and benefit all our fellow citizens.

We pray, in particular, that Thy guiding light may shine forth upon today's deliberations that they may be useful toward the advancement of all interests that will produce internal peace and prosperity and make our country great among the peoples of the earth.

These blessings we ask of Thee, O Eternal Father, through Thy well-beloved Son, the blessed Christ. Amen.

The Journal of the proceedings of Thursday, March 6, 1947, was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries, who also informed the House that on March 7, 1947, the President approved and signed a joint resolution of the House of the following title:

H. J. Res. 122. Joint resolution to authorize the United States Maritime Commission to make provision for certain ocean transportation service to and from Alaska until July 1, 1948, and for other purposes.

MESSAGE FROM THE SENATE

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

H. Con. Res. 28. Concurrent resolution providing for a joint session of the Congress on March 12, 1947.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 1030) entitled "An act to continue in effect certain war-excise tax rates, and for other purposes."

URGENT DEFICIENCY APPROPRIATION BILL, 1947

Mr. TABER submitted a conference report and statement on the bill (H. R. 1968) making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1947, and for other purposes.

JOINT SESSION OF THE TWO HOUSES OF CONGRESS

Mr. HALLECK. Mr. Speaker, I offer a concurrent resolution (H. Con. Res. 28) and ask for its immediate consideration.

The Clerk read the concurrent resolution, as follows:

*Resolved by the House of Representatives (the Senate concurring)*, That the two Houses of Congress assemble in the Hall of the House of Representatives on Wednesday, March 12, 1947, at 1 p. m., for the purpose of receiving such communications as the President of the United States shall be pleased to make to them.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

PERMISSION TO ADDRESS THE HOUSE

Mr. MASON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

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

There was no objection.

[Mr. MASON addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. KNUTSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a very fine and timely editorial from the Detroit Free Press of yesterday.

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

There was no objection.

Mr. REED of New York asked and was given permission to extend his remarks in the RECORD and include a newspaper article.

FREDERICK OSBORN

Mr. DONDERO. Mr. Speaker, I ask unanimous consent to adress the House for 1 minute.

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

There was no objection.

Mr. DONDERO. Mr. Speaker, the Washington Daily News of March 7, 1947, page 20, carries the report that Frederick Osborn, wartime chief of the Army's morale program, has been named as deputy United States representative on the United Nations Atomic and Disarmament Commission. This is the same man who headed the Army orientation courses under which tracts were issued to our armed forces justifying Soviet aggression against Finland, Poland, and China, validating the Stalin-Hitler Pact, praising the Soviet Union as a democracy, and denouncing our own system of private enterprise. Literature distributed to troops under Army orientation auspices included works by Maxwell S. Stewart, Owen Lattimore, and other well-known followers of the Communist Party line.

Orientation Fact Sheet No. 53 described the Soviet Union as having ultimate political ideals "directed opposite

to the stated ideals of Fascist dictatorship, and their hope is to drop the appurtenances of dictatorship in the process of democratic evolution." We have only to witness what is happening in Poland, Hungary, and Yugoslavia under Soviet domination to see how misleading this is.

Owen Lattimore's book, The Making of Modern China, a part of the Army course library, calls the open-door policy "a further development of the permanent policy of hitch-hiking imperialism in a preference to active imperialism."

From this appointment and the proposed appointment of David Lilienthal, Herbert Marks, and others, it is clear that the administration is working hand-in-glove with those who make it a profession to be hoodwinked by the Communists, with those who are willing to go to any length to appease the Soviet dictator. I, for one, cannot let this appointment pass by without raising my voice in strenuous protest against it.

NEWSPRINT INVESTIGATION

Mr. LECOMPTE. Mr. Speaker, by direction of the Committee on House Administration, I offer a privileged resolution (H. Res. 59) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

*Resolved*, That the expenses of the investigation and study to be conducted by the select committee created by House Resolution 58, not to exceed $25,000, including expenditures for the employment of investigators, attorneys, and clerical, stenographic, and other assistants, shall be paid out of the contingent fund of the House on vouchers authorized by such committee, signed by the chairman thereof, and approved by the Committee on House Administration.

The resolution was agreed to.

A motion to reconsider was laid on the table.

COMMITTEE ON EDUCATION AND LABOR

Mr. LECOMPTE. Mr. Speaker, by direction of the Committee on House Administration, I offer a privileged resolution (H. Res. 126) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

*Resolved*, That the expenses of conducting the studies and investigations authorized by House Resolution 111, Eightieth Congress, incurred by the Committee on Education and Labor, acting as a whole or by subcommittee, not to exceed $40,000, including expenditures for printing and binding, employment of such experts, and such clerical, stenographic, and other assistants, shall be paid out of the contingent fund of the House on vouchers authorized by said committee and signed by the chairman of the committee and approved by the Committee on House Administration.

SEC. 2. The official committee reporters may be used at all hearings held in the District of Columbia, if not otherwise officially engaged.

The resolution was agreed to.

A motion to reconsider was laid on the table.

SELECT COMMITTEE INVESTIGATING THE NATIONAL DEFENSE PROGRAM IN ITS RELATION TO SMALL BUSINESS

Mr. LECOMPTE. Mr. Speaker, by direction of the Committee on House Administration, I submit a privileged resolution (H. Res. 129) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

*Resolved*, That there is authorized to be paid out of the contingent fund of the House a sum not to exceed $2,706.07 on vouchers signed by the former chairman of the committee under authority of House Resolution 294 of the Seventy-seventh Congress, continued by House Resolution 17 of the Seventy-eighth Congress and House Resolution 64 of the Seventy-ninth Congress, and approved by the Committee on House Administration in order to pay outstanding debts incurred by the Select Committee Investigating the National Defense Program in its relation to small business in the United States.

The resolution was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. ARNOLD (at the request of Mr. SMITH of Wisconsin) was given permission to extend his remarks in the RECORD and include an editorial.

Mr. SMITH of Wisconsin asked and was given permission to extend his remarks in the RECORD.

SPECIAL ORDER GRANTED

Mr. SMITH of Wisconsin. Mr. Speaker, I ask unanimous consent that on Thursday next, after the disposition of business on the Speaker's desk and the conclusion of special orders heretofore granted, I may address the House for 30 minutes.

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

There was no objection.

EXTENSION OF REMARKS

Mrs. BOLTON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an address over the National Broadcasting Co. by Senator SALTONSTALL and myself on March 1.

The SPEAKER. Without objection, the extension may be made.

There was no objection.

THE LATE CARRIE CHAPMAN CATT

Mrs. BOLTON. Mr. Speaker, I ask unanimous consent to extend my remarks for 1 minute, revise and extend my remarks, and include two newspaper articles.

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

There was no objection.

Mrs. BOLTON. Mr. Speaker, today's news brings us word that yesterday a woman passed away who has done perhaps as much as any person to bring about recognition not only of women's rights but of her very grave responsibilities. For 38 years Carrie Chapman Catt fought against intolerance, inertia, and tradition, and the one-track mind. She was very much interested in bringing about a broader aspect of the idea that "a woman's place is in the home." I think she would agree with me that woman's place is in the home—yes, by all means—but now when a new era is being born that home has responsibilities of influence that reach around the world.

We deeply regret that she could not have lived longer with us, but we are grateful for the contribution she has made.

EXTENSION OF REMARKS

Mr. MERROW asked and was given permission to extend his remarks in the RECORD and include an editorial.

AID TO GREECE AND TURKEY

Mr. MERROW. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks.

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

There was no objection.

Mr. MERROW. Mr. Speaker, from observations made and information received by visiting the countries in Europe, the Balkans, and the Middle East, I have been forced to the inescapable conclusion that there are two basic principles in the foreign policy of the Soviet Union. The first principle is expansion—during the war Russia added approximately 265,000 square miles of territory and 22,690,000 people to her already extensive domain. The second principle is the spreading of communism whenever and wherever possible. Even in the morning press, former Under Secretary of State Sumner Welles declares that the Communists are "attempting to destroy the inter-American system as it has been established."

Turkey and Greece, in the Mediterranean area, are the outposts against the march of communism to the west. These countries are in need. The issue is clearly drawn. The United States should extend aid to both Greece and Turkey or they, as many other countries have been, will be dominated by the Soviet Union. We must do this not for the purpose of underwriting the British Empire but for the purpose of preventing the spread of communism. By giving aid to Greece and Turkey we will help guarantee the security of the United States.

Greek Communists, trained in Yugoslavia and other Balkan states, take their orders from Moscow. If we do not assist Greece they will seize control of the nation. If this is allowed to happen, Soviet influence will rise rapidly in Turkey and in the Middle East.

There must be no diplomatic appeasement. This is an opportunity for us to exercise leadership. We have the ability, the prestige, and the power to halt the march of communism toward the west. We must act with determination. Let us keep constantly in mind that it will be far less expensive to act now than sometime in the future.

EXTENSION OF REMARKS

Mr. HOLMES asked and was given permission to extend his remarks in the RECORD and include a speech by Goodrich W. Lineweaver, of the Bureau of Reclamation.

Mr. MUNDT asked and was given permission to extend his remarks in the RECORD and include a newspaper article pointing out that the propaganda sheet In Fact, published by one George Seldes, is a camouflaged Communist sheet.

Mrs. SMITH of Maine asked and was given permission to extend her remarks in the RECORD and include an editorial.

Mr. ANGELL asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. BUFFETT asked and was given permission to extend his remarks in the RECORD in two instances, in one to include a letter and in the other an editorial.

Mr. JAVITS asked and was given permission to extend his remarks in the RECORD and include an article from the Sunday Times, entitled "Children Who Have Known No Childhood."

Mr. MILLER of Connecticut asked and was given permission to extend his remarks in the RECORD on two subjects, and in one to include a letter from a constituent.

Mr. MURRAY of Wisconsin asked and was given permission to extend his remarks in the RECORD in three instances, and include letters and tables.

Mr. HOFFMAN asked and was given permission to extend his remarks in the RECORD.

Mr. HOBBS asked and was given permission to extend his remarks in the RECORD and to include a newspaper article.

SPECIAL ORDER GRANTED

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent that on Thursday next, after the conclusion of the legislative business of the day and any other special orders that may have been entered, I may address the House for 15 minutes.

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

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. POULSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

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

There was no objection.

[Mr. POULSON addressed the House. His remarks appear in the Appendix.]

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include an article by Joseph Alsop in the Washington Post of March 9.

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

There was no objection.

[Mrs. ROGERS of Massachusetts addressed the House. Her remarks appear in the Appendix.]

JOHN L. LEWIS

Mr. WILLIAMS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

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

There was no objection.

Mr. WILLIAMS. Mr. Speaker, the decision of the Supreme Court in the Lewis contempt case serves notice to the country and to the world that no man is bigger than the United States Government, and that no man is bigger than the President of the United States. President Truman's dealings with John L. Lewis show that he has the general public welfare at heart, and that he will not submit to being shoved around, kicked around, bullied, or browbeaten by any man who ignores the well-being of the general public and holds the President and the United States Government in contempt in order to further his own selfish ambitions. The people of this country are fast awakening to the realization that in Harry Truman we have a great man and a great President, who has the courage of his convictions and who will fight to his last breath for what he believes to be right and to the best interests of his people. As MacArthur returned to the Philippines in forty-four, so will Harry Truman return to the White House in forty-eight.

EXTENSION OF REMARKS

Mr. FORAND asked and was given permission to extend his remarks in the RECORD and include a resolution.

Mr. JOHNSON of Oklahoma asked and was given permission to extend his remarks in the RECORD and include a memorial from the Oklahoma Senate.

Mr. SADOWSKI asked and was given permission to extend his remarks in two separate instances and to include therein excerpts.

Mr. DAVIS of Tennessee asked and was given permission to extend his remarks in the Appendix of the RECORD and include a speech delivered by the president of the National Congress of Parents and Teachers.

Mr. HÉBERT asked and was given permission to extend his remarks in the RECORD in two separate instances, in one to include an article from the Times-Herald by Mr. James Walter and in the other to include some radio remarks by Mr. Lou Brodt.

Mr. KEFAUVER asked and was given permission to extend his remarks in two separate instances and to include an editorial and some excerpts.

PERMISSION TO ADDRESS THE HOUSE

Mr. KEFAUVER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

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

There was no objection.

[Mr. KEFAUVER addressed the House. His remarks appear in the Appendix.]

THE COPPER SITUATION

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

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

There was no objection.

Mr. FOGARTY. Mr. Speaker, the latter part of this week the House will have before it for consideration a measure introduced by the gentleman from Connecticut [Mr. PATTERSON]. It is H. R. 1626. This measure proposes amendment of the United States Code in order to facilitate the importation of copper at the present time.

This measure is emergency legislation and because the Members of the House have been tied up pretty much in their committee work it may be that all will not be thoroughly familar with the urgent need for immediate passage of this measure. I sincerely hope my colleagues will take a few minutes during the next day or two to familiarize themselves with this measure—and what it proposes to do—so that there will be unanimous approval of H. R. 1626 when the House is asked to act.

Many factories and shops are faced with suspension of operations because of the very serious shortage of copper. Many branches of the copper industry will have to curtail operations drastically because there is not sufficient copper available to meet present demands. The lack of domestic copper has been made up for, to some extent, during the last year by releases of Government-owned stock-pile copper. This stock pile is down to the vanishing point. Imported copper has shrunk to a negligible quantity because of the 4-cent tariff.

Most manufacturers have already been informed by the suppliers of copper and copper-alloy materials that their shipments are to be drastically reduced, starting immediately, due to the fact that there is an insufficient amount of domestic copper available for processing.

This means the closing of some shops and a drastic reduction in personnel and working hours in others.

The measure introduced by the gentleman from Connecticut [Mr. PATTERSON] will alleviate the harsh results of such a serious situation. If this measure is approved, the tariff on imported copper will be suspended until such time as the domestic sources are able to produce sufficient copper for the needs of the copper industry in this country.

In view of the seriousness of the situation, I appeal for the favorable consideration of all the Members of the House.

HARRY S. TRUMAN

Mr. DORN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

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

There was no objection.

Mr. DORN. Mr. Speaker, Secretary Chase was a member of Lincoln's Cabinet during the War Between the States, and it is said of him that he was a far more brilliant man than the President, had more dignity, and a more prepossessing appearance but Chase is hardly remembered today while Abraham Lincoln is remembered as one of the greatest men of all time. We are told that the sole reason for this is that Abraham Lincoln had intellectual humility and a sense of humor. Such qualities as these are sometimes the difference that makes one man great and the others just ordinary men.

We have a man in the White House today as President of the United States who is modest, who is humble, who springs from the American people, and

one who has the same type of intellectual humility. I wish to take this opportunity to commend President Harry S. Truman for his great battle last fall in behalf of all the American people rather than certain pressure groups. I am glad that the Supreme Court of this Nation in its decision last week saw fit to back up this noble stand by a typical American.

Also, this is my first opportunity to publicly commend Harry S. Truman for his great work in the closing days of World War II. Many of us who were en route from the European theater to the Pacific will always believe that the patience of President Truman in dealing with the Japanese envoys in the Pacific, who somehow never arrived in time, resulted in an early unconditional surrender of the Japs and saved thousands of American lives.

Harry S. Truman is growing, developing every hour, with the job, the burden and the duty that is his, and in his efforts to save our country in this hour of crises, he needs the support of loyal Americans of all parties and all faiths on a nonpartisan level.

EXTENSION OF REMARKS

Mr. PHILBIN asked and was given permission to extend his remarks in the RECORD and include a recent article from the Boston Post.

Mr. DURHAM asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. MADDEN asked and was given permission to extend his remarks in the RECORD and include a letter.

Mr. PRICE of Illinois asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. MILLER of California asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial.

Mr. BOGGS of Louisiana asked and was given permission to extend his remarks in the RECORD and include a recent radio address.

PERMISSION TO ADDRESS THE HOUSE

Mr. DAVIS of Georgia. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

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

There was no objection.

[Mr. DAVIS of Georgia addressed the House. His remarks appear in the Appendix.]

SPECIAL ORDER GRANTED

Mr. MCCORMACK. Mr. Speaker, I ask unanimous consent that on Thursday next, after disposition of matters on the Speaker's desk and at the conclusion of any special orders heretofore entered, the gentlewoman from California [Mrs. DOUGLAS] be permitted to address the House for 1 hour on the subject of the rising cost of living.

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

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. SMATHERS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

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

There was no objection.

[Mr. SMATHERS addressed the House. His remarks appear in the Appendix.]

TERMINAL-LEAVE PAY

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

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

There was no objection.

Mr. REDDEN. Mr. Speaker, on January 3 the gentleman from Florida, Congressman ROGERS, introduced a bill permitting ex-GI's to cash their bonds issued for terminal-leave pay. More than 9 weeks have elapsed and no action has been taken on this bill by the committee to which it was referred.

Recently the gentleman from Florida, Congressman ROGERS, filed a discharge petition in this House, asking that the minimum required number of 218 Members sign the petition, to the end that the committee might be discharged and the bill brought before the House for immediate consideration and passage. I have signed this petition and I hope every Member will do likewise. It is nothing but fair and just that we take prompt action now.

When the officers of the Army were given terminal leave pay they were not required to accept bonds; neither were they required to wait nearly 2 years as some of the enlisted men have done to receive their cash. A great percentage of these boys need this money now. They can use it in construction of a home or the purchase of a business which will make them more secure in the future.

The money for these bonds is already in the budget. It will not change the plan of Government financing one iota. I sincerely hope there will be no further delay in bringing this bill before the House.

COMMITTEE ON BANKING AND CURRENCY

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that the Committee on Banking and Currency may meet this afternoon while the House is in session for consideration of House Joint Resolution 146 and other bills having to do with sugar.

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

There was no objection.

COMMITTEE ON EXPENDITURES IN THE EXECUTIVE DEPARTMENTS

Mr. BUSBEY. Mr. Speaker, I ask unanimous consent that the Committee on Expenditures in the Executive Departments be permitted to sit this afternoon while the House is in session.

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

There was no objection.

SPECIAL ORDERS GRANTED

Mr. BUSBEY. Mr. Speaker, I ask unanimous consent that tomorrow at the conclusion of the legislative program of the day and following any special orders heretofore entered, I be permitted to address the House for 25 minutes.

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

There was no objection.

Mr. O'KONSKI. Mr. Speaker, I ask unanimous consent that on Thursday next, at the conclusion of the legislative program of the day and following any special orders heretofore entered, I be permitted to address the House for 30 minutes.

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

There was no objection.

EXTENSION OF REMARKS

Mr. RICH asked and was given permission to extend his remarks in the RECORD and include an article by Alfred P. Sloan entitled "Which Way America?"

Mr. NORBLAD asked and was given permission to extend his remarks in the RECORD in two instances and to include in one an editorial.

Mr. RAMEY asked and was given permission to extend his remarks in the RECORD in two instances; to include in one an article appearing in the Christian Science Monitor entitled "Division Among Justices," and in the other an editorial entitled "No Experts on Everything."

Mr. SCHWABE of Oklahoma asked and was given permission to extend his remarks in the RECORD and include a newspaper article.

IMPORT TAX ON COPPER

Mr. KNUTSON, from the Committee on Ways and Means, reported the bill (H. R. 2404) to suspend certain import taxes on copper (Rept. No. 108), which was read a first and second time, and, with the accompanying papers, referred to the Committee of the Whole House on the State of the Union and ordered to be printed.

TARIFF ON WOOL

Mr. RICH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

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

There was no objection.

Mr. RICH. Mr. Speaker, I listened to the gentleman from Texas a few moments ago talking about the tariff. I wonder how much the gentleman from Texas would like to reduce the tariff on wool. They now have 34 cents a pound duty. Texas is one of the largest wool-growing States in the country, and I wonder what he and the people of Texas are going to do when they reduce the tariff. Does the Texas delegation want the tariff on wool reduced? The wool growers now want the Commodity Credit Corporation to buy all the wool in this country. They want the Government to lose 10, 15, and 20 cents a pound on it if necessary to maintain the price with the tariff, and I wonder just what the gentleman from Texas and these other fellows from the South who are depending on

the Government to dig them out of the hole are going to do? They want subsidies on most everything. They want our industries to run; they want high labor standards. I ask you this, How will you maintain our standard of wages, how will you keep industries running. You buy all your goods from abroad. Who can buy it here? Where will your wages come from when industry is shut down? I say we must have a protective tariff or bang. They get the business and we get left in the lurch. I am for protective tariff for American labor and industry.

I further want to state here today that we must think hard, work fast, and make up our minds that we cannot finance any longer all the countries of the world. We are breaking down our own stability, weakening our Treasury, securing the enmity of the countries of the world. Snooping into other countries' business, men and women, I am for America first, last, and all the time, and I will not destroy America to save any country, large or small.

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

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

There was no objection.

Mr. HILL. Mr. Speaker, I take this time to inform the gentleman from Pennsylvania [Mr. RICH] that before our Committee on Agriculture came the finest type of gentlemen from Texas that I have ever seen, all supporting a plan to keep the tariff on wool. Maybe they would like to know what is going on here this morning?

THE LATE MRS. CARRIE CHAPMAN CATT

Mr. CHURCH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

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

There was no objection.

Mr. CHURCH. Mr. Speaker, the last of the veteran woman suffragists, Mrs. Carrie Chapman Catt, went to her reward March 9, 1947, at her home in New Rochelle, N. Y. During her entire lifetime, she was a pioneer and crusader for women's rights.

In my second term in the Illinois Legislature, it was my privilege to vote June 10, 1919, for the ratification of the nineteenth amendment to the Constitution granting women of the United States the right to vote, a cause which Mrs. Catt championed and crusaded for, and on the day the action of the Illinois Legislature was completed, at the request of some of the leaders of the woman's suffrage movement in Illinois, including Mrs. Catherine Waugh McCulloch, Mrs. Wirt E. Humphrey, and others, I sent Mrs. Catt telegraphic word of the action of our State. The nineteenth amendment was proposed by Congress June 4, 1919, and Illinois has the distinction of being one of the first three States which on June 10, 1919, ratified the amendment.

In a day when very few women were going to college, Mrs. Catt attended and graduated from the Iowa State College. She served as president of the National American Woman Suffrage Association and in 1911 made a world tour in behalf of woman suffrage. Shortly after the nineteenth amendment to the Constitution was ratified, Mrs. Catt was active in the organization of the National League of Women Voters and was its honorary president. She never ceased to work for women's rights and she will be long remembered by women everywhere for her contribution to their cause.

SPECIAL ORDER GRANTED

Mr. AUGUST H. ANDRESEN. Mr. Speaker, on January 3, I introduced House Resolution 21, to continue the Special Committee on Wildlife Conservation. I ask unanimous consent that on Thursday of next week, at the conclusion of the legislative program of the day and following any special orders heretofore entered, I be permitted to address the House for 20 minutes on that resolution.

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

There was no objection.

EXTENSION OF REMARKS

Mr. HARRIS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a very interesting communication which I wish to call to the attention of the Members of the House.

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

There was no objection.

Mr. BELL asked and was given permission to extend his remarks in the RECORD and include a clipping from the Washington Post and also a clipping from the New York Times.

TARIFF ON COPPER

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

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

There was no objection.

Mr. GRANGER. Mr. Speaker, I was very much intrigued by the statement just made by my distinguished colleague from Colorado [Mr. HILL] and the colloquy between him and the gentleman from Pennsylvania [Mr. RICH].

I had lost heart in the majority party. I thought they were going to depart from their traditional policy of a protective tariff. Since I have heard these two gentlemen, I feel very confident and sure now that this House will not reduce the tariff on copper.

INTERNATIONAL EDUCATIONAL EXCHANGES—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 167)

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, together with the accompanying papers, referred to the Committee on Expenditures in the Executive Departments and ordered to be printed:

*To the Congress of the United States:*

I transmit herewith a report by the Acting Secretary of State on the operations of the Department of State under Section 32 (b) (2) of Public Law 584, 79th Congress, as required by that law.

HARRY S. TRUMAN.

THE WHITE HOUSE, *March 10, 1947.*

[Enclosure: Report from the Acting Secretary of State concerning Public Law 584.]

ECONOMY AND TAX REDUCTION

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

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

There was no objection.

Mr. HOFFMAN. Mr. Speaker, the Sunday papers carried the announcement that the leadership of the minority party had organized and were going to put into action not a goon squad, but General Gore's gorgeous flying squad of courageous and glorious guerrillas just to needle the Republicans and rejoice over an anticipated failure on the part of the Republicans to carry on a program of economy and tax reduction.

One of the orators of the squadron spoke this morning about taking care of the veterans. I think we are all in favor of that. I heartily agree with all that the gentleman from South Carolina [Mr. DORN] said about Mr. Truman, and I endorse the gentleman's statement as to the President's ability, but my suggestion is that we take care of our present World War veterans before we start another war and get another crop of veterans by sending an army to Turkey and Greece, and again to every corner of the world to impose our ideas on all others. If we want to fight communism, we might start right here in Washington.

THE COPPER BILL

Mr. KNUTSON. Mr. Speaker, I ask unanimous consent that it be in order to call up the bill, H. R. 2404, on Thursday.

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

Mr. FORAND. Mr. Speaker, reserving the right to object, I will not object if the printed hearings are available at the time the bill is considered.

Mr. KNUTSON. I amend my request accordingly, Mr. Speaker. We were told the printed hearings would be ready tomorrow and with that understanding I ask unanimous consent that it be in order to call up H. R. 2404 on Thursday.

Mr. FORAND. The truth of the matter is that we have had closed hearings on this bill. Several of the Members, I know, are opposed to it and are entitled to at least know what is in the hearings.

Mr. RAYBURN. Mr. Speaker, I shall have to object unless the gentleman from Minnesota wishes to withdraw his request at this time.

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

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries.

TREASURY AND POST OFFICE DEPARTMENTS APPROPRIATION BILL, 1948

Mr. CANFIELD. 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. 2436) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1948, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate run throughout the day, the time to be equally divided and controlled by the gentleman from Maryland [Mr. D'ALESANDRO] and myself.

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

Mr. RAYBURN. Mr. Speaker, reserving the right to object, and I shall not object, of course, but do I understand correctly that means the bill will not be read for amendment today?

Mr. CANFIELD. The first paragraph of the bill may perhaps be ready today.

Mr. RAYBURN. Mr. Speaker, I withdraw my reservation of objection.

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

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from New Jersey.

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. 2436, with Mr. MICHENER in the chair.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. CANFIELD. Mr. Chairman, I yield myself 40 minutes.

It is a privilege to be chairman of the Subcommittee on Treasury and Post Office Appropriations, and I am proud of its membership—all earnest, serious-minded, patriotic men, determined to do the very best in the assignment that has been given us. Day and night for many weeks we have labored as a team. Always the work was priority No. 1. Some of us missed a roll call or two during the examination of witnesses. Members made personal sacrifices to attend many of the sessions, and this is especially true of the able and distinguished ranking minority Member, the gentleman from Maryland [Mr. D'ALESANDRO]. In point of service on the subcommittee he is the senior member, and he has brought to the subcommittee a practical knowledge of the operations of government, an insistance on sound principles of economy and efficiency, and a spirit of cooperation. We have been fortunate to have serving with us the gentleman from Illinois [Mr. DIRKSEN], who, in addition to his many other capabilities, brought to the subcommittee the most exhaustive knowledge of the budget possessed by any one man in the Federal Government. The gentleman from Virginia [Mr. GARY], with many years of experience as a tax attorney, as State tax commissioner, and as a member of the old Post Office Committee of the House, contributed invaluable expert knowledge. Although new members of the Appropriations Committee, the gentleman from Ohio [Mr. GRIFFITHS], the gentleman from North Dakota [Mr. ROBERTSON], and the gentleman from Kentucky [Mr. BATES], are experienced Members of Congress, have fine backgrounds for this work, have studied the problems involved, been faithful in attendance, and contributed a great deal to our work.

Midway in our labors we lost our courteous and able clerk, Mr. Jack McFall, who has left the Capital to take up duties in the Foreign Service. A real veteran in appropriations work, a wise and patient counselor, his departure is a real loss to Congress, and particularly to the Appropriations Committee. We have been fortunate in having the chairman assign to our subcommittee Mr. Claude Hobbs, who took off his coat to do a real job. Mr. George Harvey, clerk to the full committee, gave us the benefit of his years of experience.

The subcommittee's approach has never been partisan and the subcommittee was unanimous in its findings. The recommendations were unaltered by the full Appropriations Committee and the bill was reported to the House by unanimous vote.

The cry grows daily that the budget of the country be put in balance and a program of orderly debt reduction be instituted. Taxpayers are demanding relief. Mr. American Citizen is studying his government, appraising its functions, and watching his board of directors as never before. It is recognized that our way of life can be destroyed from within, that a solvent nation is the first and foremost bulwark against any enemies from without. Reports of wasteful expenditures and of employee indolence are morale-breaking. Action is demanded now. I feel that this bill is a step toward answering these demands. This is the first 1948 appropriation bill. It provides economy and serves efficiency. People are watching Congress today to see what action we take on this first bill. I believe the taxpayers will hail adoption of the bill as it was reported, and I am sure that we will have no justifiable complaint from the agencies involved that they are being hampered in their essential work.

It should be noted that the permanent appropriations of the Treasury Department include $587,560,000 for retirement on the public debt. This is the result of a statute passed after World War I, and I regret to have to report to the House that the Treasury Department has not, in past years, been making this mandatory debt reduction. Over $6,000,000,000 of this appropriation remains unused, as is brought out in the questioning of the Secretary of the Treasury by the distinguished chairman of the Appropriations Committee, the gentleman from New York [Mr. TABER]. The era of deficit financing has come to an end. It is time that the Treasury Department respected the spirit and the letter of Congress' dictates. The Bureau of the Budget expects to use only about $200,000,000 of the money Congress makes available for this sinking fund transaction this year. I sincerely hope that this estimate will be revised upwards at an early date and that in the future this law will be carried out.

Shortly before we began our hearings we learned of the so-called Morgenthau Diary incident. It was reported that public moneys may have been spent in the compilation. Papers needed by the Treasury were included therein. We requested the Secretary of the Treasury and members of his staff to tell us the story. Between the two appearances of the Secretary before the subcommittee the former Secretary, Mr. Morgenthau, volunteered to make all such papers available for inspection by the Treasury Department to determine whether any should be returned. We have reason to believe the committee may have been helpful in this decision. Meanwhile, we are urging the appropriate legislative committee to review the incident as developed in our committee's examination, which appears on pages 875–886, and 467–469 of the Treasury hearings, and page 4 of the post-office hearings. New law may be needed.

The subcommittee has called on the investigative staff of the full committee to look into the typewriter situation because of conflicting reports bearing on price, and rumors, all unconfirmed, that there is a large supply, new and used, in Government surplus stocks. Because of the ceiling price on typewriters written into this appropriation bill for many years, some of the companies are refusing to make offers.

Adoption of this bill will permit expenditures by the Treasury and Post Office Departments of $12,388,229,971. Of this, $10,857,496,721 is for the Treasury, and this includes $9,186,179,221, representing permanent appropriations for general and special funds, and trust funds such as old-age, survivors' and unemployment insurance, as well as $5,000,000,000 for interest on the public debt, all of which is beyond the control of the committee. Of the $1,671,317,500 carried in this bill for the Treasury, only $425,000,000 is for the actual operating expenses of the Department, and this amount represents a cut of 16 percent in the budget estimates. The bill carries $1,530,733,250 for the Post Office Department, and this amount will permit the continuation of present service in every respect. The Subcommittee on the Treasury and Post Office, in actions confirmed by the Appropriations Committee, has cut the estimates for operating expenses contained in the budget by $94,072,750, the refund of taxes and duties by $803,000,000, and is recommending an appropriation $159,538,982 less than 1947's.

Other than perfecting language recommended by the Bureau of the Budget, which has been inserted largely for clarification, or in a few instances to carry out provisions of laws passed by the Seventy-ninth Congress, the committee has not altered the general language of the bill, and the intents of the 1947 appropriation act have not been changed.

In the 1947 appropriations for the Treasury there were five indefinite appropriations, through which the Treasury was authorized to pay out "such sums as may be necessary." The Treasury estimated that it would pay out under these indefinite appropriations $2,050,700,000 in fiscal 1948. With a firm conviction that Congress should provide specific sums for stated functions and processes of government, reserving the right to modify any action as circumstances might dictate, the committee eliminated all indefinite appropriations and placed a specific amount for each item in the bill.

The largest of these appropriations was for refunding of internal-revenue collections. The Treasury estimated that $2,031,000,000 would be required for this purpose in 1948. Looking into the matter, the committee concluded that the estimate was excessive. On page 495 of the hearings you will find testimony of officials of the Bureau of Internal Revenue of this subject, and it will be noted that the Bureau could not entirely justify its estimates; that it was using assumptions not proved entirely correct. It was admitted their figure was only a guess. You will note that an allowance was made for refunding capital-stock taxes but the capital-stock tax was repealed in 1945, and certainly should be a dead issue by the time fiscal 1948 comes around. You will note that they expected the tax on distilled spirits to be decreased on July 1 next; but Congress has voted to continue present excise taxes. These distilled-spirits refunds alone were estimated to be $162,000,000, although less than $40,000,000 has been the normal expenditure in past years.

The Bureau expects that personal withholding-tax refunds will amount to $800,000,000, but it does not appear that the Bureau has taken into full consideration that the people are better educated regarding the tax returns, employers have had greater experience in this work, and the clerical and administrative personnel in the Bureau's field offices have had additional training and are better able to perform their duties. Secretary Snyder himself testified that they expected more efficient work from their employees in the Bureau as the result of added experience and training. You will also find in the hearings the statement by responsible Bureau of Internal Revenue officials that this $2,000,000,000 estimate was just a guess, and admission that the committee's guess might be just as good.

Taking into consideration the evidence given us, and after careful study, the committee believes that refunds of internal-revenue collections in 1948 will not exceed $1,231,000,000, and has therefore written an appropriation of that amount into the bill in place of the indefinite appropriation. We do not intend to leave the impression that this $800,000,000 reduction will save a single dollar for the taxpayers. The Government will still have to pay out whatever taxes are paid unnecessarily. We do feel, however, that it is sound business and in the interest of responsible Government financing, that the estimate should be as nearly correct as possible. We believe our figure is the more nearly correct, and should be used in budgetary computations.

The other major indefinite appropriation made specific was for refunds of customs collections, testimony regarding which appears on page 819 of the hearings. This is another item in which the expenditure is uncontrollable, but once more the committee feels that it has inserted a figure more nearly correct than that subcommittee for consideration in the President's budget. This has only been an indefinite appropriation for the past 3 years. The Customs Bureau requested $18,000,000 for this purpose in 1948, admitting that this figure was an estimate based on a belief that there would be an increase in foreign trade. This estimate did not seem to be borne out by testimony presented. The actual expenditures for the fiscal year 1946, the last year for which figures are available, was only $10,836,154. For the first 5 months of fiscal 1947 draw-backs and miscellaneous refunds ran well below estimates, although there was some increase over estimates in refunds on duties. The committee feels that the amount of the Bureau's estimated expenditures in 1947 will also be sufficient for 1948, and therefore has made a specific appropriation in that same amount, $15,000,000.

Other appropriations made definite were for refund of moneys erroneously collected, payment of certified claims, both in the amount of $700,000; and payment of unclaimed moneys, for which $100,000 is allowed.

For the actual operating funds of the Treasury, approximately $503,500,000 was requested. The committee has allowed about $425,000,000. Since this Department is largely a service agency, the reduction may be considered substantial. The 16-percent reduction involved here is in large part applied against personal services, and will cause a reduction in Federal employees. No exact figures on the number that will be released can be determined at this time, but the committee's report directs that those employees who cannot be retained in 1948 shall be dismissed now, so that their terminal-leave payments will be taken from 1947 appropriations. No allowance is made for terminal-leave payments to such employees in the 1948 appropriations, and the Appropriations Committee has voted that no deficiency request for this purpose will be considered. Personnel reductions in the Post Office Department will not be as extensive as in Treasury, and will be limited almost entirely to administrative personnel. These reductions will also have to be made immediately.

Last year this bill carried 57 separate items of Treasury appropriation. Despite the fact that 5 items were added to this bill through making definite the indefinite appropriations, there are only 48 items in this bill. Some appropriations were no longer necessary, and the Department recommended their elimination. A few things were added in accordance with laws passed by the Seventy-ninth Congress; the items added were those relating to the operation of the Federal Tort Claims Act and the requirement for separate appropriations for health services. There was one consolidation, whereby four appropriations were merged into one for greater efficiency and economy.

Of the 48 items appearing here for the Treasury, two exceed the estimates submitted, because of consolidations of accounts. Ten were given the same amount as requested, 17 were allowed more than they had in 1947, and 19 were cut below the 1947 level.

One of those which received an increase over the estimates was the general counsel of the Treasury, and this extra money was made necessary because the Office of Tax Legislative Council, the Division of Tax Research, and the Division of Research and Statistics, each of which had a separate appropriation in recent years, were placed under the Office of General Counsel.

The Division of Tax Research and the Tax Legislative Council have been making studies in wide fields, many of them overlapping, and no evidence was introduced proving the value of such studies. A review of the testimony given by the heads of these two offices will show duplication of effort. For example, on page 100 of the hearings, Mr. Shere, acting director of the Office of Tax Research, said in relation to personnel income taxes for the Federal Government in community-property States:

> We are working on the whole problem.

Mr. Surrey, the Tax Legislative Counsel, spoke on the same subject on page 128, and said:

> In the last year we have been reconsidering the matter.

On page 99 you will find this statement on tax research by Mr. Shere:

> In addition to servicing Treasury officials, studies prepared for that purpose also serve in connection with the Treasury's presentation of testimony to Congressional tax committees, the House Ways and Means Committee and the Senate Finance Committee.

Compare this with Mr. Surrey's statement on page 117:

> We represent the Treasury Department before the Committees of Congress that deal with tax matters. These are primarily the House Ways and Means Committee and the Senate Finance Committee.

I could cite other examples, but I think the case against these offices can be stated thus: On page 99 Mr. Shere made this statement:

> We assist the Bureau of Internal Revenue.

When Internal Revenue Commissioner Nunan was asked about these two offices, Tax Research and Tax Legislative Counsel, he said:

> As far as I am concerned, Mr. Congressman, I have never had occasion to use them.

The committee felt, since the funds for the Office of General Counsel were increased to provide for these three additional offices, that there will be ample money to conduct any legal and economic research necessary for immediate requirements. The consolidation will save $245,000.

The only other place where the estimates were increased was in a printing item for one of the divisions of the Bureau of Accounts. This was also due to consolidation, since all printing funds were concentrated in one account for the Bureau of Accounts, and this transfer involved no change in the total carried in the bill.

The total amount carried herein for the departmental offices under the Office of the Secretary of the Treasury is $9,017,000. This is a reduction of $719,500 from the estimates, and will force some cuts in personnel. The consolidations under the General Counsel comes under this heading.

Another cut under this heading was for the Division of Personnel, which has been increasing in size despite that fact that personnel work was being decentralized throughout the various parts of the Department. The reduction will force a further decentralization, but will leave this office sufficient funds to operate as a policy group on the departmental level. It might also be noted that this office was supposed to handle all complaints received about Treasury personnel alleged to be engaged in un-American activities. Since this program was put into effect 3 years ago, the Division received 352 complaints. Only one hearing was held, and that in November 1943. Certainly the Treasury has been most lax in this respect, and I would recommend a reading of pages 261 through 269 of the hearings by members of the Committee on Un-American Activities. It might also be said at this time that there is no un-American problem reported by the Post Office Department and the Postmaster General testified that there were no complaints in that agency.

A new item appearing in this bill for the first time, as the result of legislation passed by the Seventy-ninth Congress, was for health programs. In the past, health programs have been in effect, but for the Treasury they were taken care of by the Public Health Service, and no special funds were earmarked in previous Treasury appropriation bills. This had to be included this year, and the Department asked for $138,700. Since this is only for dispensary cases, it was believed that this figure was excessive, and $75,000 was finally allowed. In addition to showing that last year these dispensaries handled only 28 cases per day per unit, or 9 cases per day per health service employee, the testimony on this subject, appearing on pages 285 to 290 of the hearings, is highly interesting.

The largest single item under the Office of the Secretary is for penalty mail, and this will require $6,700,000 in 1948. The reason for this large sum, which is a little more than $2,000,000 over the 1947 figure, is due to the fact that the Treasury Department's Division of Disbursement mails out the checks for the Veterans' Administration and the Federal Security Agency, both of which will be sending out great numbers of checks in 1948. The additional pieces to be mailed in all in 1948 exceed the 1947 total by about 70,000,000. In 1948, the Veterans' Administration alone expects to mail out about 100,000,000 checks. The Bureau of Internal Revenue will send out 18,000,000 more checks than it did in 1947. The other part of this increased appropriation is due to the fact that the Post Office has ordered an increase in payments for handling penalty mail, this increase amounting to about 20 percent per thousand letters.

My colleagues on the subcommittee are going to tell you presently of the appropriations for the fiscal and enforcement branches of the Treasury Department, but I want to discuss for a few minutes the two largest reductions carried in this bill. Coast Guard estimates were cut $36,000,000, and Bureau of Internal Revenue, exclusive of refunds, $30,000,000.

The Coast Guard has sought to expand greatly in recent years, and the estimates submitted by this agency make it appear that while the President is seeking to unify the Army and the Navy, the Coast Guard is attempting to build itself up into a full and complete replacement for the independent Navy. The committee feels that the Coast Guard should be what the name implies; a Coast Guard, and not a small edition of a navy. Consequently, the committee has placed in this bill the sum of $97,000,000 for Coast Guard activities. This reduction is not as drastic as might appear, for the Treasury Department cut the Coast Guard's original estimates $61,000,000, and then the Bureau of the Budget cut them $38,000,000 more. In making its reduction, the committee has sought to eliminate funds which would permit the Coast Guard to operate far beyond the coasts of continental United States. We hope to cause a reduction in the great and disproportionate numbers of high-ranking officers, whose rank was created admittedly to keep pace with Navy protocol. We aim to prevent the construction of buildings not urgently needed, and which would draw construction materials from vitally needed housing programs. And above all we hope to force better administration of this agency. Some of my colleagues will, a little later, give you specific examples of the waste, the extravagance, and the grandiose schemes of the Coast Guard.

The committee has placed this ceiling of $97,000,000 for Coast Guard expenditures in the bill. It is pointed out that this amount is $72,000,000 more than its total appropriation just 10 years ago, for 1938. In setting this ceiling, we have permitted some elasticity so that the Coast Guard may administer reductions in the way it feels best. In past years, there have been nine separate appropriation items for Coast Guard. This year we have retained the language of each of the individual appropriation items, and have inserted a limitation on the expenditure for each. These limitations, if added up, amount to about $111,000,000, but since the ceiling on expenditures for over-all activities is $97,000,000, the Coast Guard itself will have to determine the points in which it will not spend up to the limitation. It may be that some items can be reduced rapidly and drastically, but that others will take longer, and cannot be cut too deeply. Thus this permissive authority, amounting to about $14,000,000, should permit orderly curtailments with the considerable latitude left to the agency.

It is not intended to reduce enlisted personnel below the 19,500 ceiling now in effect. There is a limitation of $70,000,000 for pay and allowances, and this is only $4,000,000 less than 1947. If the Coast Guard will carry out the intent of the bill, the reductions will be made in officer ranks. The committee feels that ample funds have been provided to permit continuation on the present scale, of Coast Guard search and rescue operations, including life-saving activities along the coast. There is enough money in this bill to permit maintenance of aids to navigation along the coast. The work of the Bureau of Merchant Marine Inspection should be unimpaired, although it will have to be better administered.

Where the cut will apply chiefly is to the blue water operations of the Coast Guard. One request which has been disallowed, for example, is the amount of nearly half a million dollars to build a storehouse for buoys in the Mariannas Islands. The Coast Guard will have to stop providing aids to navigation for the new Republic of the Philippines. We have not included funds, amounting to millions, for erection of loran stations in Alaska, where they would be of use only to the Navy for maneuvers. The Coast Guard will have to stop duplicating the research work being carried on by other Government agencies and private companies.

The Coast Guard will have to cease its overseas operations, but I can assure the Members of the House who represent coastal areas that, with efficient administration, the present work of the Coast Guard in the coastal waters of the United States can and will continue on its present basis.

A word about the reduction in administrative expenses of the Bureau of Internal Revenue, where $208,000,000 was requested, and $178,000,000 allowed. In 1947 internal-revenue collections dropped from $40,000,000,000 to $37,000,000,000. It is estimated by the Bureau that there will be a further drop in 1948 of $1,000,000,000, without including an even greater drop if Congress passed a tax reduction act. Yet the Bureau asks $34,000,000 more, and will have 3,000 more employees, for 1948 than it had in 1946. The percentage of taxes to be collected through enforcement activities in the 1948 estimates is less than 7 percent, compared with more than 8 percent in 1939 and 1940, when the appropriation was one-third of its present size. This makes it appear that we have reached the point of diminishing returns in appropriating for enforcement activities. If $174,000,000 and 50,000 employees were sufficient to collect $40,500,000,000 in taxes in 1946, certainly $178,000,000 and 53,000 employees should be sufficient to collect $36,000,000,000 in 1948.

I shall only speak briefly of the Post Office part of this bill. The Post Office

is also a service agency. It is also one of the biggest businesses in the world. It is operating at a deficit which must be eliminated, but it can be eliminated only through both an increase in revenues and a reduction in expenditures, not one part of the equation alone. The Appropriations Committee has therefore recommended to the appropriate legislative committee that prompt consideration be given to the matter of increasing the revenues.

The estimated deficit in 1948 will be about $338,000,000, on the basis of appropriations carried in this bill and the revenues as estimated at present. Over $300,000,000 of this deficit will be caused by the pay increases for postal workers passed by the Seventy-ninth Congress. It can also be pointed out that revenues from handling penalty mail for Government agencies—for which the Post Office bills the various departments and agencies of the Government at the rate of $18.50 per thousand letters—are paid directly into the Treasury and are not credited as postal revenues. In 1946 it cost the Post Office Department $30,000,000 to handle this mail. It should also be noted that the Post Office Department is responsible for and charged with the expense of maintaining Federal buildings throughout the United States, and that in many instances these buildings are also occupied in part by other Government agencies which do not pay rent or bear any share in the cost of maintenance.

The amount carried in this bill for the Post Office Department is $14,000,000 below the estimates, but all reductions have been made without curtailing any service. The sum provided will make it necessary for the Post Office Department to provide strict administration, eliminating waste, and making full use of all its supplies and equipment. Certain surveys have been directed, so that the Department itself can suggest some retrenchment, and it is felt that in 1949 a lower amount will be necessary for the Post Office. Most of the savings made from the estimates have been made by denying requests for additional personnel, and by eliminating some activities that might have been desirable but were not necessary. No Member need worry, however, that the service now being supplied in his district, whether it be city delivery or rural delivery, will be impaired in the slightest. In fact, for the benefit of those living in areas served by rural delivery, provision has been made in the full amount requested by the Post Office Department for extensions of service.

No major cuts were made against the office of the Postmaster General nor in the departmental offices in Washington. It is expected, however, that some reduction in force will be required, particularly among personnel and public relations workers.

It is in the office of the Fourth Assistant Postmaster General that economy can best be practiced, for this officer has charge of all post-office buildings, vehicles, and equipment. In reducing the estimates $3,493,000 this division will have less than it did in 1947. Equipment must be made to last longer, and supplies must be purchased with greater caution, while their use is more carefully supervised. Some work that is not necessary will have to be eliminated. A good part of the reduction was made because the request for over $5,000,000 for new equipment was considered excessive.

I believe that adoption of this bill in its present form will be an encouraging omen for taxpayers of the country, and will not be condemned as a ruthless slashing of the departments. It serves economy and preserves efficiency.

Mr. D'ALESANDRO. Mr. Chairman, I yield myself 15 minutes.

The CHAIRMAN. The gentleman from Maryland is recognized for 15 minutes.

Mr. D'ALESANDRO. Mr. Chairman, I would like to emphasize the fact that this bill is presented with a unanimous subcommittee report. We have worked together without divisions, without partisan bickerings, and with the sole intention of reporting an appropriation bill permitting the greatest possible service to the American people at the lowest possible cost. I believe we have succeeded. The gentleman from New Jersey [Mr. CANFIELD], serving for the first time as chairman of this subcommittee, has displayed a sense of fairness and justice on all occasions, worked hard, and has made an able leader, and it was a pleasure to work with him on this bill.

This is an economy bill. It is not wild, uncontrolled economy where estimates have been slashed without regard for service functions or public responsibilities. It does not contain the drastic cuts which have been rumored in the press. It is sane economy, necessary for the cause of good government, whereby unnecessarary expenditures have been eliminated and in some cases activities that are desirable but not essential have been curtailed. If this bill is adopted, the American taxpayer will find that his twin demands for continued service and reduced expenditures have been met.

This bill does not interfere with the permanent appropriations for the Treasury. The Department estimated that $9,186,179,221 will be required for general and special trust funds, including the old-age trust funds and the unemployment insurance funds, and the committee has not tampered with these figures. We did not change the Treasury's estimate that $5,000,000,000 will be needed to pay the interest on the public debt, although there were rumors that this amount was excessive.

The Bureau of the Public Debt, which handles this matter, has been allowed slightly less that $66,000,000, for fiscal 1948 for administrative purposes, and this does represent a reduction of about $3,500,000 from the estimates although it is almost the same figure as allowed in 1947. Pages 29 to 34 of the hearings on the Treasury bill contain figures on the public debt, giving a picture of the $257,600,000,000 debt as it was at the close of 1946. The administration of this debt is a mammoth undertaking, including as it does the sales of war bonds. In reducing the appropriation for this Bureau, the committee has specified that not more than $125,000 of the cut shall be applied against the Savings Bond Division, which is the Division promoting the sale of war bonds. This selling program requires constant encouragement and stimulation. The patriotic motives that caused people to buy bonds during the war is no longer so apparent. The desirability of buying these bonds as an investment must be emphasized. It should be pointed out that the administrative costs of selling these war bonds has been reduced to one twenty-third of one percent.

I should like to mention two other bureaus of the Treasury particularly at this time, for they are working branches of the Government which perform tremendously important functions, but which are all too often taken for granted. They are the Bureaus of Engraving and Printing, and of the Mint, and testimony regarding them makes interesting as well as informative reading. Such testimony appears on pages 384 through 439 of the hearings.

The Bureau of Engraving and Printing designs, engraves, and prints securities, and other documents, currency and stamps for the United States Government, and for some foreign governments on a reimbursement basis. Our Government prints currency for the Cuban Government, and only recently completed an order for Siam. While several countries do have their own bureaus of engraving and printing, a great many buy their currency from private businesses, there being two or three companies in London and two in this country engaged in such work.

The Bureau submitted its estimates to the committee showing that there was expected to be some decline in the amount of nonreimbursable work during 1948, but that this would be offset by rising costs. One of the largest items making up this appropriation is for overtime, for which $1,300,000 was requested. Much of this overtime arises from the fact that other Government agencies send urgent and rush orders to the Bureau. Careful planning, perhaps through supervision by the Bureau of the Budget, should eliminate some of this overtime, and permit a sizable reduction in the amount paid. Demands of other agencies are one of the chief causes of overtime in the Treasury Department, and such demands should be reduced to an absolute minimum.

Turning to the Bureau of the Mint, you will find that we have allowed an appropriation of $6,467,500 for this service, which is an increase of slightly more than $200,000 from the 1947 figures. The estimates have been reduced by $719,000, but the amount carried in this bill is nearly three times the cost of this service in 1940. This increase is justified because costs of materials and costs of production have gone up. Wage increases have been granted to more than 2,000 people employed in the mints and assay offices, almost all of these people being union members. But the biggest cause of the increase has been the growing demand for coins. When the price of a nickel bar of candy goes from 5 cents to 6 cents that creates a demand for pennies. An increase of 1 cent in the price of a package of cigarettes adds to the demand. There have been many of

these instances in the past year or two. The demand for coins has dropped somewhat from the peak year of 1945, but there still were 2,106,859,000 coins delivered by the mints in 1946. Over 71 percent of this total appropriation goes directly for coinage.

The amount carried in this bill for the mints will not cover the total expenditures of the mints in 1948, for there are large reimbursement items. Our mints make coins for some foreign countries. They make the medals used by our military services. For this work they are, of course, reimbursed. In 1946, the mints got, roughly, $5,000,000 from Congress, and collected $6,000,000 from other sources for outside work.

Too often we think of the Treasury as being nothing but a great big bank. These examples of the Bureaus of Engraving and the Mint show that there is a manufacturing side to this Department. It operates a tremendous detective agency in the Secret Service. It has a police force in the Bureau of Narcotics and the Bureau of Customs. Its work is complex throughout, and is not all bookkeeping and accounting. The committee has had to cover many fields to determine fair and just appropriations for all this work. The job has been done thoroughly, and with careful thought and study to each item. The amounts carried in this bill will permit the Treasury to carry on its high standards of service in all fields in fiscal 1948.

The Post Office Department has likewise received fair and most considerate treatment. The Postmaster General appeared before us, and gave us a frank and informed picture of the problems his Department faces. All members of the committee were impressed with the seriousness with which he has undertaken his duties, and the responsibility which he feels as the active head of one of the largest businesses in the world.

There is probably no other Government agency which operates in such direct contact with every citizen of the United States, and in every single part of the country. Our servicemen abroad look to the United States mail to bring them word of home. All our military leaders have told us of the great morale building done by mail during the war, and in a sense that morale is a mighty contributor to victory, the Post Office Department shouldered a tremendous burden.

The committee held exhaustive hearings on the Post Office Department, as it did on Treasury and has come to the conclusion that in 1948 the Department will be able to operate with a high degree of efficiency on $7,642,000 less than it has for the current year. Some of this reduction was suggested by the Department itself. In other places the committee disagreed with the departmental estimates and cut them. We made the best compromises we could. No mail carriers will be discharged, nor will any clerks. Pay increases and statutory promotions will be honored. No essential rural-delivery service, no vital star route, will be eliminated. But waste will have to be checked. New personnel will not be added. Administrative procedures will have to be streamlined.

Most people will be particularly interested in the field services of the First and Second Assistant Postmasters General, for these are the offices that deliver the mail. If the committee has erred in assigning funds for these two services, it has erred on the generous side, for no one would deliberately delay the mail or in any way imperil its rapid and safe dispatch. We have granted $87,470,000 for compensation to postmasters, an increase of $750,000 over the current year. We have increased the appropriation for assistant postmasters by $100,000, although we have not allowed any new positions, and have suggested to the appropriate legislative committee that study be given to the question of limiting appointments of assistant postmasters in the smaller second-class offices. We believe that it will be unnecessary to create any new clerkships in first- and second-class post offices, and that expenditures for overtime and substitute hire can be reduced by careful supervision, and we have lowered the estimates accordingly, although we granted $9,784,000 for salaries of clerks in these offices so that statutory promotions and pay increases can be made.

Only recently were clerks in third-class post offices placed in the classified service, and all these positions have not yet been covered into the civil service. The conversion to the classification system has proceeded more slowly than the Department expected, and will not meet the goal set for 1948, thus making unnecessary some of the money requested. However, $24,000,000 has been granted for this clerk hire, and this represents an increase of about half a million dollars.

The estimated obligations in salaries for city delivery carriers were about $288,000,000 in 1947. The committee has not seen fit to authorize any new positions, but we have added $7,300,000 to meet all salary increases and promotions according to law.

A full continuance of all present rural-delivery service, plus some extensions as required by law, will be permitted with the funds allowed this item—$129,167,000. The estimates submitted by the Department were lowered somewhat, since it was not believed that the requested 150 additional carriers were absolutely necessary.

I would like to call your special attention to the section of the report dealing with special-delivery service, and also to the testimony on this matter, which appears on pages 46, 49, and 118. This is a particular problem to the post office, because Congress has passed a law which has increased the costs a great deal, while at the same time leaving the efficiency of special-delivery service open to some criticism. We have asked that the legislative committee study the matter, and I have noted that the Post Office Department has submitted certain recommendations to Congress. Special-delivery messengers are no longer paid on a fee basis, but are now on salary. In addition, they are paid 75 cents an hour for the use of their cars. The appropriation carried in this bill is approximately the same as for 1947, but this represents a tremendous increase over a few years ago, due entirely to the new law.

In the field service of the Second Assistant Postmaster General we have had to increase the appropriation for star-route service because people are now charging the Government more to carry mail on these routes. We were able to effect some reductions in payments to railroads, because the volume of mail to be carried will probably decline in 1948. It should be noted at this point that the railroads just a week or so ago filed applications with the Interstate Commerce Commission, which fixes the rate the Government pays these carriers, for substantial increases. The Post Office has indicated to the committee its intention to fight any such increases.

The volume of air mail carried during this fiscal year has not been up to expectations, and the Department asked for about $11,000,000 less than it had this year. The amount appropriated in this bill is still somewhat above the expenditures for 1947.

I hope this bill will be passed by the House in its present form. It is fair to the departments involved and it is fair to the American taxpayers. No one should expect more.

Mr. BONNER. Mr. Chairman, will the gentleman yield?

Mr. D'ALESANDRO. I yield to the gentleman from North Carolina.

Mr. BONNER. Yesterday in a radio discussion of this bill I heard the remark that the reduction to be effected in this bill with respect to the field workers of the Internal Revenue Bureau, that is, the inspectors and investigators of private tax returns, would be reflected in a loss to the Treasury greater than the saving effected. Is there any foundation for that statement?

Mr. DIRKSEN. Mr. Chairman, will the gentleman yield?

Mr. D'ALESANDRO. I yield to the gentleman from Illinois.

Mr. BONNER. Did the gentleman hear that discussion?

Mr. DIRKSEN. I did not hear the discussion, but I had an idea the question would be raised. May I remind my friend that there are over 33,000 in the administrative service of the Bureau of Internal Revenue, as against only 26,000 on the enforcement end. There is a specific item in the report that the committee will not countenance a reduction in the enforcement personnel. We want them to get out of Washington some of these people in the administrative offices who are falling all over themselves. It is the particular design of the committee to see that the enforcement activity is preserved.

The CHAIRMAN. The time of the gentleman from Maryland has expired.

Mr. D'ALESANDRO. Mr. Chairman, I yield 2 minutes to the gentleman from North Carolina [Mr. BONNER].

Mr. BONNER. The gentleman from Maryland did not answer the question that I asked. Would the gentleman answer the question, and then would the

gentleman from Illinois [Mr. DIRKSEN] comment on it?

Mr. DIRKSEN. I think that was the answer.

Mr. BONNER. Will the reduction you have made in this particular division of the Treasury reflect a loss or gain to the Treasury Department?

Mr. DIRKSEN. If the gentleman will permit me to answer, the answer is simply that while revenue is going down, personnel is going up, and the amount that is achieved by enforcement activities percentage-wise is infinitely smaller than it was in that period from 1929 to 1936 when they had only a fraction of the employees they have in the Bureau of Internal Revenue at the present time.

Mr. BONNER. Do you direct the Internal Revenue to maintain their field staff and curtail their office staffs?

Mr. DIRKSEN. Yes; we could not give them legislative direction in the bill, but we did write the appropriate provision in the report.

Mr. BONNER. Then there will be as much field inspection in the future as there has been in the past?

Mr. DIRKSEN. Yes; and the committee feels that field investigations and enforcement activities ought to be a little more efficient than they are at the present time.

Mr. BONNER. I thank the gentleman and hope as I have been assured that the field force will be maintained and enlarged, for it is here that much revenue is gained for the Treasury.

Mr. CANFIELD. Mr. Chairman, I yield 25 minutes to the gentleman from North Dakota [Mr. ROBERTSON], a member of the committee.

Mr. ROBERTSON. Mr. Chairman, as a new member of the Appropriations Committee, I am tremendously impressed with the remarkable leadership displayed by the chairman of the subcommittee, the Honorable GORDON CANFIELD. For a man comparatively new in the Congress, I am amazed at his grasp of the situation we have at hand today. He has done a most excellent job in piloting the committee through the hearings.

Those of us who are familiar with the work of the Appropriations Committee know it is one that calls for great capabilities in dealing with figures and detail. It calls for long hours of study before each day's hearings, and one must be adequately prepared in checking item by item, especially at a time when the Congress is committed to a reduction in the Federal expenditures.

He has been handsomely supported by our able colleague, the Honorable EVERETT DIRKSEN, who has had many years' experience on the Committee on Appropriations. His contribution, as is always the case, has been exceptional. The other members, some of whom are new—both Democrats and Republicans—have shown every disposition to be present and carry through the long, tedious days, day after day, and I am happy indeed, as we report this bill to the floor of Congress, to also be able to say that it is not a political bill, that it comes to the floor not with a divided report but rather with a unanimous report of both the Democrats and the Republicans. We have dealt with the conditions in this appropriation measure on a nonpolitical basis. This, the first of the appropriation bills on the floor, is the beginning of a new trend of events in our Nation.

It is a vastly easier program to hold hearings on appropriation bills and yield to the demands of the departments for an ever-increasing amount. It calls for greater study of all the items. When the question before us is one of reducing expenditures, it calls for diligence and a quality quite remarkable for the reason that as we cut expenditures we must be careful not to impair the necessary functions of the National Government. I shall touch briefly on a few points, in the time given me today, contained in the Treasury and Post Office Departments' appropriations.

In the Treasury and Post Office Departments there are five agencies engaging in whole or in part in law-enforcement activities. They are, naming them, the Secret Service, the Post Office Inspection Service, the Bureau of Narcotics, the Bureau of Customs, and also the Coast Guard, which was originally founded for this purpose, and it is placed under the Treasury Department because of its enforcement activities.

The Secret Service and the Postal Inspection Service rank with the finest enforcement groups in the world. In our effort in composing this bill the committee has been careful not to impair their work, nor the enforcement work of the other agencies. The Secret Service submitted requests for $3,465,100 but after a careful study, the committee found, in its wisdom, that this was higher than was necessary, and the amount therefore carried in this bill is $2,707,500, or $757,600 less than was requested. It is also $404,500 less than the Service has for the present fiscal year.

The principal function of the Secret Service, as you all understand, is the suppression of counterfeiting, and the excellent work it has done in this field can be found in the figures and statements appearing on pages 196 and 197 and on pages 222 to 226 of the hearings. It reveals that counterfeiting is much less today than it was 10 years ago due to the scarcity, perchance, of materials that are necessary to make fake coins and bills. There is today $20,000,000,000 more currency in circulation than there was in 1940 and 600,000,000 pieces of Government securities outstanding compared to less than 15,000,000 in 1940. While the number of securities outstanding would indicate the possibility of an increased number of forgery cases, the efficiency of the Service has been such that the number of cases in 1946 was slightly under the 1940 figures. The criminals are evidently learning that it does not pay to engage in counterfeiting or forgery of Government securities.

Included under the funds for suppression of counterfeiting is the protection of the President and members of his family. It may be that with the return of peacetime routine certain protective measures can be abandoned, but you will note that in the report the committee has specified, in reducing this expenditure, that none of the cut was to be applied against the funds used for the protection of the President and his family, unless the Secret Service itself determined that adequate protection could be given with less money. It is felt that the sum allowed for the suppression of counterfeiting and other crimes will be ample and will not, generally speaking, impair the efficiency of the Secret Service if carefully administered.

The White House Police force protects the White House and the grounds. The committee has made a reasonable reduction in this appropriation for this force, and it may be that the cut made will impair the work of the Service. However, this committee appropriated the full amount necessary to provide for a force of the size prescribed by law. There is a statute, the act of April 22, 1940, Third United States Code, page 62, that fixes the size of the White House Police force at 80 men, including officers. In past years the committee has written a provision into the appropriation bill stating that notwithstanding the provisions of this law, the force shall consist of 114 men. The committee is of the opinion that this was legislation in an appropriation bill, and would be subject to a point of order. We believe the proper recourse is for the Secret Service to ask the proper legislative committee to provide for a greater number of men, if it is deemed necessary to have them. The committee has eliminated this legislative phrase, and appropriated funds to pay the salaries of 80 men in accordance with the law.

The uniformed Secret Service also protects Treasury buildings. In the year 1939, $300,000 was sufficient for this purpose. In the year 1948 the Service asked for $849,700. It is true that some additional functions have been added in the past 9 years, but at the present time these additional functions are being eliminated. The committee considered the request this year to be excessive, and after great care and study, reduced it $130,000. All in all we have given the Secret Service for the fiscal year 1948 a sum that is equivalent to its appropriations in the war years. The war has been over almost 2 years and it seems to us of the committee that the Secret Service should be getting back to its peacetime size.

The Post Office's counterpart of Secret Service is the inspection service, and the committee, I feel, has been most generous here. We have granted the inspection service $125,900 more than it has for the present year, and we have only reduced the estimates $251,400.

There are four items which make up the appropriations for the inspection service. Two of them, travel expenses for inspectors and payment of rewards, are carried in the same amount as for 1947. This will actually cause some reduction in travel because the committee has eliminated from the bill provision that inspectors shall be paid 3 cents a mile for official travel in their privately owned cars. This will permit payment of 4 cents a mile under Public Law 600 of the Seventy-ninth Congress, and puts the inspectors on a par with other Government workers who have received the higher figure.

The item for salaries for inspectors is $198,300 higher in this bill than it is in 1947 and this will permit statutory promotions. The committee does not consider it necessary to create any new inspectors' positions and consequently it has not allowed any funds for that purpose.

Some reductions have been made in the appropriation for salaries of clerks at division headquarters. During the war these clerical staffs were built up at an unusually heavy rate. The committee feels that with the emergency now over, postal inspectors should be able to utilize clerks at local post offices on a part-time basis, reducing thereby the clerical work at division headquarters and eliminating some of the war-service personnel.

Enforcement activities of the Bureau of Narcotics received a good deal of notice in the press recently, when the Bureau forced the expulsion of an American ex-convict and deportee. Over a long period of years this Bureau, under Commissioner Harry J. Anslinger, has been doing a quiet but very efficient job. The funds allowed this agency in 1947 were approximately the same as 10 years ago, although this amount for this year has been increased $130,000 to allow in part for the pay increases voted by the Seventy-ninth Congress.

The testimony of Commissioner Anslinger appears on page 181 of the hearings, and is not only informative, it is very interesting. Narcotics agents comprise only 2 percent of the entire police forces of the country, yet they have provided 10 percent of the population of our Federal prisons. There is an increase in the number of violations of narcotics laws, and this Bureau is maintaining a record of getting convictions in 85 percent of its cases.

Narcotic control is not entirely a Federal problem. There must be a degree of control and enforcement by the States, and as the testimony shows, this is especially true of marihuana and the so-called sleeping powders. You will note on page 191 that Commissioner Anslinger declared:

> The control of sleeping powders should not be handled by the Federal Government.

We of the committee are of the opinion that it should remain a State function. Forty-four States do have uniform narcotic control acts, but only New York, Connecticut, Pennsylvania, California, and Florida have enforcement agencies. The Commissioner complimented the States that are doing this job, and indicated that there was full cooperation with the Federal Bureau, which does control importation, manufacture, and distribution.

In support of some reports of extravagances in our military expenditures, the Commissioner told the subcommittee a story. By virtue of his office he is custodian of all drugs and narcotics in possession of the Government, and has narcotics stock-piled in several places in the United States. There are great quantities of drugs in his storehouses. Yet not too long ago the War Department decided that it needed $15,000,000 worth of opium. Army officials did not consult the Commissioner, but prepared to make these purchases in the open market. Fortunately word of this intended action came to the Commissioner. He was able to tell the Army that he had this much opium in his surplus stocks, and as a result an unnecessary expenditure of $15,000,000 was eliminated.

We feel it will be of interest to have Dr. Anslinger's answer to this question:

> Has there been any increase toward addiction among the veterans?

His answer was:

> I am happy to say that right now, from what we know, we can count them on our fingers.

At the time the Bureau of Customs was up for consideration by the committee, the Attorney General made an observation in which he suggested that some of our law-enforcement agencies could be consolidated, and one of his ideas was to combine the border patrol of the Immigration and Naturalization Service with the border patrol of the Bureau of Customs. The committee feels that such a plan has genuine merit. As the report points out, one man can be given the dual responsibility to patrol against violations of either customs or immigration laws, and there is little justification for having two sets of officers patroling the same sections of the Canadian and Mexican borders.

This is just one place, and a symbol, if you please, in which entrenchment might be made by Customs. Another is in the Foreign Service, and there was little evidence to show that all of the Customs work abroad could not be handled by the regular diplomatic and Foreign Service agencies of our Government.

We have been mindful of the fact that peace has resulted in the restoration of foreign trade. The wartime development of air transport has increased the Customs problems. The work load of this agency is increasing. But the Customs Bureau came before us and asked for $10,000,000 more than they have in 1947, and offered no plans for consolidating their work or perfecting their administration, or otherwise directing their efforts toward any safe economies. The committee can see, we believe, where there might be savings. I have here alluded to two of them a few moments ago. We, the committee, therefore consider the estimates of the Bureau excessive, but we did permit $3,000,000 more than in 1947 to take up the added work load. The tables appearing on pages 793 through 796 bear testimony of this work-load increase.

Every Member should read carefully the testimony of the Coast Guard officials, starting on page 570 of the hearings. First, you might refer to a statement by Secretary of the Treasury Snyder, which appears on page 17. This reads, and I quote:

> The functions the Coast Guard performs are of a nonmilitary nature.

Parenthetically, that would set at rest any feeling that this reduction in the appropriations for the Coast Guard is a cut in national defense.

> The functions the Coast Guard performs are of a nonmilitary nature. Their policing is in connection with the customs operation and not as a military operation particularly.

It does not appear that the Coast Guard has advised the Secretary of its intentions. The estimates submitted to the committee calling for $133,000,000 would have permitted establishment of a miniature navy. One can only imagine what plans the Coast Guard had in mind when it originally asked the Treasury budget officer for $232,000,000.

Even if the estimates submitted to the committee were approved, we would have had a small navy with a vast preponderance of high brass. On page 579 it is brought out that there would be one officer for every six enlisted men. I refer to the table on page 587, which shows the percentage of commissioned and warrant officers to enlisted personnel. For 1947 this was 14.3 percent. You will note that the Coast Guard has this tendency after every war, for in the early 1920's the percentage was about the same, but that during the war it dropped to less than 6 percent.

On the same page Captain Richmond, Chief of the Planning and Control Staff, admits that when they have to reduce personnel in the Coast Guard they let the enlisted men go and keep the admirals. It is not the admirals who man the lifeboats to go to the assistance of ships and lives along our coasts. Captains and commodores do not tend the buoys and other aids to navigation. Flag officers do not man the lighthouses. The past procedure of this service in making personnel reductions must be reversed. Yet this very year the Coast Guard came before the committee and asked permission to make six new admirals next year. Look at the statements on page 627. In the Commandant's headquarters in Washington there are eight officers for every enlisted man.

One more point on this topic: We asked Admiral Farley, the Commandant, why he needed 23 more flag officers in 1948 than there were in 1940. His answer was that the Coast Guard had to keep up with Navy protocol.

I urge you not to miss the tables on pages 593 and 600 of the hearings. Here the Coast Guard has listed the distance from its bases to the nearest Army and Navy bases. One of the arguments advanced for merging the Army and Navy has been to eliminate duplication of facilities in the immediate area. The table of page 600 shows that in many instances the Coast Guard has duplicated Navy base facilities. Twenty Coast Guard bases are listed. Eleven of them are within 10 miles of a Navy base. In Norfolk, Va., a Coast Guard base is adjacent to a Navy base. In Boston, such bases are three-tenths of a mile apart. In Little Creek, Va., they are only one-tenth of a mile apart.

Out in San Diego, Calif., the Coast Guard has built an air base only 2½ miles from a large Navy air base. In San Francisco, Navy and Coast Guard air bases are within 12 miles of each other. Up in Boston, they are 20 miles apart. And you must bear in mind that the Coast Guard has only 110 operational planes.

The chairman of the subcommittee has touched on the deep-sea operations of the Coast Guard. Added altogether we have a sordid story of bureaucratic expansion at its worst. The cut the

committee has made is in my personal judgment completely justified beyond question.

In conclusion, I should like to say to the Members of this Congress that the Appropriations Committee is confronted with a difficult task. We must find the common ground in our endeavors where the taxpayers who support the Government and the spenders recognize the responsibilities of each other. In my personal judgment the taxpayers have 51 percent of the stock in this American corporation.

Mrs. BOLTON. Mr. Chairman, will the gentleman yield?

Mr. ROBERTSON. I yield to the gentlewoman from Ohio.

Mrs. BOLTON. In the matter of the Coast Guard, have you made so much cut in that that our own coast will lose some of the already restricted service of that agency?

Mr. ROBERTSON. I am of the opinion that we have not. I am of the opinion that the Coast Guard has been amply provided for in our appropriation.

Mrs. BOLTON. On Lake Erie, near which I live, we are very definitely short of personnel. We have had some very disastrous happenings because the Coast Guard could not be reached, and there were not two boats to go.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. ROBERTSON. I yield to the gentleman from New Jersey.

Mr. CANFIELD. Is it not true that we are bringing the Coast Guard back home to do the things for which the Coast Guard was created, and, therefore, it can do the thing that the gentlewoman has in mind and do it properly and efficiently. Sufficient money for this purpose is incorporated in the bill.

Mr. ROBERTSON. I thank the chairman. I was going to answer the gentlewoman and say that her difficulty had probably arisen because the Coast Guard was part of the Navy and probably away from her section of the country when it was needed.

Mrs. BOLTON. Mr. Chairman, if the gentleman will yield further, does the Coast Guard have anything to do with the Narcotics Division?

Mr. ROBERTSON. No.

Mrs. BOLTON. Do they make any contribution to the apprehension of these violators?

Mr. DIRKSEN. Mr. Chairman, if the gentleman will yield, it would only be in case the Narcotics Division would call on them that they would have that function, but as such they do not pursue it.

Mr. D'ALESANDRO. Mr. Chairman, I yield 20 minutes to the gentleman from Virginia [Mr. GARY].

Mr. GARY. Mr. Chairman, may I at the beginning pay my tribute to the chairman of our subcommittee, the gentleman from New Jersey, Mr. GORDON CANFIELD. Serving for the first time as the chairman of the committee, in my judgment he has done a magnificent job. He showed a thorough acquaintance with the various items of appropriation, which evidenced a deep study of the bill before us. I know that he worked for many hours in order that he might be prepared to examine the various witnesses as they appeared before the committee. He exhibited a quick understanding of the problems which were presented, and throughout the entire hearings he was eminently fair to the minority as well as the majority members.

May I also pay my tribute to the executive secretary of the committee, Mr. Jack McFall, who served with the committee when we were considering the appropriations for the Treasury Department. He is a clerk of long standing in this House. His knowledge and experience were invaluable to the committee. It was a matter of deepest regret to each one of us that he was forced to relinquish his labors after the Treasury hearings had been concluded to accept a position with the State Department, where he will serve in the Foreign Service. Our committee's loss, however, was the State Department's gain. Notwithstanding the fact that he had relinquished his duties with the committee, he collaborated in drafting that portion of its report relating to the Treasury Department.

Mr. McFall was succeeded as executive secretary of the committee by Mr. Claude Hobbs, a newcomer, who shows every evidence of possessing the necessary ability to qualify him as a valuable addition to the staff of the Committee on Appropriations.

While it may be somewhat unusual, I like to give recognition where recognition is due. Mr. Palmer Murphy, who is Mr. CANFIELD's personal secretary, also rendered invaluable service to the committee. I do not believe we would have passed the transition period from one executive secretary to another so smoothly if Mr. Murphy had not been following the proceedings of the committee so closely that he was able to assist the new secretary in his work.

The members of the committee have all labored diligently and well. The ranking minority member the gentleman from Maryland [Mr. D'ALESANDRO], displayed a high caliber of leadership.

May I say Mr. Chairman, with all candor that I do not think the committee as a whole has done such a bad job on this bill. Personally, I am committed to a program of reduction in public expenditures. Last fall when I ran for reelection, one of my campaign pledges was that I would do everything I could to reduce public expenditures to an absolute minimum compatible with efficient governmental service. I hope we have done that in this bill.

This is a difficult bill. In the first place, we are dealing with the Treasury Department. The estimates submitted in the President's budget for the Treasury Department were $11,740,000,000. Of that amount, however, $9,186,000,000 was for permanent appropriations which are beyond the control of the committee. These permanent appropriations are made up of such items as interest on the public debt of $5,000,000,000. The committee could not change that item regardless of the wishes of its members. We have borrowed the money from various sources, and we must not only pay back the principal in time but we must keep up the current interest payment annually. Another item of permanent appropriations is the $3,500,000,000 expenditure from trust funds, such as the social-security fund, which the committee could not touch.

In addition, there are certain indefinite appropriations, which total over $2,000,000,000. They cover such items as tax and custom refunds. In a measure, these items also are beyond the reach of the committee. However, the committee decided on the basis of the evidence before it that these appropriations had been overestimated and it reduced the estimates of the indefinite appropriations by $802,000,000. I want to be perfectly frank to the Members of this House. I do not think this reduction saved the American taxpayers one single penny. Because these refunds represent overpayments in taxes and customs which must be returned to the taxpayer regardless of the appropriation contained in the bill. If the estimates of the committee are correct there will be $803,000,000 less paid out than was contemplated by the President's budget, but there will be no saving, because if we appropriated $2,049,000,000 as requested, and the refunds amount to only $1,246,000,000, the balance would remain unexpended. What the committee has done is to make a reestimate of the items based upon the evidence before the committee.

When you deduct the permanent appropriations and the indefinite appropriations you have left the operating expenses of the Treasury Department which constitute a relatively small portion of the total. Here again you are faced with a grave dilemma, because we know that people of this country want Federal expenditures reduced as much as is possible. Yet, the Treasury Department is the revenue-raising department, and if you reduce expenditures too drastically you will curtail the activities and efficiency of the Department to the point that revenues will be reduced also. In other words, there is always the danger that you will kill the goose that lays the golden eggs. What we tried to do in this bill, therefore, was to strike an even balance between expenditures and needs of the Department.

We made a very substantial cut in the Bureau of Internal Revenue. The reduction, however, is not quite as large as it was at one time during our deliberations. I became somewhat apprehensive that perhaps we had gone too far and might impair the efficiency of the Bureau. At my suggestion the committee went back and reconsidered the appropriation, and added some additional funds to it. I hope and believe that our final figure is fair and reasonable.

I was somewhat apprehensive about the Coast Guard, in whose appropriation we made a substantial cut. However, there is but one way to reduce expenditures and that is to reduce them. The facts are that the Coast Guard has expanded tremendously during the war. The committee felt that the time has come when we should begin to retract and to eliminate some of the war activities.

With reference to the Post Office Department, this is one of the oldest departments of the Government. It is con-

ducting one of the largest businesses in the United States. This business consists of rendering to the people of this Nation a service which must be maintained at a very high degree of efficiency. I believe I can say that every member of this subcommittee was impressed with the efficiency of the Department. We did not find a single bureau in which there appeared to be any extravagance or waste, and yet we felt that certainly there could be a token cut in the Department, which is all that has been made.

We have reduced the estimated expenditures of the Post Office Department less than 1 percent. The budget estimates for the Department were $1,545,000,000. We reduced them only $14,356,000.

Mr. DINGELL. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield.

Mr. DINGELL. That is the total amount of savings in the Post Office Department?

Mr. GARY. To be exact, the budget estimate for 1948—and these figures may be found on page 41 of the report—were $1,545,089,250. The committee recommends $1,530,733,250, a reduction of $14,356,000.

Mr. DINGELL. That is very far from what we expected in the matter of savings. I had understood they were going to take 500,000 employees away from the Post Office Department out of the 541,000 total they had. Did not we hear that at one time?

Mr. GARY. May I say to the gentleman from Michigan that so far as I personally am concerned I am not half so much interested in the legislative budget or in the remarks that are made with reference to it as I am in the appropriation bills that come before this House. I prefer to base appropriations upon committee investigations rather than legislative guessing. What our committee has done is to examine this bill with the idea of reducing it as much as we possibly could without impairing the Government service and without reference to the legislative budget or any remarks that have been made with reference to it.

Mr. DINGELL. The gentleman misunderstands my remarks in this instance.

Mr. GARY. I understand the gentleman.

Mr. DINGELL. I say the sum total of the savings will be about $14,000,000.

Mr. GARY. In the Post Office Department, it will be $14,356,000.

Mr. DINGELL. From what I had heard heretofore we were going to dismiss about 500,000 of the 540,000 employees of the Post Office.

Mr. GARY. We did not do that; we did not think it could be done. Moreover our savings insofar as the Treasury Department is concerned, the actual savings are approximately $80,000,000. So in the combined Treasury-Post Office bills we have saved approximately $95,000,000.

Mr. DINGELL. In other words, this saving is not going to amount to much as far as the individual taxpayer is concerned, any more than the cut in the budget estimate covering tax refunds. Is not that so? In other words, it is not going to mean very much.

Mr. GARY. The cut in the budget estimates concerning refunds is $800,000,000. We have only saved $95,000,000.

Mr. DINGELL. That is just a paper saving?

Mr. GARY. I did not say it was a saving. I said the cut in the estimate was $800,000,000. I have insisted from the beginning there is no saving.

Mr. DINGELL. That is right. Then the gentleman's mind and mine agree.

Mr. GARY. That is right.

Mr. DINGELL. We are striking at a figure in the budget estimate covering refunds, but it does not mean any savings.

Mr. GARY. There was no figure in the budget, but there were estimates as to what the refunds would be. We wrote a figure into the bill. We did make it a definite rather than an indefinite appropriation.

Mr. DINGELL. It will have to be whatever the amount is, will it not?

Mr. GARY. If our estimates are below the actual refunds that are required, it will have to be taken care of through deficiency appropriations.

Mr. DINGELL. That is right.

Mr. DIRKSEN. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield to the gentleman from Illinois.

Mr. DIRKSEN. I do not want the RECORD to show that the committee agrees there will be no money saved here because I think I can show and propose to show after awhile in my own time as to where this saving actually is.

Mr. DINGELL. In the figures covering refunds?

Mr. DIRKSEN. Very definitely in the refunds.

Mr. DINGELL. Then it means that Uncle Sam is collecting something he is not entitled to?

Mr. DIRKSEN. No, indeed. Uncle Sam has not collected anything he is not entitled to. Somebody has overstated the case in the budget and let it be reflected in the fiscal year 1948, perhaps for the purpose of not having to show an equivalent amount or anything like it in the budget for 1949. However, I will discuss that in my own time.

Mr. DINGELL. Very well.

Mr. GARY. I made the statement previously that there was evidence before the committee that the entire amount requested would not be necessary. However, I do not regard any change in that figure as an actual saving of expenditures.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. GARY. Mr. Chairman, I yield myself 10 additional minutes.

Mr. GORE. Mr. Chairman, will the gentleman yield?

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

Mr. GORE. I would like to bring the gentleman back, with his permission, to the reduction in the Post Office Department. As I understand the report and the gentleman's statement, the bill contains appropriations which are $14,356,000 less than the budget estimate.

Mr. GARY. That is correct.

Mr. GORE. The gentleman knows that the same subcommittee on which he now serves last year reported a bill $19,000,000 under the budget estimate.

Mr. GARY. I was not a member of the committee last year, and am not familiar with the amounts reported then.

Mr. DIRKSEN. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield to the gentleman from Illinois.

Mr. DIRKSEN. There came to the Appropriations Committee just a day or two ago a deficiency estimate for $32,000,000 for the current fiscal year 1947. So when you contemplate that, then match it against the cut in 1947 and the proposed cut in 1948 I think it is pretty apparent this subcommittee has done a very good job.

Mr. GORE. Mr. Chairman, will the gentleman yield further?

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

Mr. GORE. The gentleman from Illinois speaks of proposed cuts and proposals. I am speaking of what this subcommittee did last year and this year. This year you bring in a bill which is $14,000,000 under the budget estimate. Last year the same committee brought in the same bill or a bill on the same subject $19,000,000 under the budget estimate.

Mr. GARY. May I say that this committee worked on the bill before it. It did not consider last year's bill. I think it has done a very good job with the $14,000,000 reduction.

Mr. GORE. I was not undertaking to criticize the gentleman's committee. I think he did a conscientious job on the Post Office Department bill, but when you go into it you find that all of the proposals that had been made heretofore could not be lived up to and still give to the people rural mail service, city delivery, air mail service and rail transportation of the mail.

Mr. DIRKSEN. Mr. Chairman, if the gentleman will yield further, the subcommittee could have whacked out $100,000,000, but this subcommittee does not propose to do what has been done in previous Congresses, and that is to legislate by deficiencies. We mean to make it stick and to make it a real worth while estimate.

Mr. DINGELL. Nineteen hundred and forty-eight has not come around yet, so there is no deficiency.

Mr. DIRKSEN. Exactly. But we are anticipating 1948, and in the hearing it was very conclusively shown——

Mr. DINGELL. The gentleman from Illinois knows that you do not act on deficiencies as a justification for this.

Mr. DIRKSEN. Please let me continue. The Post Office officials said this is the best hearing that they have had on Capitol Hill in 20 years, as an indication of the care with which this committee approached its responsibilities, and it wants to make sure that it does not come back here for millions and millions of dollars at some time in the future.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield to the gentleman from Mississippi.

Mr. RANKIN. The question that disturbs me is—and I am getting a good

many protests—that they are attempting to balance the budget, we might say, on the farmers who are being denied rural electrification. Now, we could go to those farmhouses when the draft was on to get the boys to fight this war, and I am opposed to cutting one dollar off what is necessary to extend rural electrification to the farmhouses of this Nation.

Mr. ZIMMERMAN. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield to the gentleman from Missouri.

Mr. ZIMMERMAN. I have received quite a number of letters recently about growing towns down in my section of the State that want rural delivery such as cities have been enjoying for many years. They come back and say, "We do not have the money to give the people this service." In my district the Post Office Department wants to make some of our temporary carriers permanent. But they say, "We do not have the money." Now, I want to know what you have done in this appropriation with reference to giving enough money to give the people back home the service that those people are entitled to; that is what I want to know.

Mr. GARY. We have given the Post Office Department nearly everything they have asked for. We have cut their appropriation less than 1 percent.

Mr. ZIMMERMAN. Does the gentleman have a break-down to give some of the figures?

Mr. GARY. Yes.

Mr. ZIMMERMAN. What are you doing for rural delivery? I would like to know that because I am going to write these people where the trouble is and why they are not getting the service.

Mr. GARY. As to the rural delivery service, the budget estimate for 1948 was $129,367,000. We recommend in this bill $129,167,000, which is a cut of only $200,000.

Mr. ZIMMERMAN. Now, just a moment. You had evidence before your committee, if you tried to get the facts, that they did not have enough money to give the type of service that was needed throughout the country, because they have not had the money, and that is why we are not getting it. Now, I have concrete cases; I know what I am talking about.

Mr. GARY. All I can do is to speak from the record.

Mr. ZIMMERMAN. Why did you cut them?

Mr. GARY. Let me answer the gentleman's question, please, sir. The budget estimate for rural-delivery service was $2,759,000 less than appropriations for 1947. The 1947 appropriation and estimated deficiencies were $132,126,000. The Post Office Department only asked for $129,367,000 for 1948, and we gave them all of it except $200,000, and I dare say that is the smallest percentage cut that will be made in any item probably during this entire session.

Mr. ZIMMERMAN. What did you do for city delivery? My towns have grown down there 100 percent in some instances. They are entitled to it.

Mr. GARY. They asked for $295,638,000, and we gave them $295,300,000, thereby cutting the budget estimate $338,000.

Mr. ZIMMERMAN. Here is the point I want to get over: Rural delivery is growing, because when you build roads you make it possible for people to use them and they are entitled to that service under the established policy of this Government, and that same thing is true with your cities, where they grow; they are entitled to this service. They are entitled to it because other cities have been having it for many years.

The point is, if there is not enough money to expand that service I want to see that the people know where that cut comes from. A cut along that line is not justified unless there is strong evidence to support it. You have plenty of money to carry out that program. The people are entitled to that service.

Mr. GARY. May I say to the gentleman that there has been practically no cut at all. I stated in my opening remarks that this committee is fully cognizant of the fact that the Post Office Department is rendering a service which must be maintained at the very highest peak of efficiency, and we governed ourselves accordingly. That is the reason the cut in the Post Office appropriations has been only $14,356,000.

Mr. ZIMMERMAN. What did the budget call for on these items?

Mr. GARY. In one case the budget estimate called for $129,367,000, and we cut that item only $200,000.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. D'ALESANDRO. Mr. Chairman, I yield five additional minutes to the gentleman from Virginia.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield to the gentleman from New Jersey.

Mr. CANFIELD. For the benefit of the gentleman from Missouri, let me read the last three lines of this paragraph, on page 38:

> Necessary expenses of the rural delivery service, $129,167,000, of which not less than $200,000 shall be available for extensions and new service.

That is written in the bill.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield to the gentleman from Mississippi.

Mr. RANKIN. The trouble is that the Bureau of the Budget undertakes to cut down on the funds necessary for the extension of rural free delivery. I am not in favor of the budget legislating for me, as far as I am concerned. I have always taken that attitude. I am getting letters from the Post Office Department saying that these extensions of rural routes have been provided and allowed; they have been approved, but we cannot get money to make the extensions. While we are taking care of everybody else under the shining sun, it seems to me that regardless of the attitude of the Bureau of the Budget we could provide funds to extend rural letter service to those homes that we visited with the draft to get men to fight this war. I do not care what the Bureau of the Budget says about it; I am in favor of providing the funds to extend rural electrification and rural free delivery both to every farmhouse in America.

Mr. GARY. I think this committee has done just that. If we have erred it has been an error of the head and not of the heart, because I personally do not yield to the gentleman from Mississippi or to any other Member of the House in my desire to furnish the people of this country the proper rural mail delivery.

Mr. RANKIN. I will say to the gentleman I was not criticizing the gentleman from Virginia.

Mr. GARY. I understood that.

I think it is fair to say, Mr. Chairman, that under the recommendations in this bill it is estimated there will be during the next fiscal year a deficit of $335,000,000 in the Post Office Department. We hear a lot of talk of subsidies. That deficit of $335,000.000 means that the Government is subsidizing certain users of the mail approximately $235,000,000, as it is estimated that it costs about $100,000,000 to carry the Government's free mail.

The House attempted to remedy that situation last year. Before I was appointed to the Committee on Appropriations I had the privilege of serving as a member of the Post Office Committee. I sat on that committee when we reviewed a study that had been made by experts brought into the Post Office Department to determine what changes should be made in the rates of the mail service to put the department on a self-sustaining basis. After lengthy hearings, the committee reported out a bill to increase the rates on catalogs. It passed the House by a very large majority. We then reported out a bill to increase parcel-post rates. That bill also passed the House by a very large majority. We then held hearings on the rates on books, but since the two bills we had passed were resting quietly in the committee of the other body and no action was being taken, further hearings were suspended and no other bills were reported out.

Another study has been made and the Post Office Department has submitted certain recommendations to the Congress with reference to rates. If we are really serious in wanting to put the Post Office Department on a self-sustaining basis, we will have an opportunity to do so later in the session when bills providing for increased rates will be presented to the House. I think we should give those matters very serious consideration because there is at the present time only one classification of mail that is paying its way, and that is the first-class mail, which is more than paying its way. What we should do is to raise the rates on the classifications which are being subsidized at the present time, and thus put the Post Office Department on a self-sustaining basis.

Mr. CANFIELD. Mr. Chairman, I yield 1 minute to the gentleman from Oklahoma [Mr. RIZLEY].

Mr. RIZLEY. Mr. Chairman, for weeks and months last year the Federal Power Commission held hearings throughout the country in respect to

natural gas and the natural-gas industry. Their report to the Congress as a result of these hearings is long overdue.

Friday of last week, however, several days after I had introduced H. R. 2185, which would spell out their authority under the Natural Gas Act, and after similar bills were introduced by Representatives CARSON, of Ohio, and DAVIS, of Tennessee, and by Senators MOORE, of Oklahoma, and FERGUSON, of Michigan, they issued what purports to be a staff report accompanied by press releases, which in part agrees with one of the main purposes and objectives of my bill.

The report and the press releases disclaim authority of the FPC over the production and gathering of natural gas. Such disclaimer would not now be necessary had the Commission followed the clear intent of Congress as expressed in the Natural Gas Act. Production and gathering of gas in the field of its origin have always been recognized by the Congress as matters to be regulated by the several States. Production and gathering are inseparable from conservation of oil and gas, and conservation has always been held to be a prerogative of the State.

If the logic and reasoning in the so-called staff report is sound, then certainly the need for one of the main provisions contained in the legislation which the other Members of Congress and I have offered is obvious; namely, the provision specifically excluding from FPC jurisdiction the production and gathering activities and sales of natural gas.

The staff report admits that Congress never intended that the FPC have jurisdiction over these activities, but the same report likewise reveals that the Commission has in the past reached out and taken jurisdiction in questionable cases. The report goes on to say that the situation could be clarified better by administrative action of the FPC than by legislative action by the Congress.

If the FPC is to be given this power and authority without congressional direction, just how far would it go in excluding production and gathering from its jurisdiction, since it says that definite standards cannot be specified in advance of a study of the facts in each individual case? Would any responsible individual, be he producer or gatherer, be satisfied with any such proposal? Those who sell their gas to the interstate pipe lines would have no way of knowing whether or when FPC would attempt to take jurisdiction over them.

A reading of this FPC document certainly confirms the fact that Congress must specifically define the area in which the FPC may operate. My bill clearly states those limits and would by congressional mandate let the FPC and likewise the affected producers know exactly where they stand.

Assuming that the present members of the FPC understand this matter thoroughly and will seek to carry out and construe the act as Congress originally intended that they should, who can say with any certainty how long the present members of the Commission will continue to serve? Another set of Commissioners might reverse the administrative policy to which the present members subscribe and have agreed. That very thing has happened before; it might happen again.

If the present members of the Commission are agreed, as the report would seem to indicate, that the FPC under the clear intent of the Natural Gas Act is not authorized to take jurisdiction over production and gathering, then they should have no objection whatever to having the act amended so that it will be plain and unequivocal.

It occurs to me, however, that the FPC like numerous other agencies and bureaus which have been for many years interpreting the laws enacted by the Congress in such a way as to give them the broadest possible power without restraint, merely wants to head off legislative action that would curb its power.

When the Interstate case was in the fifth circuit court, the FPC had ample opportunity to acknowledge its limitations with respect to production and gathering. It turned a cold shoulder to this opportunity.

There is only one conclusion that can be reached, and that is that the FPC wanted this broad authority so that it could be in a position to take under its jurisdiction any oil or gas operator whom it wanted to. Thus far the FPC has been quite successful in having its position upheld by the courts. Hence, I raise this question: Since the law under the Interstate ruling authorizes FPC jurisdiction over the operator of every well from which gas is destined for interstate commerce, why does it not enforce the law?

The Commission is now in this position: It must either enfore the law, bring all of the operators in under its jurisdiction, or it would certainly be guilty of ignoring the law. Should it try to enforce the law as now determined by the Interstate case, certainly the Commission will be in trouble with Congress. If it ignores the law, and just selects certain particular operators it wants to bring under its jurisdiction and lets the others go, then it is guilty of discrimination.

There is only one proper answer to all of this confusion, and that is to let the Congress write into law the standards and make sure the FPC carries out the congressional mandate. That is the sole purpose that those of us who have introduced the amendments to the Natural Gas Act have in mind. The offered amendments will do just that. Confusion and uncertainty among oil and gas producers, land owners with producing gas wells on their lands, owners of royalty interests, State officials, consumers, and the gas companies, have been created by the FPC. It now asks to be trusted to cure its own mistakes and deviations from the law. Theirs is the old familiar plea of administrative agencies for all-out authority. This leads to Government by men, instead of Government by law. That is why Congress should act quickly and spell out in no uncertain terms just what authority it intends that the Commission shall have in relation to the natural-gas industry.

Mr. CANFIELD. Mr. Chairman, I yield 19 minutes to the gentleman from Ohio [Mr. GRIFFITHS] a member of the committee.

Mr. CASE of South Dakota. Mr. Chairman, before the gentleman proceeds with his address, will he yield to me for the purpose of directing an inquiry either to him or to some other member of the subcommittee?

Mr. GRIFFITHS. I yield.

Mr. CASE of South Dakota. Is there any restriction provided in the bill upon the use of funds from the Treasury for the procurement of silver? The gentleman from Illinois in years gone by has given a good deal of attention to the matter of silver purchases. I wonder if there is a silver-purchase fight in the offing on this bill.

Mr. DIRKSEN. No.

Mr. CASE of South Dakota. There is nothing in this bill?

Mr. CANFIELD. There is nothing in this bill with reference to that at all.

Mr. CASE of South Dakota. I thank the gentleman.

Mr. GRIFFITHS. As a new member of this committee who has been sitting here for the last 4 years, I have noticed that every time one of these committees came with a bill they started handing out orchids to the chairman and other members of the committee; and it made me a little shaky. It rather got under my skin. But I have had an education. I really want to add my word to this hardworking committee and our chairman, to the Members on the minority side, the gentleman from Maryland [Mr. D'ALESANDRO] the gentleman from Virginia [Mr. GARY] and the gentleman from Kentucky [Mr. BATES]. If you worked mornings and afternoons and nights trying to keep up with them, then you will see that you have a job. There is not much on this bill that I am going to speak about.

Previous speakers have alluded to the wealth of material appearing in the printed hearings on this bill, and I would like to emphasize that they are well worth reading. They contain some great lessons in the functions and operations of our Government. Certain testimony will certainly impress the reader with the efficiency of parts of the Government. Unfortunately, a few places show waste, extravagance, and maladministration. One of these is the Coast Guard, and some of their sorry examples have been recounted by the previous speakers.

I would like to add a little to that picture. As we all know, the Coast Guard becomes a part of the Navy in time of war, and it was only a little more than a year ago that this agency returned to the Treasury Department after its naval service in World War II—a service, let it be said, that was highly creditable and a contributing factor to victory. On page 661 of the hearings you will find a high ranking officer of the Coast Guard, Captain Richmond, referring to it as "an auxiliary of the Navy." On the same page, shortly before, he had said in answer to a question by the chairman, "not being too familiar with what the Navy is doing now, I cannot answer that directly." Captain Richmond is Chief of the Planning and Control Staff of the Coast Guard, which he calls an auxiliary of the Navy, yet he is not familiar with what the Navy is doing.

The Coast Guard is maintaining three training stations, including the Coast Guard Academy at New London, Conn. At the Academy there are 345 cadets and a staff of 51. The training schools are located at Mayport, Fla., and Groton, Conn. At the present time there are 800 men at these schools, but Captain Richmond testified that the normal enrollment would be about 400. On page 659 you will find a discussion of these schools, but you will find no cogent reason why one of these schools could not be closed down. It may be true that one school is for boot training, and one is for petty officers. Is there any reason why both groups could not be trained in the same location, under one administrative set up? No such reason could be given by the Coast Guard. Certainly 800 men could be stationed at one base without overcrowding, and without lessening the amount and value of the training received.

I asked Captain Richmond what happens to these men when they finish this boot training. He stated that they come out as apprentice seamen or seamen second class, or firemen second class, and then are sent to sea or to some shore facility. There they would be advanced, and the better ones might become petty officers, through taking correspondence courses. He does not have to attend the school for petty officers at Groton. While talking of petty officers, it might be said that the Coast Guard today has 19,500 enlisted men. Twelve thousand of these are petty officers—more than one half of the total enlisted strength. Fifteen percent of the people in the Coast Guard are officers. Sixty percent of the enlisted personnel are petty officers. Surely there should be no lack of supervision for the 25 percent that are the seamen.

Getting further into the training program, I could not help but wonder why we should have two sets of schools turning out seamen: the Navy and the Coast Guard. These men man ships that are not too dissimilar. Coast Guard cutters are very much like Navy destroyers. In the war they did the same work. Coast Guard men and Navy men both manned our amphibious craft. Coast Guard men sailed many of our transports. Unification of our armed services is a much-talked-of subject these days. Duplication of effort between the Army and Navy is to be eliminated. Why not eliminate the duplicate training programs of the Navy and the Coast Guard? Why cannot all our seamen be trained in the same boot camps? Summed up into one word, Captain Richmond's answer was "jealousy" The Coast Guard is afraid the Navy would take the best men, and the Navy is afraid the Coast Guard would take the best men. The Coast Guard today does not send many men to Navy trade schools because when they do, the Navy wants them to furnish some of the instructors. This the Coast Guard will not do. So they set up their own school. It could even be in the same building as the Navy school, although it would be more in keeping with the Coast Guard administrative practices for them to buy the building next door to set up an identical school.

Mr. BONNER. Mr. Chairman, will the gentleman yield?

Mr. GRIFFITHS. I yield.

Mr. BONNER. The gentleman will recall that at the beginning of the war the Coast Guard had the job of training merchant seamen for the Maritime Commission.

Mr. GRIFFITHS. Yes.

Mr. BONNER. Now there is a distinct and separate training branch for merchant seamen. They could very well be taken care of by the Coast Guard under this training program in my estimation.

Mr. GRIFFITHS. That is correct.

Mr. BONNER. I wonder what the gentleman from Ohio and the Appropriations Committee will do when this additional fund is asked for an identical training program.

Mr. GRIFFITHS. Does the training of the merchant marine come under the Coast Guard?

Mr. BONNER. The request will be for a separate and distinct training program similar to the Coast Guard training program.

Mr. GRIFFITHS. I cannot see any reason why this whole thing should not be consolidated.

Mr. BONNER. I agree with the gentleman.

Mr. GRIFFITHS. I come now to the Post Office Department. The committee received another example of maladministration, and that in the Post Office Department's office of the Solicitor, which the chairman mentioned. In this instance, however, it is good to know that the error has been corrected, and that Mr. F. J. Delany, the new Solicitor intends to see that the duties of his office are carried out fully and carefully. One of the most important of these duties is representing the Post Office Department in mail-rate cases. The Post Office does not bargain directly with the carriers—the railroads and the air lines—as to rates for carrying mail. Such rates are fixed by the Interstate Commerce Commission for railroads, and the Civil Aeronautics Board for the air lines. There has been no change in railway mail rates since 1928, but just 2 weeks ago the railroads filed their first application for a change since that time, and they are now asking an increase of 45 percent. This would require about $55,000,000 a year more. The Post Office Department will be represented, and will take an active part, in the hearings which the Commission will hold on these applications. The rate that is fixed by the Commission after such hearings will be retroactive to the date the application was filed, which was last February 14. Mr. J. D. Hardy, Deputy Assistant Second Postmaster General, made the following statement to the committee, appearing on page 143 of the hearings:

> We are really at the mercy of the Interstate Commerce Commission, because whatever rate they fix, we must pay. I think we can properly anticipate a rather substantial increase.

This bill carries $145,000,000 for railway-mail and mail-messenger service. A little more than $112,000,000 of this will go to the railroads. This money will go to 250 railroad companies, and covers payments on 512 railroad routes. These railroad-mail payments are discussed on pages 194 through 200.

The Post Office Department might also be said to be at the mercy of the Civil Aeronautics Board on air-mail rates. At present, air-mail routes cover approximately 77,000 miles, covering 82 routes, serviced by 20 carriers. Charts appearing on page 234 of the hearings will show air-mail postage revenues, payments to carriers, and total air-mail expenditures. In the past 10 years, revenues have exceeded payments to carriers in 7 years, including the period 1941–46. Air-mail revenues have exceeded total air-mail expenditures for the last 3 years for which figures are available. Last year, the appropriation for domestic air mail—this entire discussion is on domestic air mail, for foreign air mail is carried in another appropriation—was $49,000,000, but the volume of mail fell far below expectations, and the expenditures amounted to only about $33,700,000. This bill carries an appropriation for the item of $37,000,000, which will permit an increase in volume, and such can be expected because the reduction in air-mail rates from 8 to 5 cents is increasing the volume.

The payments to air-mail carriers do constitute a subsidy. The Civil Aeronautics Act of 1938 provides that the Board shall consider the need of the carrier for mail compensation sufficient to enable the carrier to perform the postal service, and sufficient, together with the other revenue of the carrier, to enable the carrier to carry out or effect the transportation objectives in the way they are supposed to be carried out. That is, to maintain and continue the development of air transportation in the interest of commerce, the national defense, and the postal service. It is therefore indicated that the act comtemplates that if the carrier is certificated, which would mean that the CAB has found it in the public interest for any of those three objectives, post-office funds will be paid out for mail service which will more than support just the mail part of it.

In other words, the post office, through this appropriation, is subsidizing the air lines. It is not within the province of the Appropriations Committee to change this, and while we are appropriating funds to carry the mail, we must also meet the rates charged by the CAB to subsidize the air lines. Testimony on this subject was obtained by an officer of the Civil Aeronautics Board, called before our subcommittee so that we might have the complete picture, and is found on page 209 of the hearings. Illuminating testimony on what we may expect in this field in the near future appears on page 147 of the hearings, and there you will note that when air lines run into financial difficulties, they look to the postal service to extricate them. Air lines are running into such difficulties today, and the post office may have to foot the bills.

We hope that the Solicitor, by actively representing the post office in rate

and certification cases, can effect some savings. It is much to be regretted that such representation was not carried out in past years.

I have cited two examples of poor administration, and before I conclude, I feel that I should point out one case where a department itself was able to recommend a reduction of more than $1,500,000. The Third Assistant Postmaster General, Mr. J. J. Lawler, believes that he can operate his office on that much less money in 1948. It is rare that a Government official comes before a congressional committee and says, "I spent almost $13,000,000 last year, but next year I think I can get along on a little more than $11,000,000." If more Government officials followed the example of Mr. Lawler, the work of the Appropriations Committee would be much more pleasant, and good government would be better served.

The Third Assistant Postmaster General is the fiscal officer of the Post Office. Under his jurisdiction comes the vast Postal Savings System, which has over $3,000,000,000 on deposit, most of it invested in Treasury bonds. There is no appropriation in this bill for this system, except indirectly in that some clerical work is required in the administrative offices. The Postal Savings System is a bank and pays its own way. Its profits in 1945 were about $14,000,000.

The Third Assistant is also charged with the manufacture and distribution of stamps and stamped paper, and $7,400,000 of the $10,300,000 appropriated in this bill for his office goes for this purpose. About 18,000,000,000 stamps, 2,500,000,000 stamped post cards, and 2,100,000,000 stamped envelopes will be issued in 1948. For those who are interested in stamp collecting, I would suggest reading pages 255–259 of the hearings. The expense to the Post Office Department of running the Philatelic Agency in the Post Office in 1948 will be about $217,000, and the receipts are expected to exceed $3,000,000.

This Bureau of the Post Office Department also must pay out money on money orders more than one year old, for which $600,000 is carried in this bill. This is another item where Mr. Lawler suggested a savings, even going so far as to tell the committee that the decline in redemptions had been so great since the original estimates were prepared that a sizeable reduction could be made in the estimates. Money orders were used as currency and savings during the war, particularly by troops abroad, and the decline in this activity permits the contemplated savings.

The other item completing the Third Assistant's appropriations is indemnities for loss of registered mails, and this will call for $2,300,000 in fiscal 1948.

I may say that with the possible exception of two witnesses we had before us, every single, solitary man wanted to do the very best job he could whether in the Treasury Department or in the Post Office Department. I believe Mr. Hannegan would rather go down in memory as the greatest Postmaster General than as the greatest chairman of a political party.

But, you know, somehow or other you cannot get quite to the root of it, and if this Congress could work out some scheme to lay before those bureaus and say that within 6 months from now they must come up here with specific recommendations, and then make them follow that policy, then I think we will have a better chance of balancing the budget.

Mr. HINSHAW. Mr. Chairman, will the gentleman yield?

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

Mr. HINSHAW. The gentleman quoted the record on page 147, to show that the postal revenues for airmail were $81,237,389, and that the expenses were $49,937,041, showing excess revenues over expenses of $31,300,000. Does the gentleman call that $31,300,000 excess of revenues over expenses a subsidy?

Mr. GRIFFITHS. I call it that in this way: According to the law, if you get a certificate to run an airline, we will say, between points A and B, and you lose money, you can go to the Post Office Department, and they will pay your deficit.

Mr. HINSHAW. I was asking about this $31,300,000. Some people seem to have the idea that that is a subsidy to the airlines. Actually it is a profit to the Government, is it not, over what they pay the airlines, for the carrying of the mail?

Mr. GRIFFITHS. What they receive over what they pay may be a profit, but in certain cases they have had to go beyond and pay for more than they carried.

Mr. HINSHAW. The Committee on Interstate and Foreign Commerce, of which I am a member, voted out a bill from the committee a couple or three years ago, that did not reach the floor, which indicated quite clearly that in the interest of national defense it was advisable to operate certain routes not at a profit, and I am speaking now of mail profit. Those routes were operated with a very small mail load for the purpose, I suppose, of giving a reason to install certain navigational aids, landing fields, and so forth, used and useful in the national defense and, likewise, have served national defense in days past. Now that, we recognize, is not a profitable business for the Government. On the other hand, no one yet has made any comparison of the actual value of the service performed in carrying the mail by the air lines to the cost of doing that service that the air lines undertake. Now, the value of the carriage of the mail should have some reference ordinarily to the cost of doing business, should it not?

Mr. GRIFFITHS. I will say to the gentleman from California, yes, insofar as I really believe in it. Possibly there may be some other way, because we must have the air routes and our air transportation, but I am quite sure that we should hold the Post Office Department responsible for the deficit that that might result in.

Mr. HINSHAW. Of course, the Post Office Department was the department of Government that really instituted the air-mail system and called upon the public to provide that service, and they continued to call upon the public to provide air-mail service.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. CANFIELD. Mr. Chairman, I yield the gentleman from Indiana [Mr. SPRINGER] such time as he may desire.

Mr. SPRINGER. Mr. Chairman, during the general debate upon this pending measure, H. R. 2436, it is my desire to commend the Appropriations Committee, and the subcommittee which has handled this measure, for the sound and constructive reductions that have been made in this bill. The very fact that a decrease of $897,072,750 is made below the 1948 estimates will be heartening to the people of this country. These appropriations have been mounting higher and higher for a long time, and I feel confident that this reduction, made in this measure, will be reassuring to the people, that we have started in the right direction—in the direction of economy in our Government.

The fact is, Mr. Chairman, that the appropriations heretofore made have been in such staggering amounts and they made possible the addition of many, many more Government employees, thereby increasing the pay roll in the departments here involved, has caused the people—the taxpayers of the country—to abandon all hope that their own Government would, at any time, make a firm resolve, and keep it, to reduce the Federal spending. Therefore this measure which is now presented will be hailed with acclaim by the people of the Nation as the first step taken in the right direction—and that direction is toward the reduction of the Federal spending of the taxpayers' money. I mention this fact because the people have watched the mounting appropriations, in the many and various departments of Government, until they were appalled by that apparently reckless abandon on the part of the majority which were in power before January 3, 1947. Now the change has occurred—and we find that this particular appropriation is reduced, and the House of Representatives has taken this step to assure that there will be a reduction in the fund allowed for spending and also that the needless and useless employees in those departments will have to go. This has a wholesome effect throughout our Nation, because the people are bowed down under the burden of taxes, and this reduction—together with many other reductions that will surely follow—will reassure the people that the tax burden will be readjusted and that their burden of taxation will be relieved insofar as possible.

Mr. Chairman, may I subscribe wholeheartedly to this necessary change in the policy of our Government, at this time. We are faced, on every hand, with demands for aid. Europe waits for our money with open hands, for almost every claimed emergency. In many instances we have been gullible, and very generous—responding to almost every demand. The end of that road has been reached, and now we must look, to some extent, to our own country and to our own needs, and the greatest factor that we can possess is the fact that we have

made our own Nation both sound and strong. That can be accomplished in but one way, and that one way is by the building and development of a strong nation financially—one which can cope with any and every emergency. A weak nation—or any nation which is overburdened with debt—or a nation which has no reserve in the hands of its people—faces a crisis if and when she meets an emergency. While we do not contemplate any emergency, yet we must prepare to meet the future, and that can be best accomplished when we are sound and strong as a nation. It is my hope that those in charge of all future appropriations will guard the Treasury of the United States, and by so doing they will guard the people—the taxpayers—of this Nation. That the reserve left in the hands of the people will aid in the development of the progress in our Nation, and such a policy will revive the ambition to go forward in the arts and trades in civil life during the postwar period, all of which will aid civilization generally in the march of progress as we desire to witness it.

Therefore, Mr. Chairman, I merely rise to commend all those who have participated in this very deep cut in this appropriation bill. Our Government must get along without spending all of the resources in our Nation in time of peace, and the needless and unnecessary employees now upon the pay roll must go. That is the wish and the will of the people, and that is the wish and will of a majority of the Representatives of the people serving them in the National Congress.

The CHAIRMAN. The time of the gentleman has expired.

Mr. D'ALESANDRO. Mr. Chairman, I yield 15 minutes to the ranking minority member of the Committee on Appropriations, the distinguished gentleman from Missouri [Mr. CANNON].

Mr. CANNON. Mr. Chairman, the efficiency of an artisan is determined largely by the excellence of his tools and the success of an executive depends to a great extent upon the competence of his staff. The Committee on Appropriations is no exception to the rule. We have had a staff of exceptional qualification and ability which has cooperated to produce the greatest volume and quality of work. So it is a matter of deep regret to us today that we lose, with the final disposition of this bill, one of the highest-ranking members of that staff, Jack McFall, who appears here on the floor with the committee for the last time.

Mr. McFall has been in the service on the Hill for almost a quarter of a century. He has been with the Committee on Appropriations for something like 19 or 20 years. His work with the committee was interrupted during the war, of course, by his naval service abroad. He went across as a naval lieutenant and came back as a naval commander with a record for creditable and distinguished service. He resumed his place with us and has been with us since that time but leaves us this month to enter the diplomatic service, for which he is particularly qualified.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. CANNON. I yield to the gentleman from New Jersey.

Mr. CANFIELD. I think the distinguished former chairman of the committee will agree with me when I say that Jack McFall not only looks the part of a diplomat but acts the part.

Mr. CANNON. That is self-evident. I am glad to find myself in complete agreement with our chairman on this as well as on many other matters under discussion this afternoon. And may I take advantage of the opportunity to felicitate the chairman on the admirable way in which he has handled the hearings on the bill and his very effective presentation of the bill both in the committee and in the House. I have no doubt that he, like the rest of us, has considered himself fortunate in having the benefit of Jack McFall's counsel and advice on many of the intricate problems carried in the bill. We regret to see him go. We have offered every inducement to keep him. We have offered him the highest salary ever paid any man on the staff, up to the beginning of this Congress. But his heart is in the diplomatic service, and the tact, diplomacy, and capacity which have characterized his work for the committee will stand him in good stead in his new field. So, reluctantly and regretfully, we have consented to let him go, although this is a most inopportune time for us to dispense with his services. I am certain not only the committee but the House join with me in wishing him Godspeed and good luck and the continued success I am certain he will have.

Mr. Chairman, this bill is notable in another respect. Never before has an annual supply bill been reported to the Congress so late in the session. Here we are approaching the ides of March, and this is the first of the annual bills called up in the House for consideration. In the history of the Republic, since the administration of President Washington, never before has the first major appropriation bill been reported so late in the session. By this time last year we had considered and passed four of the annual appropriation bills, the independent offices bill, the agricultural bill, the civil functions of the War Department bill, and the Treasury and Post Office bill. Of course, for many years we brought in and passed all appropriation bills before the constitutional date of March 4. I appreciate the fact that there has been delay incident to the organization of the committees. But we have had notice since November 5 of the situation and, in any event, the delay is without precedent.

Mr. Chairman, this bill is extraordinary in another respect. It is the first and the most significant indication as to the intention of the leadership of the House and the Congress to carry out the great and laudable program of efficiency, retrenchment, and economy which was so strongly emphasized in the campaign last November.

It is immaterial, my friends, whether the sum named in the resolution reported out by the Joint Legislative Committee on the Budget is $6,000,000,000 or $4,500,000,000. The cut eventually proposed in the resolution, and agreed to by the two Houses, means nothing unless corresponding and proportional amounts are cut from the supply bills as they are presented to the House. For some months now the attention of the country has been centered on the overall cut to be made in congressional appropriations and in recent weeks the report of this bill has been eagerly anticipated. Every statement emanating from the leadership of the House indicated vast reductions in amounts and wholesale dismissals of personnel. We waited with bated breath. And here, at last, is the long publicized bill. Here we have the first opportunity to judge the sincerity of these protestations of economy and retrenchment. Here is the first installment of the $6,000,000,000 reduction and the million and a half separations from the Federal pay roll.

What does it propose? Why, Mr. Chairman, it is unbelievable. Instead of the huge cuts we have been led to expect, this bill actually cuts the budget less than we cut it in the last session—when we were still on the way back to a peacetime status.

Here is the largest appropriation bill of the session. It comprises in round figures, practically a third of the budget. If we ever propose to make a reduction in the expenses and pay rolls of the Government here is the place to make it. If they cannot cut any part of $6,000,000,000 out of a third of the budget, how can they cut $6,000,000,000 out of the remaining two-thirds of the budget?

As has been said, this bill cuts the estimates for the Post Office Department only $14,000,000. Why, we cut the Post Office budget last year $19,000,000. And that was not the most significant feature of it. They are cutting the $14,000,000 this year from a budget which exceeds $1,500,000,000. Last year we cut $19,000,000 from a budget of only $1,200,000,000.

My good friend, the distinguished gentleman from Illinois, says: "Well, last year we had some deficiencies."

In view of that statement, the question naturally arises as to whether further appropriations are contemplated if this bill fails to provide for the Department to the end of the fiscal year? Is a choice to be made between a deficiency appropriation and discontinuation of service? That is the alternative. Will more money be provided or will delivery of the mail be stopped?

But let us not lose sight of the primary issue. Our objective here is to deliver the first installment of the promised six billion cut in the budget, and the first contingent of the million—some promised a million and a half—dismissals from the swollen Federal pay rolls. Where are they? Where are the billions of cuts and the million of dismissals—or any part of them.

You cannot point out a single dismissal in the entire Post Office Department.

If the first and largest appropriation bill to be reported to the House is to be taken as a fair sample of the redemption of these campaign pledges of retrenchment, the country is headed for a sad disillusionment by the time the last bill of the session is reached.

My friends, I am distressed and disappointed. I had hoped to cooperate with the House leadership in real economies—in the liquidation of all wartime expenditures and the reduction of the budget to a peacetime basis. I deplore and deprecate the reckless and profligate extravagance of these spenders who now refuse to cut the budget on a $1,500,000,000 estimate as much as we cut it last year on a $1,200,000,000 estimate.

Mr. GORE. Will the gentleman yield?

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

Mr. GORE. Do I understand that in this bill which provides for 490,000 bureaucrats in the Post Office Department not one bureaucrat is cut off?

Mr. CANNON. Not one single bureaucrat. Not a single Communist. Not a single boondoggler. Of all the teeming hordes of parasites and chiselers and loafers and fan dancers and subversives we were told last November were infesting the Departments of the Government, not a single one is being separated from his soft job in the entire Post Office Department. Every one of them is being retained by this bill—at the largest salaries ever paid in the history of the Government.

Mr. BATES of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. CANNON. In just a moment. If the gentleman will permit me to conclude my statement. Even such purported economies as are reported in the bill are not economies at all. For example the $800,000,000 in tax refunds they propose to "save" here cannot be construed as a saving by any stretch of the imagination. Let anyone show us where it will save a penny.

Mr. BATES of Massachusetts. Will the gentleman yield there?

Mr. CANNON. I yield to the gentleman from Massachusetts.

Mr. BATES of Massachusetts. The gentleman is a member of the Appropriations Committee and I believe the senior member of the minority. I presume the gentleman sat in the hearings at the time the subcommittee made its report. Did the gentleman make any effort in the committee to reduce any of the bureaucrats he is speaking of? Where can these cuts be made?

Mr. CANNON. My friend is certainly aware that I was completely overshadowed by the overwhelming majority which completely controlled the committee. I regret to say that under the circumstances I was merely a bystander standing by, an onlooker looking on. I was for the economy program. I was for retrenchment. I was for reduction. I have repeatedly said on this floor that I favor reducing the budget more than $6,000,000,000. That is not an idle statement. It is borne out by our record in the last Congress, in which we not only excised $64,000,000,000, but cut the estimate on this identical appropriation $19,000,000 whereas this year you propose to cut it only $14,000,000.

You say you are saving $800,000,000 on tax refunds. You are not saving a thin dime. Every penny of it must be paid. Nobody denies that. It is the law. If a man overpays us on taxes, we must return the surplus. We have no alternative. So, your proposal here is merely to defer the inevitable day of settlement.

Mr. DINGELL. Mr. Chairman, will the gentleman yield?

Mr. CANNON. I yield to the gentleman from Michigan.

Mr. DINGELL. I think the only reason that was put in the report is because it is a big figure, even if it does not mean anything.

Mr. CANNON. Exactly. Let us examine it a little more closely. They say the amount required for the purpose was overestimated.

If in the past this item had, from year to year, been overestimated, such a charge might be plausible. But what is the history of the estimate? Last year the Department, in estimating the money required for this item, underestimated it. The year before, in estimating money for the item, they also underestimated it. For every year from the beginning they have consistently underestimated it. I was told by representatives of the Treasury Department, when they came up here the other day to testify before the committee, that, in their opinion, they had again underestimated it.

Who is entitled to credence in such matters, departmental officials who have had many years of experience in the administration of the law—and who have consistently underestimated it—or Members of the House who have taken a cursory glance at it and claim it has been overestimated? Permit me to refer to the opinion of an impartial commentator on that point. I read from an editorial in this morning's Washington Post——

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. CANNON. Just as soon as I read this brief paragraph.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. GARY. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. CANNON. I read from an editorial in this morning's issue of the Washington Post:

> The amount of overpayments next year is at best only an informed guess. But we are disposed to place more reliance on the guesses of Government experts than on the opinions of the House Appropriations Committee. In any event, a mere cutting of the estimates of prospective refunds will not save money. It will simply necessitate passing a deficiency bill if the lower estimates prove inadequate and probably delay restitution to taxpayers. Hence, we conclude that Democratic charges of "budget legerdemain" are well warranted.

This is a fair sample of the opinion of the public and the press. Up to this time no editorial comment has been received taking issue with this point of view.

The postponement of the day of accounting is not an economy. It will not effect a saving of money or result in any other advantage to the Treasury or the taxpayer.

On the contrary it will result in serious disadvantages. The delay in making the appropriation will not only disorganize the very satisfactory system in use for many years but it may delay the payment of money due taxpayers who are entitled to a refund. Conceivably the amount provided in the bill may not be sufficient to take care of payments until a deficiency bill can be passed. It might not only discommode the taxpayer but it would involve a heavy expense to the Government in interest charges. Amounts overdue draw interest at the rate of 6 percent. If, as the Washington Post suggests, the Treasury's estimate should prove correct and there should be a consequent delay of but three months in providing for the deficit, the provision in the bill would add to—not take away from—the budget, $12,000,000, and $4,000,000 more per month for each additional month of delay.

Mr. ZIMMERMAN. Mr. Chairman, will the gentleman yield?

Mr. CANNON. I yield to my colleague from Missouri.

Mr. ZIMMERMAN. Does the gentleman mean to tell this Committee today that if we do not pay the refunds that are found to be due that we are going to have to pay these men back interest on it?

Mr. CANNON. Certainly; interest at the very substantial rate of 6 percent.

Mr. ZIMMERMAN. Six percent? Is that economy?

Mr. CANNON. That is the brand of economy carried in this paragraph of the bill.

Mr. COUDERT. Mr. Chairman, will the gentleman yield?

Mr. CANNON. I yield to the gentleman from New York.

Mr. COUDERT. The distinguished former chairman of the Committee on Appropriations has heavily belabored the point of the estimate on refunds. Does the gentleman contend that the Appropriations Committee is not within its legitimate and proper right in making such estimate for itself and substituting its own estimate for the Bureau of the Budget's estimate? Or would the distinguished gentleman from Missouri have the Appropriations Committee as a matter of principle and without further consideration merely accept the estimate of the Budget Bureau even if in its own best judgment they disagreed with it?

Mr. CANNON. They should accept the estimate unless they have evidence on which to base a contrary opinion. No such evidence appears in the hearings.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. CANNON. I am glad to yield to the distinguished chairman of the subcommittee.

Mr. CANFIELD. Does the former chairman of this committee contend here and now that the Treasury made this estimate on tax refunds?

Mr. CANNON. Yes; this estimate was made by the Treasury Department. It has been made by the Department for many years.

Mr. CANFIELD. I beg to disagree with the gentleman. The estimate was made by the Bureau of the Budget, not by the Treasury Department.

Mr. CANNON. The system under which the estimate was made has been in effect——

Mr. CANFIELD. The estimate was made by the Bureau of the Budget, not the Treasury Department.

Mr. CANNON. The Treasury Department made the estimate and transmitted it to the Bureau of the Budget. All departmental estimates are submitted through the Budget Bureau. But that is beside the point. The question is not what governmental agency made the estimate but whether the estimate is accurate.

And the prime consideration is not who made the estimate but whether eliminating the appropriation in this bill will save money. The report does not claim that this postponement of funds for tax refunds will result in the slightest saving. No one in the entire debate here on the floor today has contended that it will save a penny.

And in the meantime while the committee is shadow-boxing this $800,000,000 item out of the ring to await the next bout—in which it is certain to register a knockout against the committee's claims of economy—the committee is failing to make even a modicum of the cut which would have to be made in this bill in order to contribute its part to the proposed cut of $6,000,000,000 in the budget and a million and a half reduction in departmental personnel.

Mr. Chairman, I shall vote for whatever legislative budget is finally reported out of conference, not with any idea of committing myself to the ceilings ultimately determined upon, but because an affirmative vote is an evidence of intent and purpose to retrench to the minimum, and because retrenchment is in keeping with the consistent and collective policy we have followed on this side of the aisle through the last several sessions of Congress; not arbitrary cuts unsupported by evidence; not cuts in the nature of deferments, made to establish an economy record for political advantage, but cuts in the public interest which will result in lasting lessened demands on the public purse.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. CANFIELD. Mr. Chairman, I yield 10 minutes to the gentleman from Connecticut [Mr. MILLER].

Mr. MILLER of Connecticut. Mr. Chairman, I want to call the attention of the committee to an item in this bill, found on page 23 commencing with line 18 and running through to line 12 on page 24, having to do with ceilings on the price of typewriters bought by the Federal Government. I have the highest regard for the membership of this committee and for my colleagues in the House and I feel very sure that if they had had the time to devote to looking into this particular detail that they perhaps would like to have had, this language would not be found in the bill. If I fail in the 10 minutes available to me this afternoon to convince them that they should join with me in a move to strike this language from the bill, I can only conclude that I have not properly presented the matter to them and to other members of this committee.

I appeal this afternoon to the fairness of my colleagues. This matter of setting a price ceiling on typewriters bought by the Federal Government is an old custom established by the Appropriations Committee first in 1913. I am advised that it would be possible to make a point of order and have this language stricken from the bill due to the fact that it extends the limitation not only to this bill but to any other act; however, I would rather present the matter on its merits and hope the committee will decide not to continue this unfair practice which in the next year or two may prove detrimental to some departments of the Government. Testimony will be found in the hearings on pages 866 to 876 indicating quite clearly that the manufacturers of typewriters want to be fair in their dealings with the Government. Different proposals were made. In substance they all were agreed that they wanted to sell typewriters to the Federal Government at as low a price as they would sell to any other large users of typewriters. In fact, some said they would sell typewriters at a lower price to the Government than to other purchasers of typewriters.

This ceiling of $77 was set last year. In 1922 the ceiling was set at $70. I believe in the last Congress they were given a 10 percent increase. A standard typewriter—Royal, Underwood, or L. C. Smith—sold in 1941 for $115.50. That same typewriter today is selling for $142.50. Still there is no increase provided for in this bill. Every time I have brought this to the attention of the subcommittee, and I have brought it to the attention of the subcommittee on several occasions since 1939, I have been told it is a complex problem, they do not know exactly what the cost of typewriters are, but they say we are going to look into the matter and next year we will deal with it on the basis of our information. Someone may contend today or tomorrow that the thing to do is to leave this in the bill, then look into the price question later. In all sincerity I submit that the fairest thing to do is to take the limitation out of the bill. Let the Government purchase typewriters as they purchase everything else. Then in the year to come, if they can give some justification for this limitation, put it back in next year. If they bring in a justification, I certainly will join in restoring the ceilings.

Is there any more reason why the Government should purchase typewriters by putting a ceiling in an appropriation bill than it should say: "Well, a Ford automobile is selling for $1,200. It ought to be sold to the Government for $700. We will put that limitation in the bill." There would be just as much reason for that. No Member of this House can stand up here on the floor today and tell us what it costs to manufacture these various brands of typewriters.

There is not a monopoly on typewriters. There are 8 or 10 companies manufacturing them. No one company is big enough to fill the needs of the Federal Government. According to the hearings, the Government will purchase from 40,000 to 50,000 typewriters in the next year.

What has happened because of this limitation? One company, the Royal Typewriter Co., the home office of which is in my district, reluctantly advised the Government that they can no longer supply typewriters at this ceiling price. The L. C. Smith-Corona Co. said, "We can only stand selling 500 typewriters to the Government at that price." The Underwood Corp. says, "We can let you have 5,000 at that price." They are selling these typewriters to the Government under the limitations of this act definitely at a loss. That loss is being made up and must be made up if they are going to finish the year in black ink, by putting that loss on the business community or others who buy typewriters.

I want to call the committee's attention particularly and urge that between now and tomorrow afternoon you read a few of the short statements that appear in the RECORD, the first one being on page 870.

On page 868 you will find a letter addressed to the Honorable LOUIS LUDLOW, signed by the vice president of the Royal Typewriter Co., which gives you the historical background of this matter.

On page 870 there is testimony of the vice president of the Remington-Rand Co. dealing with this subject. He suggests that instead of this limitation, if there must be some limitation put in, that this language be proposed:

> No part of any money appropriated by this or any other Act shall be used during the fiscal year 1948 for the purchase within the continental limits of the United States of any typewriting machines at a price in excess of that currently charged by the manufacturer for such machines when sold to users of such machines in large quantities.

Bear in mind that there is no limitation written into the law for the purchase of adding machines, calculators, or even electric typewriters. There is a ceiling on noiseless typewriters, and one of the reasons that every office on the Hill cannot have a noiseless typewriter is that the companies simply cannot sell them at the ceiling. An Underwood noiseless sells in the market at $204. In this bill there is a ceiling of $88, which is less than the cost of production of an Underwood noiseless typewriter.

I think that must be apparent to every Member of the House, bearing in mind simply the increases in wages and materials in the typewriter industry that have gone into effect since 1939 alone. The Department surely does not make out a case to justify this limitation or this ceiling, although the Treasury Department does ask that it be continued.

On page 875 Mr. LEFEVRE inserts a statement in the RECORD in which he suggests:

> In determining what discount should apply to Government sales it would be desirable to require each company to submit data that would aid in reaching an equitable figure. Such data might include their present rates of discount to commercial users and schools, what advertising and sales expense they allocate to Government sales, what savings in distribution costs are involved in Government sales and whether such costs of sales to the Government are susceptible of reduction.

If that is going to be the policy of the Government, why not do it on everything? Why not say we will cut the cost of toll calls; they are too high, so we will put a limit in our appropriation bill and say we won't pay more than 50 percent of the advertised toll price? We do not do it on any other commodity,

and it is an important item to those companies. In 1932 the Federal Government spent $400,000 to purchase typewriters that year. In 1941 the Royal Typewriter Co. alone sold $8,500,000 worth of typewriters to the Federal Government. That is important to those who work in the Royal Typewriter plant and to the company itself.

I am sure that this ceiling can be taken off without causing any inconvenience or any unnecessary increase in the price. As was said on one occasion when this matter was before the Congress, "We are simply legalizing a trust in the typewriter industry; we are making them do something that is unlawful for them to do." They could not act together themselves and agree at a price at which they will sell typewriters and we, by law, make them sell them at a predetermined price.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Connecticut. I yield to the gentleman from New Jersey.

Mr. CANFIELD. I believe there is a law establishing ceiling prices on automobiles purchased by the Federal Government. Notwithstanding that fact, the committee indulged in many of the facts presented by the gentleman from Connecticut this afternoon. We know how deeply concerned he has been over this problem for many years. At the same time he must appreciate this fact: This language came to us from the Bureau of the Budget. The language has been in the appropriation bill for some 20 years. We, of the committee, did not feel that we were equipped, and did not have the information, to pass properly on the request of the companies at this time, so we have ordered our investigating staff to go into all phases of this situation so that when the 1949 bill comes before us we will be able to do something and take proper action.

The CHAIRMAN. The time of the gentleman from Connecticut has expired.

Mr. CANFIELD. Mr. Chairman, I yield the gentleman two additional minutes.

Mr. MILLER of Connecticut. In reply may I say this, that I can show you in the RECORD of previous debates on this bill the very same promise, that it will be looked into the next year.

Mr. CANFIELD. I must disagree with my friend and colleague from Connecticut. This is the first time we have had investigators associated with the Appropriations Committee that could be called on to do a job, and they are on the job now.

Mr. MILLER of Connecticut. Is there any reason why the Congress should determine the price at which the Government shall buy typewriters any more than any other commodity the Government buys? Why pick this particular item?

Mr. CANFIELD. My only answer to the question propounded by the gentleman from Connecticut is that the Treasury insists that there are reasons. Personally I am inclined to be sympathetic to the proposition advanced by the gentleman from Connecticut this afternoon, and I am going to try to help him and others pursuing this problem and do something about it.

Mr. MILLER of Connecticut. I appreciate that. I know the gentleman will find out. Certainly they have not made a case in this hearing to justify ceilings.

Mr. DURHAM. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Connecticut. I yield to the gentleman from North Carolina.

Mr. DURHAM. May I say to the gentleman that neither the Committee on Appropriations nor anyone else wants to set up an OPA. I am glad the gentleman brought this up here. I think it is time we should consider the matter. Are we going to continue an OPA by an appropriations act? I think it is very unwise.

Mr. MILLER of Connecticut. The Appropriations Committee is not as generous as the OPA. OPA gave them a 14-percent increase in their ceiling price a few months before it went out of existence. We are holding them to 10 percent above the 1922 price.

Mr. DURHAM. I meant to agree with the gentleman.

Mr. MILLER of Connecticut. I know the gentleman does.

With all due respect to the committee, and it will be no reflection on the committee, I do feel compelled to offer tomorrow an amendment to strike this language from the bill and submit it to the judgment of the House. I say this with all due respect to my colleagues and with deep appreciation of the assurances of the chairman of the subcommittee that this subject will be further investigated.

The CHAIRMAN. The time of the gentleman from Connecticut has expired.

Mr. CANFIELD. Mr. Chairman, I yield 5 minutes to the gentleman from Nebraska [Mr. CURTIS].

Mr. CURTIS. Mr. Chairman, the matter of bringing about economy in any department of the Government finally gets down to the very difficult details involved in the carrying on of that department. It seems to me that this subcommittee have applied themselves very diligently to that task. The facts I am about to present to them probably should have been presented to this subcommittee at an earlier date, but it was impossible for me to do that because shortly after this information came to me it was necessary for me to be gone from the city of Washington. I mention it because it may have some value for the committee that appropriates for the Government Printing Office, as well as the legislative committee, in reference to these matters.

I have a letter here from the publisher of a newspaper in my district in reference to some printing being done by the Government. This printing is ordered through the local post office. This publisher writes me as follows:

> A customer of ours desired the stamped window envelopes for use in his bookkeeping department to send out statements. Since he was one of our regular customers and desired us to do all his printing, he asked us to secure the envelopes and print them up for him, with his name in the accustomed style, in a corner card.

Then this publisher goes on and tells of the prices quoted by the post office:

> We found that the charge would be $33 per thousand, for these printed prestamped window envelopes. Now the value of the stamps would be $30, which means that they would charge $3 for the window envelopes and for printing them. It so happens that we are large buyers of window envelopes, buying in quantities of not less than 50,000, and the cost to us is $2.60 a thousand for window envelopes; which means that Uncle Sam is in competition with us for printing envelopes for 40 cents a thousand. Now if the Government can make money printing envelopes at 40 cents a thousand, they run some plant, some place, more efficiently than most Government businesses are operating. Maybe that kind of business is contributing somewhat to this deficit which we are reading about, besides beating some people out of a certain amount of business.

Mr. Chairman, why should the Government of the United States do printing at a loss? It but adds to the burdens of the taxpayers. Why should the Government compete with our hometown newspapers? The newspapers are essential to our American system, they are unselfish public servants and such Government competition is unwarranted.

Mr. GARY. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. EBERHARTER].

Mr. EBERHARTER. Mr. Chairman, I had intended to speak on this particular matter tomorrow, but inasmuch as there is the opportunity to address the Committee at the present time I have made a note of some figures which I would like to call to the attention of the Committee.

The chairman of the subcommittee in his opening remarks referred to the combining of the functions of three different subdivisions into one subdivision of the General Counsel's Office. Those divisions were Tax Research, Tax Legislative Counsel, and Division of Research and Statistics, all of which would go into the General Counsel's Office. From the report, Mr. Chairman, I notice that the appropriation for Tax Research in 1947 was $175,000. That is cut out entirely. The appropriation for the Tax Legislation Counsel is $89,000, and that is cut out entirely. The Division of Research and Statistics appropriation for 1947 was $165,000, making a total of $429,000 which is entirely eliminated from this year's appropriation recommended in this bill. I would like to know from the subcommittee as to whether or not it was the intention of the subcommittee to eliminate the services of those three divisions from which every cent has been taken away in this bill.

Mr. CANFIELD. Mr. Chairman, if the gentleman will yield, I think I can allay his fears immediately. We allowed the General Counsel $250,000 in addition to his regular allowance to take care of these units under his jurisdiction. That is a quarter of a million dollars in addition.

Mr. EBERHARTER. Is that set out any place in the bill?

Mr. CANFIELD. Oh, yes; in the report on page 6.

Mr. EBERHARTER. It does not say specifically that it is not intended that these agencies are to be abolished. It

does not say, "So much of the funds shall be used by these three divisions." I call attention to the fact that the Tax Legislative Counsel has been in operation since at least 1922. That Division is composed not completely of lawyers, but it is composed of economists, actuaries, and statisticians. Their functions have nothing whatsoever to do with the General Counsel's functions. I am just afraid the committee did not go into this subject sufficiently to justify eliminating these figures.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. EBERHARTER. I yield.

Mr. CANFIELD. If the gentleman will read the hearings between tonight and tomorrow noon, I venture to say he will agree with us that the job can be done. All I ask is that the gentleman read the hearings on these separate units and then review our incorporation of them in the Office of General Counsel. I know something of the gentleman's fairness, and I believe the gentleman will agree with us that the job can be done. Here, of all places in this bill, is where a saving can be made and should be made. I am sure of that.

Mr. EBERHARTER. I am glad to have the gentleman's assurance. I just wanted to know that it was not the purpose of the subcommittee or the general committee or the Congress that the money heretofore appropriated for these three divisions will be wiped out; that it is intended that they should function. I understand the Commissioner of Internal Revenue said he had never used the Tax Legislative Counsel. That is a position that is composed almost entirely of economists, statisticians, and actuaries. The General Counsel's Office was never called upon to furnish the information that that Tax Legislative Counsel furnished the Congress. It is only because they were in a position to furnish the Congress with the particular information they needed with respect to the formulation of proper tax bills that we have been able to get the kind of revenue we have been getting.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. EBERHARTER] has expired.

Mr. GARY. Mr. Chairman, I yield the gentleman two additional minutes.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. EBERHARTER. I yield.

Mr. CANFIELD. The Commissioner of Internal Revenue said he got more and better information from his own legal service than he got from any other department; he never consulted those divisions.

Mr. EBERHARTER. That is the point I make, exactly. The very word "legislative" means that it was set up for the purpose of furnishing Congress with information. So why combine it with the General Counsel's Office, that knows nothing of its responsibilities or duties.

Mr. CANFIELD. That is a part of the General Counsel's duties, to do just that same thing. If you will read the testimony of the General Counsel and the testimony of Mr. Surrey and Mr. Shere I cannot help but feel that the gentleman will agree with the committee.

Mr. EBERHARTER. I wish we could get together so that there is a clear understanding that these divisions are not to be abolished. I thank the gentleman.

The CHAIRMAN. The time of the gentleman from Pennsylvania has again expired.

Mr. CANFIELD. Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin [Mr. BYRNES].

Mr. BYRNES of Wisconsin. Mr. Chairman, I take this time to inquire for my own information, and I think the information of many people who are interested in the subject, as to just exactly what the set-up is going to be under this appropriation bill of the Coast Guard and its activity, which they presently call their lifeboat stations, but which at one time was called their lifesaving service.

May I say at the outset that it is not my intention to comment one way or the other on whether or not the committee has granted to the Coast Guard a sufficient amount of money. I intend to support this committee as I intend to support all of the appropriation subcommittees in their most difficult task of cutting down our Federal expenditures.

I trust they will cut all appropriations to the absolute minimum. I will be with them a hundred percent in that endeavor. The only thing I take this time for is to find out just what the situation of this particular activity is going to be in order that the people concerned may know what is going to take place. I will tell you one reason why this is of particular concern to me. The district I represent has at least 200 miles of bay and lake coast line. We have there at the present time four lifesaving stations or lifeboat stations that have been maintained, and maintained historically, by the Coast Guard to give protection to pleasure and commercial shipping that may be in distress in those waters. Last June we had a very severe accident in which four people were drowned. It developed that the Coast Guard facilities were practically nonexistent. They had the facilities there but they were undermanned and they could not respond. In other words, by the very fact that these stations were there the people were lulled into a false sense of security. If it is going to be the case this year that these stations are not going to be properly maintained we want to know about it so that, if necessary, these people can take adequate steps for protection to insure safety to pleasure and other craft using these waters. As is generally true of most agencies when something like that happens and they are unable to give the service that is expected of them, they blame it on Congress and say: "Well, we did not have enough funds."

Let me call your attention to a letter I received when I investigated the matter. This is a letter from Admiral Farley, of the Coast Guard. He says he is deeply concerned about the personnel situation of the service, but he says that due to rapid demobilization and resultant deployment, plus the increased demands of other Coast Guard activities and insufficient funds to provide the necessary number of personnel to fulfill the requirements of the Coast Guard, a serious personnel shortage developed. That is the reason.

Now, have we given them enough money?

You will recall that last year after the Appropriations Committee made an appropriation to the Treasury Department, including Coast Guard facilities, the Coast Guard came back and said they had to have a supplemental appropriation for the lifeboat stations. I am inclined to think that what the Coast Guard has been doing is to reallocate their funds to probably more romantic and newer fields of activity rather than to the historical obligations they should maintain. They should maintain these lifesaving stations under the highest priority.

I want to know if the committee can tell me whether the bill this year will carry sufficient funds in order that these lifesaving stations can be maintained?

Mr. CANFIELD. I salute the gentleman from Wisconsin on the stand he has taken. He talks as though he were a member of the subcommittee handling this bill, because what we are doing here, as I said earlier in the afternoon, is to get the Coast Guard back home to take care of all those facilities the gentleman has mentioned this afternoon. We have provided in this bill sufficient moneys for them to do all of that work. We have also given them a great deal of elasticity in the handling of these moneys. If the Coast Guard keeps faith with the Congress appropriating funds in this bill there will be no difficulty about manning the stations the gentleman has in mind.

Mr. BYRNES of Wisconsin. I thank the chairman of the subcommittee and thank him for his assurances. I appreciate the position that he and his committee has taken on this matter. I also applaud the action taken by the committee in its report in saying that they have assigned to the Coast Guard itself the task of assigning priorities to its various projects. But I was wondering whether the committee had pointed any finger at the lifesaving service? I believe this may be necessary, because I am inclined to think, from their past activities, that that is not one of the activities they would like to give priority to. They seem to be more intrigued by some of their newer activities. I think some positive direction should be given them that these lifesaving activities should be given priority recognition. I am very pleased to have the assurance of the chairman of the subcommittee that he is confident that the Coast Guard, if it keeps faith with the Congress, can and will give proper recognition to its duty to properly maintain the lifeboat stations.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. CANFIELD. Mr. Chairman, I yield 10 minutes to the gentleman from California [Mr. HINSHAW].

Mr. HINSHAW. Mr. Chairman, I would like to take this time of the Subcommittee of the Committee on Appropriations for the Post Office Department and the Treasury Department to have a discussion, if I may, on certain important matters in relation to aviation,

which is under the legislative jurisdiction of my committee. In the first place, it is noted from the hearings that the heavy mail carriers by air receive a mail pay of about 45 cents per ton-mile and that the light carriers receive about 60 cents per ton-mile. If you recognize that a ton is the equivalent of 10 passengers, allowing 160 pounds per person of body weight and 40 pounds of baggage, you can see that by dividing the 45 cents per ton-mile by 10 you come to 4½ cents per passenger-mile, which is equivalent to the 45 cents per ton-mile rail rate. That means that the passenger and the mail both are paying approximately the same rate for their transportation.

Mail, as you know, has a priority over the passenger. You will remember that during the war when travel was exceedingly heavy if the mail exceeded the capacity of the mail compartment in an aircraft, the passengers had to give up their seats and the mail was placed in the seats of the passengers and strapped down. In other words, the mail goes through first regardless of the convenience of the traveling public. I say that to you because it must be realized that while mail has a priority the rate paid for its transportation is on a par with the rate paid by the passenger. There are other factors to be considered, of course. But the controlling factor in nearly every case is the value of the transportation. There is very little, if any, subsidy in the air-line mail pay.

My committee has recognized the need for the extension in certain areas of certain air routes. We recognize that those routes are not economical, either from the standpoint of the carriage of passengers or of mail; however, it is highly desirable that those routes be covered by aircraft for the establishment of the route; first, so that it may be available to the purposes of national defense, and, incidentally, for the service of whatever people may be at the other end of the route or on the route. It is not anticipated that those routes necessarily will be commercially profitable, although it would be hoped that in due course they would become profitable. So we are not particularly concerned when you speak of the subsidization of certain air-mail routes.

Unfortunately, the subject of air commerce comes under the purview of at least four committees of the House. There is this Subcommittee on Appropriations for the Post Office Department and Treasury; there is the Subcommittee on State, Commerce, and Justice, which has to do with the Civil Aeronautics Administration and the Civil Aeronautics Board; and I believe also that the Independent Offices Subcommittee has something to do with it some place, I cannot just remember where. On the legislative side we have the Committee on Interstate and Foreign Commerce, of which I am a member, having jurisdiction over legislative matters relating to aviation. Then there is the Civil Service Committee that I believe now has incorporated within it the old Committee on Post Offices and Post Roads, which committee establishes postal rates for the dispatch of the mail, the rates to the public.

I suggest to the committee and to the House that we might very well go into a very careful look-see of this whole proposition from all angles, considering cost of the carriage of mail in various conveyances, and so forth. The gentlemen on this committee will recognize, I believe that, in the transportation of first-class mail by rail, there may be cars that are sent out on railroads to distant points, sometimes at the ends of spur lines, with very little mail in them; yet the cost of the car is charged to the Post Office Department. That, of course, is in the nature of a subsidy, if that is what you want to call it, but actually it is the cost of a service to the people. The same thing can be said to be true of mail shipments by marine vessels. We have marine vessels leaving the ports of the United States for distant parts of the world carrying a relatively small amount of mail for which very high per-ton-mile payment is made. That likewise is a subsidy. It is a subsidy on a much larger order than is given to any air line that I know of. There are other forms of transportation in which the cost per mile of the vehicle itself is considered to be the amount to be paid, and no reference to the amount of mail carried is involved.

I notice in your hearings that you considered all American aviation. They are paid for the number of miles flown and not by the poundage of the mail carried. If you want to find out the actual rate per pound-mile or per ton-mile you will first have to find out how many pounds of mail are carried, and how far. So, when you say casually that there is a subsidy involved, you labor under a misapprehension of the over-all fact if you do not consider likewise other forms of subsidy given to other forms of transportation, such as the ocean shipping, the rail system, and by bus or truck. So, I think, before we get too far in this subject of trying to make such charges of subsidy to air lines for carrying the mail, that we ought to consider all of those other facts in the total picture.

In reference to the inland waterways, for example, the Government of the United States has spent $4,000,000,000 on improving and maintaining the inland waterways, and yet those inland waterways are free to the users thereof. No charge whatever is made for it. That is also true of our rivers and harbors generally. No general charge that I know of is made for the use of river and harbor improvements or for the lighthouse service or the rescue service of the Coast Guard. There are a great many services that are performed by the public by governmental agencies that are free—free of any use charge whatsoever.

Some attention has been drawn to certain things that are being done to aid air navigation, and I would like to call the committee's attention to the fact that if we had not had these aids to air navigation before the war, we might have been in a very sad way for the conducting of our military and naval aviation. My committee considers aids to air navigation not only as aids to civil aviation, but likewise considers the importance of the establishment and building of these great highways of the air for the national defense. The Civil Aeronautics Act provides that in the event of war the entire aviation picture is available to the national defense set-up. In the last war, immediately on the declaration of war, the War and Navy Departments took over one-half of the civil air transport aircraft that were in service. They just took them over; they took over practically the complete operation of certain principal airports of the United States and all military planes, of course, had priority in any event, every place. They took on many of the civil pilots and the operating crews and ground crews and others and put them directly into the service of the armed services. Actually the civil air business is an auxiliary to the United States defense forces. It is not a separate institution that can go its own way as it pleases at all times.

A while ago, Mr. Chairman, you spoke about the so-called loran stations that are located on our coast. Loran is a gadget that was devised during the war as an aid to navigation on both land and sea. This has come to be a very important navigational aid for both aircraft and ships at sea.

We hope that a sufficient network, not a complete network, perhaps, but a sufficient network of these loran stations, which means long-range navigational aid, may be established so that our naval and land air and sea forces may have these aids available to them on instant notice in the event it is necessary for the United States to engage in any military operation or undertaking. It would be a very sad day indeed if all these aids were done away with, because they are aids to the national defense. I want to see a practical peacetime network of loran stations operated and maintained—mostly for the purpose of maintaining in regular operation a system that would be badly needed if we were attacked or even threatened. Loran has saved many an otherwise lost pilot and his ship and crew.

Mr. GARY. Mr. Chairman, I yield 10 minutes to the gentleman from Tennessee [Mr. GORE].

Mr. GORE. Mr. Chairman, I should like first to address my remarks to the bogus economy claimed for this bill. I find a very interesting statement in the report of the committee. I call it interesting because when you review the facts you must wonder, and it arouses great interest, why such a statement would be in the report, as one of the reasons if not the main reason why the committee undertook to place a low guess on the amount of tax refunds that would be made next year and call that economy. I would have no objection to the committee's guessing if it had not written into the bill a limitation on the amount of tax refunds that could be made. As one, I say, if not the principal reason for this, the committee says on page 16 of the report:

> Coupled with the expectation of several million less taxpayers filing as a result of prospective changes in the tax laws, it is felt that the reduced figure would more nearly approximate the amount required for these rebates than the Bureau's estimate therefor.

I take it the committee means by this that it expects quite a sizable reduction in taxes later. Indeed, it says, "coupled with the expectation of several million less taxpayers." Now, how would that operate?

Out of my pay check, from the check of the automobile workers, the factory employee, the chain-store grocery clerk, out of the pay rolls of the workers of the United States of America, there are being withheld now taxes—witholding taxes. Those taxes are not being withheld at the rate which this committee expects to be written some time later; not at all, Mr. Chairman. The withholding taxes are being applied to the pay rolls at the present legal rate of taxation. So what will be the result if later on this year we reduce taxes? Is not the result obvious? It will result in larger claims for refunds, result in larger refunds rather than less. Indeed, I called the Bureau of Internal Revenue and asked what effect reduced taxes, a 20-percent reduction in taxes, would have on tax refunds. After some calculation they gave me the estimate that it would result in an additional $1,000,000,000 of tax refunds during the next fiscal year. Therefore, I wondered and, as I say, that is why I find this statement interesting; why it is that because of reduced taxes there will be less refunds. They say there will be several million less taxpayers. That means several million people who are now paying taxes will not be subject to taxes. Do you think those people are not going to claim refunds? Are you going to say in your tax bill that they are not entitled to refunds?

Mr. HINSHAW. Mr. Chairman, will the gentleman yield?

Mr. GORE. I yield.

Mr. HINSHAW. I am curious to know why such an item as tax refunds should be considered as an expense to the Government. Certainly, the Government does not spend it in any way. It seems to me it is just giving back to the taxpayer what he paid in. It is not, in my view, properly a budget item and I wonder why it is in the bill at all.

Mr. GORE. I thank the gentleman for his contribution. He has stated better than I and illustrates better than I have the sham quality of this so-called economy. The gentleman is correct. This does not save one penny. Legal tax refunds will be made, no more, no less. It is not an expenditure of Government. If you and I overpay our taxes, the overpayment belongs to us under the law of the land.

Mr. HINSHAW. I think so, too.

Mr. GORE. Then to say that we are saving the taxpayers' money by placing a limit upon the amount of refunds which the Treasury can make is, I say, spurious.

Mr. HINSHAW. That may be, but at the same time it is in the President's budget. I do not see why it should be in anybody's budget. It is not a budgetary item, as I see it. It is not something that the Government is spending money for.

Mr. GORE. It is a disbursement from the Treasury.

Mr. HINSHAW. I suppose that is so.

Mr. GORE. A tax refund represents a disbursement from the Treasury. Of course, the Treasury can make no disbursement without the authorization of the Congress. May I point out to the gentleman the history of this amendment and procedure? For quite a number of years the appropriation bills did carry specific appropriations for tax refunds, but it became obvious to the Congress and to the fiscal authorities of the Government that it was impractical after the enactment of the withholding tax law. Then it was that many million taxpayers had a claim for refund. It then resulted, in 1 year, I believe, in Congress passing four deficiency appropriation bills to make it possible for the Treasury to make refunds. Therefore they adopted the practice of authorizing the Treasury and directing it to make refunds of taxes promptly in whatever amount the taxpayers were entitled to refunds.

I intend to offer an amendment tomorrow which will direct the Treasury to make prompt tax refunds. I am going to do that for two reasons. There are many small taxpayers who will have a claim for tax refund. These taxpayers need their money. I see no reason why Congress should prolong the time for paying these refunds to which the taxpayers are entitled. I think they should be made promptly. The second reason is I want to shorten the period the Government is required to pay 6 percent interest on refunds.

Mr. HINSHAW. I suggest at the same time that it is very difficult to anticipate in advance what the tax refunds may be, and very difficult to anticipate in advance how many of these black-market operators who did business in a cigar box will be caught and caused to pay up the proportionate taxes that they should have paid and which they did not pay. It is one of those things that you have to draw out of the air, it seems to me. I do not see how you can do any figuring on it.

Mr. GORE. By experience and careful analysis the Treasury Department can make calculations and estimates. As the gentleman from Missouri [Mr. CANNON] said earlier today, their estimate of the amount of refunds was somewhat smaller in 1946 than actually resulted. The same was true the year before. I went down to see them today, and I asked the Commissioner, in the light of the facts today, what he thought the tax refunds for the next fiscal year would be. He said he thought the estimate they gave to the Budget was fairly close, but, if anything, it was too conservative. Why is that true?

The CHAIRMAN. The time of the gentleman from Tennessee [Mr. GORE] has again expired.

Mr. GARY. Mr. Chairman, I yield the gentleman 10 additional minutes.

Mr. GORE. Every time we have a prolonged strike in the country it results in more tax refunds. When there is a recession in some major field of employment it results in more tax refunds, because the withholding tax provision and rate applies to the wages which have already been earned. The total tax liability is calculated, as you know, of course, upon total annual income.

Mr. HINSHAW. Mr. Chairman, will the gentleman yield?

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

Mr. HINSHAW. Does not the gentleman think it is up to us to get everybody busy and keep them that way so that we will get more taxes instead of less?

Mr. GORE. I was a supporter of the full-employment bill last year, and I am a supporter of programs now to keep this country on a going economy. As a matter of fact, I do not see how we can afford to allow it otherwise, because if this country ever goes into a depression like we had before and the national income falls to such a low level that our going expense of Government, what with our war-debt charges, veterans' programs, national defense, takes everything everybody makes, then our whole economy is gone.

Mr. HINSHAW. I agree with the gentleman completely.

Mr. GORE. I am delighted to have the fine and able and influential support of the gentleman from California and I will look forward to his assistance tomorrow.

Mr. HINSHAW. I did not promise the gentleman any assistance tomorrow but I agreed with the gentleman's last statement which he made, that if the country goes to the dogs it has gone to the dogs.

Mr. GORE. I am delighted to know that one gentleman on that side is being a little careful with his commitments.

Mr. EBERHARTER. Mr. Chairman, will the gentleman yield?

Mr. GORE. I yield.

Mr. EBERHARTER. In the matter of estimates, I had the figures last week. However, I do not remember them exactly, but I think the President estimated the tax refunds for 1946 would be somewhere in the neighborhood of a little over $3,000,000,000. The payments were actually about $3,000,000,000. In other words, the Treasury Department estimated within about $50,000,000 on a figure as large as $3,000,000,000. So that they can really do it. I also want to call attention to the fact that many of these refunds are necessary by reason of the excess profits income refund provision of the law. All of those claims have not been settled yet, and that is the reason that there will necessarily be a large amount of them to be paid.

Mr. GORE. Is the gentleman referring to the carry-back provisions?

Mr. EBERHARTER. The carry-back and carry-forward provisions. Then, there is another item which this committee has not taken into consideration. There are many billions of dollars of claims in the Treasury Department right now under section 722 of the Internal Revenue Code, which the Treasury Department has not passed upon; has not even commenced to consider. They set up a special counsel in order to develop procedure in order to settle those claims. Very few of them have been settled. Those claims have been considered which are for less than $100,000. All claims of more than $100,000 have not been considered by the Treasury Department or

the special counsel set up. So we have got those to look forward to when it comes to making calculations insofar as saving the taxpayer's money and setting up a strait-jacket budget is concerned.

Mr. GORE. I will point out to the gentleman one other provision of law which the Congress enacted in the war years, and that is this amortization of plant provision. Some of those claims have not been settled. And I want to point out further to the gentleman that whenever those claims are adjudicated, at whatever amount is determined we are required to refund, the amount will bear 6 percent interest. If somebody else does not, I expect to offer an amendment tomorrow limiting this appropriation to the payment of a lower interest, and I expect to limit it far below the 6-percent rate.

Mr. ALBERT. Mr. Chairman, will the gentleman yield?

Mr. GORE. I yield.

Mr. ALBERT. Does not the gentleman believe it would be wise before criticizing this $800,000,000 item to find out whether the majority party intends to include it in their promised $6,000,000,000 Budget cut? Is this a part of the Budget cut or not, this $800,000,000?

Mr. GORE. I yield to the distinguished chairman of the subcommittee to answer the able young gentleman's question, a pertinent one.

Mr. DIRKSEN. I will answer that after a while.

Mr. ALBERT. I should like to have the answer now.

Mr. CANFIELD. The President included that item in his estimate of expenditures. It is included here.

Mr. GORE. Then it is a part of the proposed $6,000,000,000 saving. It is a bogus part, my friend.

I understood from the previous remarks of the gentleman from Illinois that he was going to undertake to show that there was some legerdemain within the Treasury Department to make a larger amount of the refunds come due within the next fiscal year. I do not know upon what the gentleman intends to base that argument. I can assure him, however, that there is no basis for it. In 1945 there was a tax refund of $904,000,000. In the fiscal year 1946 there was a tax refund of $3,310,000,000. In the fiscal year 1947 it is anticipated that there will be a refund of $2,108,000,000. As of March 7, as the daily Treasury statement will show, already $1,200,000,000 has been disbursed for tax refunds.

It is estimated in the budget that for the fiscal year 1948 there will be $2,031,000,000 tax refund.

If the gentleman intends to cite the fact that 1946 was higher than either of the other 4 years I should like to point out that then we had a pyramiding of the carry-back and the amortization provisions of the tax law.

I wish now to come to the question of appropriations for the investigative staff of the Bureau of Internal Revenue. I know of course the statement is frequently made that the war is over and we ought to collect taxes more cheaply. The war is over so far as the shooting is concerned, but as pointed out by the distinguished gentleman from Pennsylvania, a great many provisions of the tax law resulting from the war and growing out of the war have brought about thousands of claims, many large claims now remaining undetermined in the Bureau of Internal Revenue. To cut down on the staff determining the validity of these claims would prolong the period during which they will draw 6 percent interest. We passed a deficiency bill in the House the other day and left out a provision necessary to make rapid determinations before April 15 of refunds. You will find a letter from the Secretary of the Treasury setting this out on page 1704 of the RECORD. It was placed in the RECORD by the chairman of the Appropriations Committee of another body.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. GARY. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. GORE. Mr. Chairman, the law on refunds provides that the Government shall have a grace period of 30 days. The taxes being due on March 15, if the refund check is mailed out before April 15 there is no interest on the amount during that 30-day period of grace for the Government; therefore it makes necessary that very rapid determinations be made in order to save that 6 percent interest and, mind you, that is no small figure. It is estimated that the item of interest will this year amount to $80,000,000, a very sizable sum, more than five times the amount you reduce the Post Office Department. Indeed, it represents a sum equal to the total savings you made in the entire Treasury Department appropriation bill.

The gentleman from Illinois said that in cutting down on the Bureau of Internal Revenue in the tax-collecting appropriation he did not intend that the field staff be reduced. I notice here in the report, page 14: "It is not contemplated, however, that there should be any drastic curtailment in the servicing functions of the Bureau."

Just in which bucket on which shoulder do you have the water, or are you carrying water on both shoulders?

Mr. DIRKSEN. The gentleman better read that again.

Mr. GORE. Does the gentleman want it read again?

Mr. DIRKSEN. No. Read the entire context.

Mr. GORE. The whole page or the sentence?

Mr. DIRKSEN. No; that portion which relates to enforcement activities.

Mr. GORE. That is on one page and this sentence is on the other page, but they both apply to the same cut. That is the reason I am pointing out the inconsistency of the gentleman's statement. As a matter of fact the reduction in personnel which will inevitably result from this cut, if it stands, is a reduction in the investigatory staff. I would like to point out with what result investigations have been made in recent months. But before doing that, I would like to say to the Chairman and members of this Committee that, in my studied opinion, there are many millions of dollars owed the Government in taxes now which the Bureau of Internal Revenue is not collecting. There are many people who have never filed a return, who are obligated by the laws of the land to pay taxes on the income they have received. With the funds which the Bureau of Internal Revenue has now, it is only able to investigate 3 percent of the returns filed, to say nothing of these people who have not filed any returns but who should have. You know, we have a program of balancing the budget, and I am wholeheartedly for it and have so said publicly many times, but you cannot balance the budget by shooting the tax collectors.

During the fiscal year 1945, with an average of 19,000 enforcement officers, the Government collected over $1,000,000,000 which they would not have collected had these investigations not been made. In 1944, to go back a year further, with only 16,000 enforcement officers, the Government collected $814,000,000 which it would not have collected otherwise. In 1946, the collecting, enforcement officer, and investigating staff was increased to 24,000. With what result? The Government collected $1,478,000,000 which it would not have collected had it not been for the investigations. Let us not be penny-foolish.

Mr. GARY. Mr. Chairman, I yield such time as he may desire to the gentleman from Texas [Mr. PATMAN].

Mr. PATMAN. Mr. Chairman, I asked the Housing Expediter, Mr. Creedon, to give me an up-to-date report on the administration of the Veterans' Emergency Housing Act of 1946, which was sponsored by me in the Seventy-ninth Congress, and became a law May 22, 1946.

Mr. Creedon's letter, containing the report, is as follows:

OFFICE OF THE HOUSING EXPEDITER,
*Washington, D. C., March 10, 1947.*

Hon. WRIGHT PATMAN,
*House of Representatives,*
*Washington, D. C.*

DEAR CONGRESSMAN PATMAN: For several weeks prior to March 1, there were increasing indications of opposition to the Veterans' Emergency Housing Act of 1946. That opposition reached a climax when the directorate of the National Association of Home Builders approved resolutions recommending that all controls on construction be eliminated. Backing up these resolutions were statements made by representatives of industry as well as statements made by individual members of several veterans' organizations and by Congressman WOLCOTT. For these reasons I felt that it was time for us to take stock of the housing program, to determine what the veterans themselves want, and to reach a definite conclusion as to whether controls should be continued as they now exist, should be relaxed, or should be entirely eliminated as suggested by the home builders and some other representatives of industry.

Therefore, on March 3, I addressed a letter similar to the attached to the national commanders of five veterans' organizations, namely, the American Legion, Veterans of Foreign Wars of the United States, American Veterans of World War II, Disabled American Veterans, and the American Veterans Committee, Inc.

Subsequently on March 5, 6, and 7, I held meetings with each of these national commanders and their chosen representatives to get their official views on each of the nine controls set out in the attached letter. The official position of each organization is shown on the attached summary.

You will note that the veterans' organizations are unanimous in supporting all of

the controls listed with one exception. AMVETS recommended that rental ceilings on new construction be eliminated, and VFW recommended that consideration be given to the elimination of rent ceilings on new construction.

I am sure that you are familiar with each of the controls listed in the attached letter and that you are also familiar with the purpose of those controls. However, you might like to know my own position with regard to those controls and particularly the reasons why I think those controls should be continued for some time to come—certainly until the supply of building materials and the availability of construction labor justify their elimination.

The first of the controls mentioned is the construction limitation order (VHP-1), which restricts construction of nonessential and deferrable nonresidential construction and of luxury-type residential construction. This is the basic order which has the most direct relationship to the success of the veterans' emergency housing program. Without this order a huge volume of nonresidential and deferrable nonresidential construction and a considerable volume of luxury-type housing would go forward. That construction, as you well know, could result only in increasing demands for scarce building materials and for scarce construction labor. Without the control, there would be a mad scramble for materials and labor, and home builders would be outbid for both. Without the control, fewer homes would be started, fewer would be completed; construction would be delayed, and cost would increase.

The second control is the allocation of a few basic raw materials, such as pig iron, to producers of building materials in critically short supply. This office is trying to reach voluntary agreements with industry which will permit the elimination of allocations. We have already been successful in making an agreement with the steel industry which will result in as much steel going to producers of housing items during each quarter of 1947 as was allocated to housing items during the first quarter of 1947. We have made an entirely satisfactory agreement with the producers of phenolic resins. We have made a partially satisfactory agreement with the producers of pig iron covering items other than cast-iron soil pipe. However, we have been unable thus far to negotiate with the producers of shop grade lumber, which is badly needed for millwork, and with the producers of paper liner, which is needed for gypsum board and lath. We have been unable to reach a satisfactory agreement with the producers of pig iron with regard to supplying pig iron for cast-iron soil pipe. In the latter material alone we know that failure to continue allocations will resut in as much as a 50 percent reduction in the production of cast-iron soil pipe which is one of the most critical items for housing. Therefore, unless and until we are able to make an agreement with regard to the three last named items, it is necessary that allocations be continued or housing construction will suffer for lack of materials.

The third control is one designed to provide special assistance to building materials producers in securing necessary equipment and machinery. We have numerous cases presented to us where, for lack of a motor or some other item of machinery or equipment, a plant producing building materials cannot maintain its production or cannot increase its production. It is obvious, therefore, that we must provide this type of assistance to help producers keep their plants in operation or bring them into operation. I am frank to say that such assistance to producers of building materials has not, to the best of my knowledge, had any adverse effect on the balance of the economy.

The limitation to one completed bathroom and to a total floor area of 1,500 square feet and the requirement that housing be suitable for year-round occupancy, are very obviously designed to prevent the building of luxury-type homes. The first mentioned spreads the available supply of bathroom fixtures over a greater number of dwelling units. We will be glad to eliminate the control whenever the supply of those fixtures comes to near balance with demand. The second of these controls is also designed to conserve building materials. There can be no question that luxury type houses require a disproportionate amount of material and labor. Therefore, to eliminate the restriction at this time would of necessity result in a fewer number of families being housed in new construction. The third of these controls prevents the building of resort cottages and similar types of homes which at best serve only a seasonal demand.

The last three controls, rent ceilings on new construction, veterans' preferences, and sales price and rental ceilings on HH priority constructed houses, are for the benefit of the veterans. Rent controls on new construction are now being considered by the Congress, consequently they will be retained pending congressional determination. However, the builders themselves have stated upon numerous occasions that the rent formulas employed by FHA enable investors to receive a fair return on their investment. The veterans' preference is required under the Patman Act, and unless there is congressional action I have no authority to make any change in that control. There have been instances where the requirement that houses be held for sale to a veteran during construction and for 60 days thereafter, has worked a hardship on builders. We recognized that hardship by authorizing the FHA to make exceptions where a builder showed that he was unable to dispose of homes which he had built for sale within a period of 30 days after completion. To the best of my knowledge the exception which we have authorized eliminates any question of builder hardship resulting from the veterans' preference. The sales price and rent ceilings established under the HH priority system were directed toward one end—preventing veterans from being overcharged. The builders are protected from loss by reason of increased cost during construction in that they may apply to the FHA for an increase in sales price or rental ceiling to the extent justified by the increase in costs over which they had no control. The builders have advanced several reasons why the controls should be eliminated. They say that they are placed in an unfair competitive position with regard to housing started under the permit system. We have met this objection by permitting the installation of additional facilities, such as a garage, hardwood flooring, a different type furnace, etc., with the increased cost added to the originally established sales price. The builders strenuously object to compliance and enforcement requirements in connection with HH sales price ceilings. However, the veterans themselves insist on strict compliance and enforcement. The builders state that they could in many instances sell the homes which they have constructed at a price greater than that which will be allowed them by the FHA, even after adding the increased cost over which the builders had no control. I believe the answer to this is that the builders secured authorization to build and definite benefits from the HH priority in return for which they accepted obligations beneficial to veterans. To eliminate the sales price ceiling at this time would give the builders tne benefits without holding them accountable for the obligations running with those benefits.

The attitude of the veterans' organizations is plain and beyond controversy as a result of the recent meetings. Therefore, I am continuing to maintain the controls which I enumerated in my letter unless the Congress directs a different policy. I believe that the veterans' emergency housing program was conceived because of the veterans' need. It is evident from the actions of the veterans' organizations that I have not misjudged the need. We have a continued responsibility to do everything that we can to meet that need.

I am sending this information because I know of your intense interest in the housing program being carried out under the Veterans' Emergency Housing Act of 1946, which you introduced in Congress.

In order that you may be fully apprised of the attitude of the veterans' organizations, I am enclosing copies of press releases issued by the American Legion, the Veterans of Foreign Wars, AMVETS, and the American Veterans Committee. I am also enclosing a copy of a press release issued after my meetings with the commanders of the several organizations and a copy of the speech I made before the annual convention of the National Association of Home Builders in Chicago on February 25.

Sincerely yours,

FRANK R. CREEDON,
*Housing Expediter.*

I am also inserting herewith press releases disclosing the attitude of veterans' organizations, a summary of their conclusions, an address delivered by Mr. Creedon, and other information relating to this subject:

*Summary of veterans' organization recommendations as to retention or elimination of basic housing controls still in force*

[Recommendation: R—retain; E—eliminate]

| Housing controls | Disabled American Veterans | American Veterans Committee | AMVETS | Veterans Foreign Wars | American Legion |
|---|---|---|---|---|---|
| (1) The construction limitation order which restricts nonresidential construction | R | R | R | R | R |
| (2) The allocation of a few basic raw materials, such as pig iron, to producers of building materials in critically short supply | R | R | R | R | R |
| (3) Special assistance to building materials producers in securing necessary equipment and machinery | R | R | R | R | R |
| (4) Limitation to 1 completed bathroom | R | R | R | R | R |
| (5) Limitation to a total floor area of 1,500 feet | R | R | R | R | R |
| (6) Requirement that housing be suitable for year-round occupancy | R | R | R | R | R |
| (7) Rent ceilings on new construction | R | R | E | E | R |
| (8) Veterans' preferences | R | R | R | R | R |
| (9) Sales price and rent ceilings on HH priority-constructed houses | R | R | R | R | R |

OFFICE OF THE HOUSING EXPEDITER,
*Washington D. C., March 3, 1947.*

Mr. PAUL H. GRIFFITH,
*National Commander, American Legion, Washington, D. C.*

DEAR MR. GRIFFITH: At a recent convention of the National Association of Home Builders in Chicago, representatives of several veterans' organizations indicated that they favored the removal of sales price ceilings on HH priority-constructed houses. Members of the building industry attending the convention also adopted various resolutions calling for the removal of other housing controls still in force.

As you know, housing controls have been relaxed whenever I deemed that the changing situation warranted such action. The proposals made at the Chicago convention, however, are directed at the elimination of

all controls. The basic controls and restrictions still in force are:

1. The construction limitation order which restricts nonresidential construction.

2. The allocation of a few raw materials, such as pig iron, to producers of building materials in critically short supply.

3. Special assistance to building materials producers in securing necessary equipment and machinery.

4. Limitation to one completed bathroom.

5. Limitation to a total floor area of 1,500 square feet.

6. Requirement that housing be suitable for year-round occupancy.

7. Rent ceilings on new construction.

8. Veterans' preferences.

9. Sales price and rent ceilings on HH priority-constructed houses.

In considering the proposals made at the convention in Chicago I would like very much to have the comments and recommendations of the American Legion on each of these controls. If it is convenient for you, I should like to discuss these matters with you, the chairman of your national housing committee, and any other of your representatives in my office at 10 a. m. on March 7, 1947. If the time suggested for the meeting is not satisfactory, I will be glad to adjust it to your convenience. The meeting will not be a joint one with other veterans' organizations.

My own views on each of these controls are expressed in a talk which I made at the NAHB convention earlier in the week. I am enclosing a copy of this for your information.

Sincerely yours,

FRANK R. CREEDON,
*Housing Expediter.*

A similar letter was sent to commanders of other veterans' organizations at the same time.

National Commander Paul H. Griffith, of the American Legion, Thursday, March 6, urged the National Housing Expediter to maintain rigid controls on all nonresidential construction.

The recommendation was made in response to a request by Housing Expediter Frank Creedon for comments by the Legion on nine basic housing controls and restrictions still in force.

In asking for recommendations by the American Legion, Mr. Creedon pointed out that he favors relaxing controls whenever a changing situation warranted such action.

Commander Griffith and Mr. Creedon discussed housing Thursday afternoon at Legion national branch headquarters, 1608 K Street NW.

A listing of the controls, and the Legion's recommendations thereon, follow:

1. Control: The construction limitation order which restricts nonresidential construction.

Legion position: Rigid controls on all nonresidential construction should be maintained. Despite the fact that Congress yesterday trimmed the deficiency appropriation of the agency which is administering VHP–1, we say Congress should provide funds to some governmental agency for the purpose of controlling this type of construction.

2. Control: The allocation of a few basic raw materials, such as pig iron, to producers of building materials in critically short supply.

Legion position: We recommend the allocation of raw materials to manufacturers be continued. Congress should provide funds for the purpose of administering these allocations, whether by CPA or some other governmental agency.

3. Control: Special assistance to building-materials producers in securing necessary equipment and machinery.

Legion position: We recommend assistance to building materials producers in securing equipment and machinery.

4. Control: Limitation to one completed bathroom.

Legion position: We recommend continuance of the policy of one completed bathroom in each house until the supply of bathroom fixtures comes somewhere near the demand.

5. Control: Limitation to a total floor area of 1,500 square feet.

Legion position: We believe the square-foot limitation of 1,500 square feet on the size of houses should be continued. To eliminate this restriction could not but result in a lesser number of families housed by new construction.

6. Control: Requirement that housing be suitable for year-round occupancy.

Legion position: We believe the regulation requiring housing to be suitable for year-round occupancy is sound; for it to be otherwise could result in an unnecessary drain on our already limited materials and labor for the erection of purely seasonal houses.

7. Control: Rent ceilings on new construction.

Legion position: We recommend that rent controls on new construction be continued. Under the realistic rent formulas employed by FHA, the operators are in the position of receiving a fair return on their investment.

8. Control: Veterans' preferences.

Legion position: Veterans' preference should be continued.

9. Control: Sales price and rent ceilings on HH priority-constructed houses.

Legion position: Sales price and rent ceilings on HH priority-constructed houses should be maintained.

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VETERANS OF FOREIGN WARS OF THE UNITED STATES

WASHINGTON, D. C., March 4, 1947.—Rent control, guaranteed markets for producers of new building materials and mass privately produced housing, and long-range, low-interest loans to builders of rental housing for veterans, were "musts" submitted to Housing Expediter Frank Creedon by Commander-in-Chief Louis E. Starr, Veterans of Foreign Wars, during a conference today.

Starr also called for continued limitation of nonhousing construction. He urged the allocation of basic raw materials to producers of materials for housing if any semblance of a veterans' housing program is to bring relief to veterans.

VFW's views are expressed in 12 points. They follow:

1. Continued rent control.

2. Guaranteed markets for new materials and producers of prefabricated and industrial houses.

3. Long-range, low-interest loans to builders of rental units.

4. Limitation on nonresidential construction.

5. Allocation of basic raw materials now in short supply into housing materials.

6. Special assistance to building-material producers in securing equipment and machinery.

7. Limitation to one completed bathroom for new homes.

8. Limitation to 1,500 square feet floor areas in new construction.

9. Requirement that housing construction must be limited to year-round occupancy; eliminating beach homes, pleasure resorts, etc.

10. Consider lifting ceilings on new rental construction to stimulate large-scale development.

11. Veterans' preference on new homes for sale or rent should remain in effect if we are to have a veterans' emergency program.

12. Sales prices on HH priority-constructed homes should continue as protection to veterans who have made deposits and agreed upon sales and terms.

AMVETS OF WORLD WAR NO. II

WASHINGTON, D. C., March 7.—The AMVETS today announced general support of Frank R. Creedon, Housing Expediter, in his efforts to continue channeling scarce material into veterans housing; to prohibit the construction of large-size luxury mansions during the acute housing shortage; to limit nonhousing construction; to retain veterans' preferences; to retain sales prices and rent ceilings on HH priority-constructed houses.

However, in the belief that rent ceilings on new houses are already too high to be of assistance to the great mass of veterans and in an effort to expedite new construction, AMVETS National Commander, Ray Sawyer announced that the AMVETS national executive committee had voted in favor of removing rent ceilings on newly constructed houses and apartments.

The announcement followed a conference between Mr. Creedon and his staff and the AMVETS, national commander, accompanied by Allen P. Solada, executive director, Robert L. McLaughlin, legislative director; and Roscoe L. Barrow, chairman of the AMVETS national housing committee.

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AMERICAN VETERANS COMMITTEE (AVC)

WASHINGTON.—Franklin D. Roosevelt, Jr., national housing chairman of the American Veterans Committee (AVC), today attacked the proposal of the National Association of Home Builders that all housing controls be removed "as an indication that this group is not interested in constructing the type of low-cost housing veterans need."

In reply to a request from Housing Expediter Frank Creedon for AVC's recommendations on retention of existing controls, Roosevelt said: "The AVC believes that in the face of the continuing housing emergency all controls which aid in the construction of housing at minimum price levels must be retained. We feel that the following controls fall into this category:

"1. The construction order which limits nonresidential construction. This is one of the most important of existing controls. It is reported that over-all building costs are up 86 percent over 1939 and have reached an all-time peak. If the present limitation on nonresidential construction is lifted, nearly all builders would turn to the more profitable commercial construction.

"2. The allocation of such basic raw materials as pig iron to producers of building materials in critically short supply.

"3. Special assistance to building-materials producers in securing necessary equipment and machinery.

"4. Limitation to one completed bathroom.

"5. Limitation to a total floor area of 1,500 square feet.

"6. Requirement that housing be suitable for year-round occupancy.

"7. Rent ceilings on new construction. As housing officials have pointed out, removal of these ceilings would not result in additional construction but would mean exorbitant rentals.

"8. Veterans' preferences.

"9. Sales prices and rent ceilings on HH priority constructed houses.

"10. Guaranteed market provisions."

Roosevelt said that AVC concurred in the statement of Mr. Creedon that the controls remaining in effect should be maintained to prevent a mad scramble by the entire building industry for scarce materials and labor.

"If we are to obtain the goal of 1,000,000 houses for 1947, every aid must be given to the housing builder," Roosevelt said. "Not only must existing controls be retained but a determined effort must be made to find ways and means of bringing down construction costs. A recent survey by the Wall Street Journal indicates that builders are curtailing their programs up to 90 and 95 percent because of current record high costs. Any action which would further increase

housing costs is a direct blow at the homeless veteran."

Roosevelt said that a minimum housing program for veterans included retention of existing controls, continuation of rent controls for another year, and speedy passage of the Wagner-Ellender-Taft housing bill.

Roosevelt's recommendations were presented to the Housing Expediter today by Chat Paterson, AVC's national legislative representative. The recommendations of the VFW, Legion, AMVETS, and DAV were also presented to Mr. Creedon this week in response to his request for the attitudes of the five major veterans' organizations on the proposal of the National Association of Home Builders that all controls be removed.

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OFFICE OF THE HOUSING EXPEDITER

MARCH 9, 1947.—Housing Expediter Frank R. Creedon said today that any doubt or uncertainty as to whether the veterans' organizations want the present housing program continued in full force and effect has been removed as the result of conferences he has just held with the heads of the five major veterans' organizations or their representatives.

Mr. Creedon met individually this week with National Commander Paul M. Griffith, of the American Legion; Commander in Chief Louis E. Starr, of the Veterans of Foreign Wars; National Commander Ray Sawyer, of the American Veterans of World War II; Chat Paterson, representing National Chairman Charles G. Bolte, of the American Veterans Committee; and Earl G. Hendrick, representing National Commander Lloyd F. Oleson, of the Disabled American Veterans.

"I asked them to meet with me to clear up uncertainties that arose recently over conflicting reports as to the attitude of the veterans' organization toward the housing program," Mr. Creedon said. "The conferences were set up as a result of a letter I sent to the heads of the veterans' organizations, in which I stated that recent industry recommendations and the statements of members of some of the veterans' organizations indicated they favored the removal of sales price ceilings on National Housing priority-constructed houses. I further pointed out that some industry members favored removing all housing controls still in effect.

"In the letter I called attention to the fact that housing controls have been relaxed whenever I deemed that the changing situation warranted such action, but that some proposals were directed at the elimination of all controls.

"I then listed nine basic controls and restrictions still in force, and wrote the heads of the veterans' organizations that I would like very much to have their comments and recommendations on each of these controls; and I stated, further, that I would like to discuss these matters with each of them individually.

"My purpose, of course, was to determine beyond any question whether each of the veterans' organizations wanted the program continued in its present form, or whether it thought certain of the existing controls should be continued and others dropped, or whether it recommended abandoning the entire program.

"Their answers were unequivocal. All five of the organizations made it clear that they wanted the present program continued as is.

"Mr. Griffith of the Legion urged the retention of all nine points. He urged me to maintain rigid controls on all nonhousing construction, and stated that Congress should provide funds to some governmental agency to control this type of construction as well as to administer the allocation of raw materials to manufacturers of scarce building materials. He said the one completed bathroom control should be continued until the supply of bathroom fixtures comes somewhere near demand; that the 1,500-square-foot limitation should be continued, because, he said, its elimination would result in the construction of fewer homes; and that the year-round occupancy control should be retained to prevent an unnecessary drain on materials and labor for purely seasonal houses. Mr. Griffith said rent ceilings on new construction should be continued, because, he said, FHA's rent formulas provide a fair return on their investment.

"Mr. Starr of VFW favored retention of eight of the nine points and added three of his own—continued rent control on existing homes, guaranteed markets for new materials and producers of prefabricated and industrial homes, and long-range, low-interest-rate loans to builders of rental units. He questioned only one of the points—ceilings on new rental construction—and suggested I consider lifting it if such action would stimulate the construction of rental housing.

"Mr. Sawyer of AMVETS announced support of his organization on eight of the nine points. In the case of rent ceilings on new housing, he said that AMVETS' national executive committee had already taken action in favor of removing rent ceilings on newly constructed houses and apartments.

"Mr. Patterson of AVC and Mr. Hendrick of the DAV urged continuation of the entire program, strongly endorsing all nine points.

"These conferences with the veterans' organizations have been most helpful in clarifying the atmosphere. There is no longer any doubt that the veterans' organizations want a housing program nor is there doubt as to what kind of program they want. On the basis of their recommendations, I as Housing Expediter intend to continue as long as necessary the existing programs on which there was unanimity of opinion on the part of the veterans' organizations. The whole subject of rent control is before Congress. Consequently, rent ceilings on new construction will be retained pending consideration of this matter by the Congress."

The 9-point control program on which the veterans organizations were asked to comment and make recommendations point-by-point follows:

1. The construction limitation order which restricts nonresidential construction.
2. The allocation of a few basic raw materials, such as pig iron, to producers of building materials in critically short supply.
3. Special assistance to building materials producers in securing necessary equipment and machinery.
4. Limitation to one completed bathroom.
5. Limitation to a total floor area of 1,500 square feet.
6. Requirement that housing be suitable for year-round occupancy.
7. Rent ceilings on new construction.
8. Veterans' preference.
9. Sales prices and rent ceilings on HH priority-constructed houses.

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SPEECH OF HOUSING EXPEDITER FRANK R. CREEDON AT THE FOURTH ANNUAL CONVENTION OF THE NATIONAL ASSOCIATION OF HOME BUILDERS, HOTEL STEVENS, CHICAGO, ILL., FEBRUARY 25, 1947

I have heard it stated that the 12,000 members of this association build more than three-fourths of the homes and apartments erected each year in America. Next to the veteran searching for a place to live, you are the group most vitally concerned with the housing outlook. I have been Housing Expediter now for about 2 months. I think it most opportune that I am permitted to talk to you at this time and I wish to thank you for inviting me here.

I shall try to explain the actions I have taken since I assumed office and to tell you what I see the outlook to be for the balance of this year. All of the policies of the Office of the Housing Expediter are being formulated in an atmosphere of an orderly retreat from war. The Nation is fast approaching a return to a free, unfettered economy. The administration is directing its energies toward this goal.

Within this general spirit of decontrol, and within 48 hours after I assumed office, I eliminated the sales price ceiling on new houses, except those constructed with the aid of HH priorities. I eliminated the complex priority system, and the even more complicated schedule B to Priorities Regulation 33. I substituted a simple permit system authorizing construction. I rescinded the regulation which prohibited nonveterans from building for their own occupancy. I believed this prohibition to be undemocratic—and I know that it prevented many homes being started. I changed the former $80 per month rental ceiling on apartment housing to a ceiling of an average of $80 per month. Statistics indicate that this average ceiling is sufficient for almost every section of the country. However, just a few days ago, as Housing Expediter, I authorized the Federal Housing Administration to raise the $80 average shelter rent to a maximum of approximately $30 to $32 per month, per room, including service charges, in the very large metropolitan areas where hardship would result from inability to build under the $80 average rent ceiling.

I recently issued instructions to relax the provision that a builder must hold each and every house in a project for purchase by a veteran for a period of 60 days after its completion. This revision is covered by FHA Bulletin H. P. S. 13, dated February 13, 1947.

Also, I have just issued instructions to permit the sales prices of dwellings, built with HH priorities, to be increased beyond the previously imposed ceiling of $10,000 (and $17,000 for two-family dwellings) to cover the increased cost of highly desired conveniences previously omitted in order to keep costs within these ceilings. This revision is covered by FHA Bulletin H. P. S. 15, dated February 18, 1947.

I believe it appropriate at this time to mention the premium-payment program which played its part in increasing the production of certain building materials in short supply. This program lost much of its effectiveness with the removal of price controls. We have carefully reviewed the program and have already reduced the total number of plans in effect from 11 to 4. Of these four, two are scheduled to terminate March 31—housing nails and timber cruising teams. This leaves only the premium-payment plans on merchant pig iron and cast iron soil pipe, both of which expire on June 30. These two plans can and will be extended if it is determined that without them housing will suffer. The premium-payment plans have been important tools in getting record or near-record increases in the shortest possible time on several of the most critical building materials.

Another important factor in obtaining the large increase in many critical building materials thus far achieved has been Government allocation of basic raw materials to manufacturers of certain building products. It is highly important that the supply of these basic raw materials be continued. I intend to see that they are continued either by Government directive or by voluntary agreements reached between the Government and the manufacturers of these basic raw materials. As an example of a voluntary agreement just entered into, I am pleased to announce that the steel industry has agreed, on a voluntary basis, to supply approximately the same tonnage of steel to the same end product building items for each of the remaining quarters of 1947, as the industry did in the first quarter of 1947.

To stimulate the construction of rental housing projects, both large and small, the

FHA is offering liberalized provisions and incentives to builders of rental housing. FHA now insures mortgages on rental housing projects up to 90 percent of current costs, including land. FHA estimates that with an insured mortgage loan an efficient operator may recover through the mortgage substantially all of his cash expenditure. As a further incentive to operators in establishing initial rentals, FHA authorizes an anticipated net return of 6½ percent, with a 7 percent vacancy allowance. With the 100-percent occupany which can reasonably be expected for several years, the operator will actually be getting a substantially higher net return. As I stated earlier, where the $80 average rent ceiling prohibits rental construction in the very large metropolitan areas, I have authorized FHA to make special administrative exceptions on the basis of hardship.

The Bureau of Internal Revenue has entered the picture to permit accelerated depreciation of rental-housing projects for income tax purposes. As an additional aid, the FHA has simplified requirements as to application forms, preliminary drawings, specifications, and exhibits. In fact, FHA is maintaining a continuous study of ways and means to cut red tape for builders. In this connection, I would like to point out that FHA has recently instructed its field offices that FHA minimum property requirements for multifamily dwelling units are to be used as guides only.

I have recited these actions as proof positive that I do not retain any controls just for controls' sake, and also as assurance that I intend to lift the remaining controls at the earliest possible moment consistent with the aims of the housing program and with proper consideration for the economy of the country as a whole.

Despite the anxiety and wholesome desire of everyone to be free of Government controls, we should not lose sight of the fact that Government controls were imposed for a worthy purpose. That purpose was to win the war. I do not believe any single one of you would deny the effectiveness of controls in achieving that purpose. The controls remaining in effect are being maintained because I believe that without these controls there would result a mad scramble by the entire building industry for scarce materials and labor. The net result would be not only a great number of uncompleted construction projects, but a great number of uncompleted dwellings, with the result that homes which are already costing too much to build would cost a great deal more. In our desire to remove controls, we should not lose sight of the purpose of controls and we should not remove any control if, by removing, we sacrifice the purpose for which the control was established.

Now, let's take a look at these controls which we have kept and see what they are and the reasons why we are keeping them.

Veterans' preference, except for the modification previously mentioned, will be maintained for houses and apartments built during 1947. You are familiar with this preference. It requires that houses be held for veterans' purchase during construction and for 60 days after completion and that rental units be offered to veterans exclusively for 30 days in the same manner. I do not believe anyone here will quarrel with that control, as modified. Moreover, it is required under the Patman Act.

We are maintaining the limitation on nonresidential construction, otherwise known as VHP–1. We have recently raised the limit, as you know, from $35,000,000 per week to $50,000,000. The chief reason for this raise in the limit was the increase in material and labor costs. We do not intend to increase this $50,000,000 limit until the material and labor situation justify a change. During the period from March 24, 1946 when VHP–1 was put into effect, to February 1, 1947, a total of $2,000,000,000 in nonresidential construction was denied. I do not think that there is a man in this room who believes that the 1947 housing program would have the chance that it needs and deserves if this tidal wave of nonresidential construction was allowed to sweep over the country. Not only would the materials situation become utterly chaotic, but the bidding for labor and building materials would end in costs spiralling upward.

We will continue the square-foot limitation on the size of houses. The only purpose of this restriction is to prevent the construction of luxury-type houses which use a disproportionate amount of material and labor. To eliminate this restriction could not but result in a lesser number of families housed by new construction. The further limitation of one completed bathroom to a house is for the purpose of spreading the available supply of bathroom fixtures over a greater number of dwelling units. In the recent survey conducted by your association, plumbing fixtures were listed as the fourth most serious bottleneck in the building-material field. I will be very happy to eliminate this control just as soon as I can be assured that the supply of bathroom fixtures comes somewhere near the demand.

I do not believe that these remaining controls, onerous as they may seem in specific instances, when viewed in the light of the purpose for which they are imposed, can be said to be anything but helpful to the housing program, and you, even more than I, who live with the problem from day to day, can well recognize that fact.

Your performance last year was truly remarkable, all things considered. You started over 630,000 new, conventional homes and completed nearly 450,000. Building material supplies have made phenomenal gains. Present indications are that there will be building material enough for starting and completing about 1,000,000 homes in 1947, providing the program outlined above is adhered to. I have every confidence that you, you home builders, will achieve the recognized needed objective of 1,000,000 homes and apartments under construction this year.

The main emphasis will be and should be on the construction of a huge volume of rental housing. Surveys by the Census Bureau, Veterans' Administration, other Government agencies, and by private groups, have all shown that the great majority of veterans are unable financially to undertake the purchase of a home in today's market. Most veterans are young, many are still in school. Others are in job training and many have not yet selected the community in which they will settle permanently.

While I am optimistic about the housing outlook, I do not want any of you to think that we are without further problems or that the housing situation is practically solved. Far from it—the building material and labor situations are still serious problems, but I do believe that the cost of building materials, and more particularly the cost of construction, during the coming months will level off if they do not actually decline. It is my firm belief that the 1947 housing program is more your program than it is the Government's. It is up to you to get homes and apartments built for veterans. The home building industry has its big chance in 1947. I repeat that I have relaxed or eliminated practically all controls that have hindered you in the past. I am retaining only those controls without which you would not have even the share of scarce materials and labor that is available to you today.

You and I, you as the home builders of the Nation—I, as Housing Expediter within the framework of the Patman act, have as yet an unfulfilled obligation to the men and women who served their country in time of war. You have proven your ability to overcome obstacles in the past. Working together, I know you can and will build more houses and apartments in 1947 than were ever before built in a similar period.

The CHAIRMAN. General debate having been concluded the Clerk will read the bill for amendment.

The Clerk read down to and including line 7, page 1.

Mr. CANFIELD. 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. MICHENER, 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. 2436) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1948, and for other purposes, had come to no resolution thereon.

## EXTENSION OF REMARKS

Mr. JOHNSON of California (at the request of Mr. CANFIELD) was given permission to extend his remarks in the RECORD and include an editorial.

Mr. ANDERSON of California (at the request of Mr. CANFIELD) was granted permission to extend his remarks in the RECORD and include an address by the Secretary of the Navy.

Mr. PLUMLEY (at the request of Mr. CANFIELD) was granted permission to extend his remarks in the Appendix of the RECORD.

Mr. STEFAN (at the request of Mr. CANFIELD) was granted permission to extend his own remarks in the RECORD.

## PERMISSION TO FILE MINORITY VIEWS

Mr. MICHENER. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mr. SMITH] may have until midnight tonight to file minority views on the bill H. R. 2413.

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

There was no objection.

## EXTENSION OF REMARKS

Mr. PATMAN. Mr. Speaker, I ask unanimous consent that in connection with the remarks I made in Committee of the Whole this afternoon I may include a letter from Mr. Creedon, Housing Expediter, a summary of conclusions reached by veterans' organizations, press releases by the major veteran organizations on the housing question, and an address delivered by Mr. Creedon on the Housing Act.

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

There was no objection.

Mr. SARBACHER asked and was given permission to extend his remarks in the RECORD and include a copy of the resolution adopted by the Philadelphia Sports Writers Association.

## MESSAGE FROM THE PRESIDENT OF THE UNITED STATES—OFFICE OF SELECTIVE SERVICE RECORDS (H. DOC. NO. 168)

The SPEAKER laid before the House the following message from the President of the United States which was read by the Clerk and, together with accompanying papers, was referred to the

Committee on Armed Services and ordered printed:

*To the Congress of the United States:*

In my message of March 3, 1947, to the Congress, I recommended that there be no extension of the Selective Training and Service Act at this time. Because I am confident that the Congress and the Nation stand ready both now and in the future to take such action as may be necessary to assure the security of the Nation, and because there are now reasonably good prospects of maintaining at adequate strength the Army and Navy without resort to selective service, I believe we can liquidate the Selective Service System, except for its records. Since the act expires on March 31, 1947, we are faced with the immediate need of providing for the consolidation and preservation of records and providing for liquidation of the Selective Service System.

In order to provide for the orderly and expeditious liquidation of the Selective Service System, and to take care of storage and servicing of the records of the System, I recommend the establishment of an Office of Selective Service Records. It will be the duty of this office to begin immediately the liquidation of all local board offices, and to centralize at suitable locations in each State the valuable accumulation of records for safekeeping, in the event such records are needed in the future. It would not be the part of wisdom to destroy such records until their value has disappeared.

In the immediate future there are certain values to the veterans themselves and to the Nation in retaining and servicing the records apart from reasons of national security. During the last 6 months of 1946, the Selective Service System complied with more than 1,000,000 requests from State and Federal agencies for information about veterans. A large number of these requests were in the interest of veterans as individuals. It is desirable to continue to make use of the records in this manner, while at the same time assuring that the confidential nature of these records should not be violated.

I recommend, therefore, the enactment of a law providing for:

(1) The establishment of an Office of Selective Service Records which will (a) liquidate the Selective Service System, and (b) establish and maintain Federal record depots in the several States, the District of Columbia, and the Territories and possessions of the United States.

(2) Transfer to the Office of Selective Service Records all property, records, personnel, and unexpended balances of appropriations of the Selective Service System; and

(3) The continuance of the confidential nature of selective service records transferred to the Office of Selective Service Records with a provision for penalties for violations thereof.

HARRY S. TRUMAN.

THE WHITE HOUSE, *March 10, 1947.*

The SPEAKER. Under previous order of the House, the gentleman from California [Mr. HOLIFIELD] is recognized for 30 minutes.

LILIENTHAL—COMMUNISM SMEAR TECHNIQUE AND BASIC TRUTHS ON ATOMIC ENERGY

Mr. HOLIFIELD. Mr. Speaker, I asked for this 30 minutes to present some remarks on the confirmation of Mr. Lilienthal, to comment on the misuse of the word "communism" as a smear technique, and to present certain basic truths on atomic energy. However, due to the lateness of the hour, I am going to ask to be allowed to extend my remarks at this point and to include at certain points in my address certain corollary information:

First. A list of witnesses testifying in confirmation of and in opposition to Mr. Lilienthal.

Second. An excerpt from Mr. Lilienthal's testimony; and

Third. Some basic facts on atomic energy as compiled by the National Committee on Atomic Energy.

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

There was no objection.

Mr. HOLIFIELD. Mr. Speaker, the use of the two atomic bombs on August 6 and 9, 1945, over the two industrial cities of Japan, Hiroshima and Nagasaki, brought to the realization of the people of the world the fact that a new and terrible type of warfare was possible. A destructive element had been brought into play which was a thousandfold greater than any previous element used in warfare between nations. During the year which followed, thoughtful men became greatly concerned with the question of how this great force could be controlled. It was obvious that two phases of control would be necessary; first, control on the domestic plane in each nation; and second international control which to be effective, would, of necessity, require the cooperation and participation of every nation in the world which possessed industrial facilities and scientific knowledge. When the Seventy-ninth Congress convened on September 5, just 1 day after the formal surrender of the Japanese, a bill was presented in the House and in the Senate to establish methods of atomic control and procedure on the domestic level. This bill, H. R. 4566, commonly called the May-Johnson bill, was referred to the House Committee on Military Affairs, of which I was a member. Only perfunctory hearings were held, lasting a total of 3 or 4 days. With the exception of two scientists, Dr. Leo Szilard and Dr. Harold Anderson, both physicists who had important duties to perform in the development of the bomb, the balance of the witnesses were proponents of the bill. The bill was reported favorably out of committee despite the protests of the gentleman from Illinois, Congressman MELVIN PRICE, and myself. The gentleman from Illinois, Congressman PRICE, and I prepared the dissenting report which was filed against the bill. The May-Johnson bill languished in the Rules Committee until the following June 1946. At that time S. 1717 was passed. It set up a special committee for the proper consideration of this important subject. Extensive hearings were held extending over a period of 8 months. The most important scientists, industrialists, educational and civic leaders in the United States were given ample opportunity to discuss all phases of the complicated legislation. As a result of this very proper handling of this important legislative matter, a bill was reported unanimously.

It is interesting to note that among the provisions which were not contained in the May-Johnson bill, but were included in S. 1717, were principles which Congressman PRICE and I had recommended in our dissenting report some 8 months previous. These principles were: First, the Commission should be composed of full time, well-paid members; second, the Administrator should be a civilian; and, third, the Government should be the exclusive producer and owner of plutonium and other fissionable materials. Senate bill 1717 was finally passed by both Houses and signed by the President and is now the law which establishes our policy in regard to domestic use of atomic energy. Pursuant to the conditions contained in this bill, the President appointed a five-man civilian Commission. These men are outstanding Americans. They have outstanding qualifications. I submit here a list of their names:

Summer T. Pike, businessman and broker, formerly of Stone and Webster in Boston and with Wall Street's Pomeroy & Co., having more lately served as Republican member of the Securities and Exchange Commission until he resigned a year ago.

William W. Waymack, editor of the Republican Des Moines Register and Tribune, and member of the board of directors of the Chicago Federal Reserve Bank.

Lewis L. Strauss, who rose to rear admiral in the Naval Reserve and who was a partner in Kuhn, Loeb & Co., bankers.

Robert F. Bacher, physicist, formerly head of Nuclear Research at Cornell University and one of the natural scientists who assembled the first atomic bomb, and David E. Lilienthal, former Administrative Director of TVA.

Mr. Lilienthal was appointed Chairman of the Atomic Energy Commission. The Commission was appointed on November 1, 1946. During the past 4 months, it has been busily engaged in acquainting itself with its duties and in formulating plans to comply with the legislation which Congress passed, Senate bill 1717.

It was assumed that the President's appointments would be approved without great delay in view of the fact that such outstanding personnel had been selected by the President and in view of the great urgency presented to the people of the United States by the discovery of atomic energy, and the necessity of further research and development of this great discovery. On June 1, the Army, which had been in charge of all atomic energy control, relinquished its jurisdiction of the great Manhattan project to this Commission. Since January 1, 1947, therefore, the Atomic Energy Commission, although not formally approved, has been in actual charge of this $2,500,000,000 nationally owned project. They have had access to all the secret facilities and information regarding this project.

They have had the responsibility of management of this great project and of maintaining security of information regarding the atomic bomb. The delay in approval has been a serious detriment to the American people. It has been impossible for the Commission to proceed with long-range plans for development, for contracts, for research, for location of uranium deposits, and experiments in peacetime adaptation of atomic energy. An effort has been made on the part of the Commission to keep the machine running. This effort has been partially successful, but it has been far from achieving the results which would have been achieved had the Commission been established promptly by approval as required by law.

The chairman of the Joint Committee on Atomic Energy Legislation invited the House Members to attend the hearings in order that they might be acquainted with the testimony and the procedure adopted. At this point I want to pay a very sincere compliment to the chairman and the members of the committee. The hearings have been conducted with fairness and impartiality by the chairman. The chairman has exercised unusual patience in permitting one of his colleagues to participate at great length in the cross-examining of witnesses. The long-standing feud against the former Chairman of the TVA, Mr. Lilienthal, is too well known to the Members of Congress to be the occasion of elaboration. Suffice it to say that the cross-examination of Mr. Lilienthal has been lengthy and tiresome to many of the listeners. The witnesses called to testify in opposition to Mr. Lilienthal have been lacking in ability to impress the members of the committee, the press correspondents, and the general public. They have been, in most instances, mediocre and lacking in background of national importance. Their testimony has not been convincing. On the other hand, some of the most important industrialists, scientists, religious, and business leaders of the United States have appeared in favor of Mr. Lilienthal.

I submit here a list of witnesses testifying in support of Mr. Lilienthal's confirmation, and also witnesses testifying against his confirmation, which was printed in the March 3 issue of the Washington Post:

WITNESSES TESTIFYING IN SUPPORT OF CONFIRMATION

(In the order in which they appeared before the committee)

John M. Hancock, New York, N. Y. Partner, Lehman Bros.; director, various large corporations; associated with B. M. Baruch on atomic energy plans.

Bernard M. Baruch, New York, N. Y. Industrialist and financier; United States representative to United Nations on atomic energy control.

Dr. James Bryan Conant, Cambridge, Mass. President, Harvard University; special consultant on Manhattan District project.

Dr. Vannevar Bush, Washington, D. C. President, Carnegie Institute of Washington; director, Office of Scientific Research and Development; chairman, Joint Research and Development Board of the Army and Navy.

Congressman Joe Starnes, Guntersville, Ala. Former Member of Congress, Fifth Congressional District, Alabama; member throughout its existence, Special House Committee on Un-American Activities.

Dr. Karl Taylor Compton, Cambridge, Mass. President, Massachusetts Institute of Technology; chairman, Joint Chiefs of Staff Evaluation Board, atomic bomb tests.

Henry H. Fowler, Washington, D. C. Practicing attorney, former attorney, TVA staff.

Hon. Robert P. Patterson, Washington, D. C. Secretary of War.

Chester I. Barnard, Newark, N. J. President, New Jersey Bell Telephone Co.; member, State Department Board of Consultants on Atomic Energy.

Rev. Thomas E. O'Connell, Richmond, Va. Past president, Catholic Committee of the South.

Bishop E. H. Hughes, Chevy Chase, Md. Senior bishop, Methodist Church; formerly president, De Pauw University.

Harry A. Winne, Schenectady, N. Y. Vice president in charge of engineering policy, General Electric Co.; member, Board of Consultants, State Department Committee on Atomic Energy.

Charles A. Thomas, St. Louis, Mo. Vice president in charge of research and development, Monsanto Chemical Co.; member, State Department Board of Consultants on Atomic Energy.

Barrett C. Shelton, Decatur, Ala. Publisher, Decatur Daily News.

R. W. Bishop, Guntersville, Ala.

Louis A. Eckl, Florence, Ala. Editor, Florence (Ala.) Times and Tri-Cities Daily.

H. E. Monroe, Huntsville, Ala. President, Chamber of Commerce.

Thomas McCroskey, Knoxville, Tenn. Retired farmer.

Joseph H. Lane, Chattanooga, Tenn. President, Cavalier Corp.

Fred C. Schlemmer, Chattanooga, Tenn. Peerless Woolen Mills.

L. J. Wilhoit, Chattanooga, Tenn. Southern Dairies, Inc.

George H. Wright, Sweetwater, Tenn. Vice president, Tennessee Retail Hardware Dealers Association.

A. E. Walthall, Athens, Tenn. Athens Rolling Mill and Taylor Implement Manufacturing Co.

S. R. Finley, Chattanooga, Tenn. General superintendent, Electric Power Board of Chattanooga.

William L. Batt, Philadelphia, Pa. President, SKF Industries, former vice chairman, WPB.

WITNESSES TESTIFYING IN OPPOSITION TO CONFIRMATION

(In the order in which they appeared before the committee)

L. T. Bolt, Jr., Knoxville, Tenn. Practicing attorney, formerly attorney, TVA staff.

Jack Comer, Knoxville, Tenn. Practicing attorney, former TVA mimeograph operator.

Dr. Arthur E. Morgan, Yellow Springs, Ohio. Former chairman, TVA, retired.

Agnes Waters, Washington, D. C. Housewife.

James L. Smith, Knoxville, Tenn. Former chief, TVA Central Files Section.

Frank M. Farris, Nashville, Tenn. President, Third National Bank.

Mrs. Margaret Hopkins Worrell, Washington, D. C. Women's Patriotic Conference on National Defense.

Probably one of the most regrettable parts of the Atomic Energy Commission hearings has been the attempt to prove that Mr. Lilienthal is a Communist. The custom of smearing people of good character with charges of "communism," "Red fascism," and "radical," and the attempt to include within the opprobrium of these epithets, "progressive," "liberal," "New Dealer," is in my opinion, one of the most dangerous practices in contemporary American politics. It is a tactic which was used in the 1946 campaign with some success by Republican candidates for national office. But temporary political success obtained by "red baiting" and "red smearing" people of progressive, social, economic, and political beliefs, with rabble-rousing epithets, will pale into insignificance alongside the danger to democracy inherent in these practices. "Red baiting" and "red smearing" charges against progressive-thinking people who believe in solving the social and economic problems of our democracy by constitutional means and by constitutional evolution, are dangerous. The reason they are dangerous is because they seek to discredit the proponents of progress by an epithet which prejudices the minds of unthinking or easily swayed persons. It seeks to accomplish an end by appealing to hysteria rather than by the exercise of reason and logic. This was the method used by Hitler to defeat his opposition during the days when the Nazi Party was rising to power in Germany. The people who opposed Hitler were labeled "Communist" regardless of whether the charge was true or not. By labeling his opponents with the group charge of "communism," he discredited and destroyed the democratic elements in the German Nation. His theory, as explained in Mein Kampf, was to tell a colossal lie and repeat it often enough until the people believed the lie to be the truth. This is the technique of Himmler and Goebbels. It is the propaganda base upon which nazism and fascism were built. It is a peculiarly dangerous type of character assassination, when used by a Member of the United States Congress under the conditions of immunity from libel which a Representative or a Senator possesses. The charge of "communism" when hurled from a congressional committee seat or a legislative rostrum, should be made only when actual proof of such affiliation is concurrently presented. The custom of some Members of the Congress in grouping sincere and honest people who differ with them in regard to the method of how to solve social and economic problems with Communists, is a dangerous procedure. Not only is it dangerous but it is a cowardly method of character assassination against which the private individual has little or no recourse. Such charges, once printed in the CONGRESSIONAL RECORD, even though unfounded and unproven, can be referred to, quoted, and reprinted for the remainder of the individual's life by his personal or political enemies.

The charges of communism against Mr. Lilienthal were unfounded and were not proven by the testimony presented to the Atomic Energy Committee. After days of harassment and persecution, which Mr. Lilienthal submitted to in a patient manner, he finally, after an unusually vicious attack upon his patriotism, burst forth with an impromptu, but most impressive, exposition of his belief in democracy and its meaning to him. Mr. Speaker, under unanimous consent, I include at this point a portion of Mr. Lilienthal's remarks on this subject. In my opinion, this credo of democracy which was voiced by Mr. Lilienthal is destined to go down in history as one of

the great patriotic expressions of our time. When questioned as to his political philosophy, Mr. Lilienthal said:

I will do my best to make it clear. My convictions are not so much concerned with what I am against as what I am for; and that excludes a lot of things automatically.

Traditionally, democracy has been an affirmative doctrine rather than merely a negative one.

I believe—and I conceive the Constitution of the United States to rest upon, as does religion—the fundamental proposition of the integrity of the individual; and that all Government and all private institutions must be designed to promote and protect and defend the integrity and the dignity of the individual; that that is the essential meaning of the Constitution and the Bill of Rights, as it is essentially the meaning of religion.

Any form of government, therefore, and any other institutions which make men means rather than ends, which exalt the state or any other institutions above the importance of men, which place arbitrary power over men as a fundamental tenet of government are contrary to that conception, and, therefore, I am deeply opposed to them.

The communistic philosophy as well as the communistic form of government fall within this category, for their fundamental tenet is quite to the contrary. The fundamental tenet of communism is that the state is an end in itself, and that therefore the powers which the state exercises over the individual are without any ethical standards to limit them.

That I deeply disbelieve.

It is very easy simply to say that one is not a Communist. And, of course, if my record requires me to state that very affirmatively, then it is a great disappointment to me.

It is very easy to talk about being against communism. It is equally important to believe those things which provide a satisfying and effective alternative. Democracy is that satisfying, affirmative alternative.

Its hope in the world is that it is an affirmative belief, rather than being simply a belief against something else and nothing more.

One of the tenets of democracy that grows out of this central core of a belief that the individual comes first, that all men are the children of God, and that their personalities are therefore sacred, carries with it a great belief in civil liberties and their protection, and a repugnance to anyone who would steal from a human being that which is most precious to him—his good name—either by imputing things to him by innuendo or by insinuation. And it is especially an unhappy circumstance that occasionally that is done in the name of democracy. This, I think, can tear our country apart and destroy it if we carry it further.

I deeply believe in the capacity of democracy to surmount any trials that may lie ahead, provided only that we practice it in our daily lives.

And among the things we must practice is that while we seek fervently to ferret out the subversive and antidemocratic forces in the country, we do not at the same time, by hysteria, by resort to innuendo, and smears, and other unfortunate tactics, besmirch the very cause that we believe in, and cause a separation among our people—cause one group and one individual to hate another, based on mere attacks, mere unsubstantiated attacks upon their loyalty.

I want also to add that part of my conviction is based on my training as an Anglo-American common-law lawyer. It is the very basis and the great heritage of the English people to this country, which we have maintained, that we insist on the strictest rules of credibility of witnesses and on the avoidance of hearsay, and that gossip shall be excluded, in the courts of justice. And that, too, is an essential of our democracy.

Whether by administrative agencies acting arbitrarily against business organizations, or whether by investigating activities of legislative branches, whenever these principles fail—these principles of the protection of an individual and his good name against besmirchment by gossip, hearsay, and the statements of witnesses who are not subject to cross-examination—then, too, we have failed in carrying forward our ideals in respect to democracy.

That I deeply believe.

The pin-drop silence which had obtained throughout Lilienthal's remarks lasted several moments more.

Then a quiet voice said, "That was the statement of a very real American."

The Atomic Energy Committee approved today, by a vote of 8 to 1, the appointment of Mr. Lilienthal and the other members of the Atomic Energy Commission. Senate bill 1717 provides that "members of the Commission shall be appointed by the President, by and with the advice and consent of the Senate." That consent is now pending. It is sincerely hoped that such consent will not be further delayed and that the opposition to Mr. Lilienthal will withdraw so that our great atomic-energy project can function freely.

Mr. Speaker, under unanimous consent, I ask that at this time certain basic facts regarding atomic energy, as compiled by the National Committee on Atomic Energy, be included in my remarks:

ATOMIC ENERGY HAS OPENED A NEW ERA FOR MANKIND

The prehistoric man who first lit a fire opened a new era. But he never imagined a blast furnace.

When James Watt discovered the power of steam he started something which transformed the ways of men. But he never imagined the *Queen Elizabeth*.

Even wise old Benjamin Franklin, who experimented with electricity, had no idea this force would light cities and bring one voice to a million homes.

We likewise cannot imagine how atomic energy can change our ways and our world. What it may mean to you is sketched below.

New power, harnessed by man, means greater freedom. Your car brings you greater freedom. Splitting the atom gives us power so enormous it is hard to comprehend. For instance, the atomic energy in 1 pound of uranium is as great as the energy we obtain when we burn 1,300 tons of coal.

Such power can be used for either good or evil. It can either create or destroy.

The best minds agree that atomic warfare can destroy our kind of civilization. It might not destroy all civilization. As Dr. Einstein has suggested, enough intelligent people might be left to rebuild painfully and slowly. But, after such a catastrophe, it would not be the civilization we know now. And most of us would not live to see it.

One central fact about atomic energy is this: as soon as you start making it upon a significant scale you have the materials used for atomic bombs. As Mr. Baruch has pointed out, when you produce these materials you have gone 75 percent of the way to producing a bomb.

THE ATOMIC BOMB IS THE MOST DEVASTATING WEAPON EVER POSSESSED BY MAN

What happened at Hiroshima showed that one atomic bomb can kill 100,000 people. If a bomb were set off to inflict casualties instead of damage, its radiations could kill more than its blast. The more crowded the target area, the more would be killed The United States delegation to the Atomic Energy Commission estimates the destruction of the bomb as equal to that of 167 10-ton block busters. Its power is equal to 20,000 tons of TNT.

These figures mean that atomic bombs, despite their cost, are very cheap weapons in relation to the destruction they can do. As far as the vital heart of any city is concerned, one bomb can liquidate one city.

Future atomic bombs will become even more destructive as their efficiency is developed.

A few years from now it will be possible to send atomic bombs across oceans in rockets. Looking ahead, Dr. J. R. Oppenheimer has estimated that 40,000,000 Americans might be killed in one atomic attack.

THERE IS NO MILITARY DEFENSE AGAINST THE BOMB

Up to now, a means of defense has been created to meet every new offensive weapon. This has happened in the case of the rifle, the machine gun, the modern naval gun, the torpedo, the tank, and the bomber. But the defense was never complete. Each of these weapons killed many thousands in the war. Ask anyone who has been in an air raid.

Defensive measures finally stopped 90 percent of the V-1 flying bombs shot at London. But even then 10 percent got through. If they had carried atomic bombs, London would have disappeared. Even this very high degree of success in defense could not save a city from atomic destruction.

But the V-1's were unusually easy to stop. Defensive measures were not, on the average, nearly as successful against bombers. They had no success against the V-2 rocket.

They are not likely to be very successful against transoceanic rockets armed with atomic warheads. Like the V-2 these rockets might drop from the stratosphere at any place at any time at thousands of miles an hour. We cannot expect to perfect a defense which would stop even 90 percent. As the war showed again and again, actual experience with new weapons is required before effective defense measures can be improvised.

In this case the defense problem of stopping even one rocket appears exceedingly difficult, because the rocket would fall twice as fast as an antiaircraft shell goes up, and with only seconds or minutes warning of its approach. Defensive crews could not remain fully alerted year after year.

Defense would also be necessary against other forms of atomic attack, including sabotage. For example, atomic bombs could be brought into the country in small parts and secretely assembled in our cities. Or bombs could be secreted in merchant ships and blown up in our ports. It is hard to imagine a 100-percent defense against these methods of attack.

Foremost military authorities believe the principal military defenses against atomic attack would be (1) dispersion of our cities and industries and (2) all-out preparedness to counterattack. The cost of the first has been estimated at $300,000,000,000. It would decrease the casualties and destruction from an attack. But it must be remembered that an enemy could, at a fraction of this cost, increase greatly the power of the attack.

The second would tend to make an enemy fear to attack us. It might force him to use many of his bombs against military installations. But it would not help the people in cities which were attacked.

THE UNITED STATES IS HIGHLY VULNERABLE TO ATOMIC WARFARE

Most Americans live in cities. One-third of our people live in 199 cities of over 50,000 population.

We have the largest industrial plant in the world, highly concentrated in one section of the country.

For these reasons, experts say, we are more vulnerable to atomic attack than any other major country except England. We are likely to remain highly vulnerable. Quite apart from the staggering costs and economic

losses involved, dispersing our cities and industries or moving our more vital industries underground would require many years and would have only limited value.

This vulnerability is increased by our institutions and our form of government. Due to our freedoms and our habit of freedom, effective protection against atomic sabotage would be particularly difficult. Our Constitution provides that Congress must declare war. Our traditions and ethical standards would go far to preclude delegating power to the President to launch an attack upon a probable enemy before he actually struck at us.

THERE IS NO SECRET—ONLY A TEMPORARY MONOPOLY

The talk about keeping the secret has been phony from the start. All nations have the knowledge of the basic scientific facts of atomic energy which we had in 1941.

They also know vitally important things that we did not know then—that atomic fission is possible; that plutonium can be produced from U238; and that U235 can be separated successfully by four different processes.

What the secret really comprises now is primarily the engineering know-how. Some of this comes from actually doing the job. The rest comes from the high technical standards of our industry. Many other countries are now able to learn what is left of the secret by doing the job themselves.

We still have a monopoly of actual atomic production and bomb manufacturing. But that monopoly can be only temporary.

OTHER COUNTRIES CAN PRODUCE ATOMIC BOMBS

The necessary raw material, uranium, is scattered widely over the world. If the demand is sufficient, rich deposits are not necessary. Thorium, which can be used with uranium, is even more widely distributed.

In terms of destruction atomic bombs are cheap weapons. Their manufacture, although highly technical, does not require a huge plant or outlay. Production of atomic materials need not cost other countries anything like the $2,000,000,000 it cost us. Instead, they can concentrate on one process, for instance the plutonium process, which cost us only three hundred and fifty millions. We did that job regardless of cost under war conditions. They might do it much cheaper.

Authorities believe that any highly industrialized country, whether large or small, can make atomic bombs in a number of years if it is prepared to make the financial and economic effort. How long it would take would depend upon that effort plus industrial capacity and skills. Most estimates run between 3 and 10 years from last winter. It would be unwise to count on our present monopoly of atomic bombs lasting as much as 5 years from now.

Other nations may have bomb stock piles in perhaps 5 years. Actually the time involved might be less, only 4 or 3, if we fail to establish effective international control of atomic energy. Once stock piles of bombs had been started in other countries, they would grow steadily.

Such pyramiding stock piles of atomic bombs would breed the greatest fear mankind has ever known. This would be most extreme among the populations of cities, perhaps causing periodic panics. Every time international friction developed, the barometer of fear would rise.

One result would be large-scale movement out of cities. This would dislocate economic life and real-estate values. Indeed, such widespread fear might paralyze the normal workings of Government and undermine our democratic way of life. We all remember the restrictions imposed by Government controls during the war. Far more extensive Government controls would seem necessary in that kind of a peace.

Past experience shows that armament races lead toward war. An atomic armament race plus such a spread of fear and mass hysteria would lead toward, and could set off, an atomic war.

WORLD CONTROL OF ATOMIC ENERGY CAN END THE MENACE OF ATOMIC WAR

Although there is no effective military defense against the atomic bomb now and there is none in sight, there can be another kind of defense. That is a political defense. It can be achieved by setting up world control of atomic energy.

If no nation has atomic weapons, surprise atomic attack will be impossible.

The fear and danger of atomic war would then be reduced to a minimum. For effective world control of atomic energy would minimize the possibility of atomic war. Atomic attack would then become possible only if the control system broke down, allowing some nation to make atomic weapons.

WORLD CONTROL IS PRACTICABLE

The Acheson-Lilienthal Report set forth six essentials which, if fulfilled, would make a world-control system work. They were, in summary:

1. The plan must reduce the control problem to manageable proportions.

2. It must provide clear and reliable danger signals of any violations which might lead toward atomic war.

3. It must provide security if it works, yet must leave any nation such as the United States relatively secure if it breaks down.

4. It must not be wholly negative and police-like, but must be constructive, promoting the beneficial uses of atomic energy.

5. It must provide for meeting new dangers if they arise.

6. It must involve international action, and minimize international rivalry, in atomic development.

THE UNITED NATIONS IS SEEKING WORLD CONTROL

The United Nations Atomic Energy Commission, comprising the 11 nations on the Security Council and Canada, is now trying to establish world control of atomic energy.

This Commission was set up by the United Nations General Assembly, following earlier agreements between the United States, Britain, Canada, and Russia that world control was necessary. It met on June 14, 1946. Upon its success depends the future of mankind.

At the first meeting the American representative, Mr. Bernard M. Baruch, submitted comprehensive proposals for world control. These were based upon the Acheson-Lilienthal Report.

The central feature of these proposals was the creation by treaty of an international Atomic Development Authority. To this body would be entrusted all phases of the development and use of atomic energy.

The Authority would have either managerial control or ownership of all atomic activities which are potentially dangerous to security. It would also have power to control, license, and inspect all other atomic activities.

At a stage to be determined in the atomic treaty, the United States would stop manufacturing atomic bombs and dispose of all its existing bombs. Our temporary monopoly of atomic energy would then be transformed into a permanent monopoly of the Authority.

On September 26 the scientific advisers of the Commission adopted unanimously a report on the scientific and technical aspects of the problem of control. It concluded that world control was technologically feasible. While it did not recommend any particular system of control, it underlined the complexity of control. To this extent, it gave support to the American plans.

The Commission made its first report to the Security Council on December 30, adopted by 10 votes with Russia and Poland abstaining. Completing the first phase of the Commission's work, this report outlined its progress to date and submitted findings and recommendations.

The recommendations followed closely an American draft with some additions and changes. They included the following points:

There should be a strong and comprehensive international system of control and inspection set up by a treaty.

The treaty should establish an international Authority with power to carry out its duties and able to operate without any great power veto.

The Authority should be responsible for preventing the use of atomic energy for destructive purposes and for its control to the extent necessary to insure its use only for peaceful purposes.

It should have positive research and development responsibilities in order to remain in the forefront of atomic knowledge and should have power to make decisions governing national atomic energy agencies.

The treaty should also provide for free access for the Authority's representatives; for disposal of all existing stocks of bombs; and should prohibit manufacture, possession and use of atomic weapons.

There should be no legal right, by veto or otherwise, whereby a willful violator of the treaty would be protected from punishment.

The treaty should embrace the entire program of putting the international control system into effect, including a schedule of stages for transition to international control.

It must be remembered, however, that general acceptance of the basic principles of the atomic treaty will be only a first step in the creation of effective control.

ATOMIC ENERGY MUST BE MAN'S SERVANT, NOT HIS MASTER

Once atomic energy has been brought under effective world control, it will become a means of prosperity and progress instead of a source of fear. It will bring peoples together, instead of forcing them apart and underground.

Already we have a glimpse of how atomic energy can serve us, once we are free to use it.

Atomic power can open up rich regions of the earth which lack either coal or waterpower. A few pounds of plutonium can be carried thousands of miles at negligible cost. For example, large areas in the interior of Brazil are rich in mineral resources but have no railroads. Plutonium could be transported to those regions by air.

Too much shielding is required to permit use of atomic power in automobiles. But it may be used to drive ships, or perhaps even giant rockets able to travel through space.

Atomic energy can improve health and prolong life. Already radio-active substances have been used to treat diseases. Large quantities will become available for health and research. Radioactive tracers can be followed inside the human body and bring us new knowledge of how it works.

Such tracers can also expand our knowleige of biology and industrial processes. They can mean to biology what the microscope has meant to science. We may even learn how plants obtain energy from sunlight, the basic process of life on our planet, and become able to employ this process mechanically.

Among other expected benefits of atomic energy are improvement and increase of many kinds of food, until a day arrives when no man need starve.

But many experts believe that the greatest boon of all will be the increase in knowledge through research. Scientific knowledge generates progress in all directions, leading to developments never imagined at first. Here is a new key to progress, comparable in significance to fire. It can open wide a door for the advancement of mankind.

We stand now at the threshold of a new world of tomorrow, a world of which this generation can see only the outlines.

Whether we shall have such a world depends upon what happens now, in the next 2 or 3 years. It depends upon whether or not we bring atomic energy under effective control.

EACH OF US HAS A PERSONAL STAKE IN WORLD CONTROL OF ATOMIC ENERGY

The success or failure of the effort to establish such control will affect decisively the life of every human being.

For instance, if you are a businessman, it will affect you vitally.

World control of atomic energy will open new fields for business. It will bring new confidence in the future. It will promote new industrial techniques and products and new technological progress, favorable, in greater or less degree, to every industry.

But if, instead, we have an atomic armaments race, fear of the future might paralyze business operations. Armament costs and Government restrictions would impose a crushing burden on private enterprise. Real-estate values and many other property values would fall, as thousands deserted cities in the hope of greater safety. You might even give up your business to look for some job in the country.

If you are a worker you will be equally affected.

World control of atomic energy can mean more jobs and rising standards of living. It can bring shorter hours and better conditions of labor.

But if we have an atomic armament race, more and more of the available jobs would be concerned with national defense, many of them on installations which would be first targets for atomic attacks. Others would require working underground. The hard-won rights of labor would be likely to suffer under the overpowering urge of our people for a maximum of protection at any cost.

Whatever your profession and wherever you live, the success or failure of the effort to achieve world control of atomic energy will shape your life. For all men it will decide whether or not they must live in fear, as their cavemen ancestors did 10,000 years ago. For hundreds of millions it will probably decide between annihilation or survival.

We cannot turn back the clock to the pre-atomic era. Only one thing could end the Atomic Age now that it has begun. That is an obliteration of world civilization so extensive that men could no longer split the atom.

The principal nations of mankind are faced with a choice between progress and destruction. The time is now.

YOU CAN DO YOUR PART

If you understand the facts about the atomic problem yourself, you can help your friends to understand them. Whenever the subject comes up in conversation, you can spread accurate information.

If you are a member of an organization, club, church, school, labor union, or office staff, you can promote discussion and study of the atomic problem. Study groups, discussion groups or meetings with speakers, slides or films can disseminate knowledge of the atomic facts. By getting together, organizations can put on more effective programs.

If you know the facts, you can also help to check the spread of inaccurate statements. You can write a letter to the editor of a newspaper, or call a radio station when inaccuracies occur, and you can challenge errors in discussion.

Since our country is a democracy, sound action by Congress must rest upon informed public opinion. Our Government will have to act upon many crucial issues in the atomic field, including any treaty establishing world control. If you know the facts, you can do your part to ensure that our Government acts wisely.

THE SCHOOL-LUNCH PROGRAM

Mr. PACE. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

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

There was no objection.

Mr. PACE. Mr. Speaker, I hope the President will promptly submit to the Congress, and that the Committee on Appropriations will immediately approve, a request for funds to carry on the school-lunch program for the remainder of the fiscal year. I am advised that $10,000,000 will be adequate and that early action by the President and the Congress is required in order to avoid the closing down of this program in at least 16 States.

I can understand the hesitation on the part of the President to request and by the Appropriations Committee to approve deficiency appropriations, but I believe the situation justifies and demands such action in this instance. At the time the regular appropriation of $75,000,000 was made last June it was thought by all of us that such sum would be ample to support the program until July 1 of this year. Our calculations were based upon the amount of participation in the program at that time. But there was a 12-percent increase in the number of schools and children qualifying for the program, and this has brought about the same percent in the shortage of funds.

I shall not attempt here to enumerate the many advantages of the school-lunch program or the great benefits the children of the Nation derive from the program. These are demonstrated by the expansion and growing popularity of the program. But I do remind the Members that we decided to place the program on a permanent basis at the last session of the Congress because we had become convinced that it had proven to be a valuable contribution in building sound bodies and minds for our children and offered a sound outlet for surplus agricultural commodities when these surpluses begin to appear in the future.

It was my privilege to aid in the drafting of the legislation at the last session to put this program on a permanent basis. This was handled by the Committee on Agriculture, of which I am a member. I later served on the conference committee of the House and Senate, and our final recommendation is now Public Law 396, Seventy-ninth Congress, second session, entitled "An act to provide assistance to the States in the establishment, maintenance, operation, and expansion of school-lunch programs."

I call your special attention to the word "expansion" as clearly indicating that the Congress expected the program to expand and intended that more schools and more children should qualify under the program. Such natural and anticipated expansion has brought about the present shortage of funds and justifies the President and the Congress in making additional funds available immediately.

I should also like to call your attention to the formal declaration of the policy of the Congress with respect to this program. It is section 2 of the act, as follows:

DECLARATION OF POLICY

SEC. 2. It is hereby declared to be the policy of Congress, as a measure of national security, to safeguard the health and well-being of the Nation's children and to encourage the domestic consumption of nutritious agricultural commodities and other food, by assisting the States, through grants in aid and other means, in providing an adequate supply of foods and other facilities for the establishment, maintenance, operation, and expansion of nonprofit school-lunch programs.

Then section 3 authorizes the appropriation of such funds "as may be necessary" to carry out the provisions of the act. The appropriation of an additional $10,000,000 at this time is most necessary to carry on the program until June 30, and, of course, the regular appropriation of an adequate sum to continue the program during the next fiscal year beginning July 1 is of equal importance and necessity.

As an indication of the deep interest of the people of my own State in this program, I call your attention to the following resolution unanimously adopted February 26 by the Georgia State Senate:

Senate Resolution 24

Whereas in initiating, supporting, and maintaining the national school-lunch program, the Government of the United States has rendered invaluable aid to the cause of public education, from which the common-school system of Georgia has enjoyed its full participation since this wise legislation was originally fostered and the benefits thereof first became available to the pupils in our public schools; and

Whereas it is essential to the realization of Georgia's ambitious plans for the full development of its educational program and the adequate instruction of the children of our State that these Federal grants which were so auspiciously launched and so successfully maintained during recent years, whereby nourishing food at lunch time may be available to the growing generation of America's future citizens, shall continue without interruption; and

Whereas in the movement for retrenchment in national expenditures now so widely advocated, there is grave danger that this essential service shall be placed in jeopardy or sacrificed to the serious detriment of our educational interests: Therefore be it

*Resolved by the Senate of the State of Georgia (the house of representatives concurring)*, That we hereby memorialize and urgently bespeak the favorable consideration of the Congress of the United States of suitable appropriations that will insure the continuance and maintenance of the national school-lunch program upon substantially the same basis which has heretofore represented such an important contribution to the institution of public education as it has come to be recognized among the paramount obligations assumed by the Public Treasury; be it further

*Resolved*, That copies hereof be transmitted at once to the Members of Georgia's delegation in the Senate and House of Representatives of the Congress of the United States.

Read and unanimously adopted February 26, 1947.

WM. T. DEAN,
*President pro tempore and Presiding Officer.*
MRS. HENRY W. NEVIN,
*Secretary of the Senate.*

And in the same connection I read you an article appearing in a recent issue of the Dawson News, published in my old home town and edited by Hon. Carl Rountree, one of the outstanding newspapermen of my State:

SCHOOL-LUNCH PROGRAM IS ENDANGERED AS CONGRESS CONSIDERS ECONOMY MOVES

Federal aid for Georgia's school-lunch program is in danger of being scuttled by what is termed an economy move in Congress. This kind of economy will affect 274,387 who are now receiving lunches in 1,437 schools. If Federal aid is cut off April 1 most schools will find it extremely difficult, if not impossible, to continue operating this program that has meant so much to boys and girls all over the State.

A bill has been introduced calling for additional funds to carry out provisions of the National School Lunch Act for 1947. The bill has been referred to the Committee on Education and Labor and supporters of school lunches hope to get it passed. But some Members of Congress are unsympathetic toward the program and indicate they do not want Federal aid continued after its expiration date April 1. Federal money for equipment is not affected, however.

For the fiscal year 1946–47 Georgia was allotted $1,855,159.95 for the program and a supplement of $290,360.01 was approved, making a total Federal allocation of $2,145,-519.26. The Federal Government supplies 43 percent of the total cost of operating the State-wide program. The other 57 percent comes from lunch money collected from the children by the schools.

School lunches have been a great factor in improving the health of Georgia school children. Education officials say that students repeating grades have been greatly reduced and they think the right kind of diet for growing youngsters has much to do with this condition. At present there is at least one school lunchroom in every county in the State.

Dr. M. D. Collins, State superintendent of schools, says he is optimistic that the necessary Federal money will be provided because almost every State is similarly affected. He has written Georgia's Senators and Congressmen urging them to support legislation for continuing the Federal grants.

What will happen if the Federal money is cut off? Miss Eleanor Pryor, State director of the lunchroom program, says some schools might be able to continue serving lunches by increasing the price paid by the child for his meal. However, approximately 12 percent of the lunches served are free because children are not able to purchase them. There is also the possibility that local clubs and civic organizations might come to the rescue of some schools.

But the fact remains that most schools would be seriously handicapped and the program that has become so popular would suffer a definite recession.

Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include therein a newspaper article and a resolution by the State senate.

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

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. LARCADE, for 1 week, on account of official business.

ENROLLED BILL SIGNED

Mr. LECOMPTE, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 1030. An act to continue in effect certain war excise tax rates, and for other purposes.

BILLS PRESENTED TO THE PRESIDENT

Mr. LECOMPTE, from the Committee on Enrolled Bills, reported that that committee did on March 7, 1947, present to the President, for his approval, bills of the House of the following titles:

H. R. 1040. An act to authorize the payment of $425.88 by the United States to the Government of Switzerland;

H. R. 1778. An act to amend the Federal Firearms Act; and

H. R. 2045. An act to amend the Federal Food, Drug, and Cosmetic Act of June 25, 1938, as amended, by providing for the certification of batches of drugs composed wholly or partly of any kind of streptomycin, or any derivative thereof, and for other purposes.

ADJOURNMENT

Mr. CANFIELD. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 22 minutes p. m.) the House adjourned until tomorrow, Tuesday, March 11, 1947, at 12 o'clock noon.

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COMMITTEE HEARINGS

COMMITTEE ON PUBLIC BUILDINGS AND GROUNDS

The Subcommittee on Public Buildings and Grounds of the Committee on Public Works will meet at 10 a. m., Tuesday, March 11, 1947, to hold hearings on H. R. 668, to authorize the transfer without charge to the States, and political subdivisions thereof, of any interest of the United States in public works acquired under the act of October 14, 1940, as amended.

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., Tuesday, March 11, 1947.

Business to be considered: Executive session. Conference with officials of the Federal Security Agency, with respect to Public Health Service and Food and Drug Administration, pursuant to the Legislative Reorganization Act of 1946.

There will be a meeting of the Committee on Interstate and Foreign Commerce, at 2 o'clock p. m., Wednesday, March 12, 1947.

Business to be considered: Executive session. Conference with officials of the Interior Department, with respect to petroleum conservation, pipe lines, and oil compacts, pursuant to the Legislative Reorganization Act of 1946.

There will be a meeting of the Committee on Interstate and Foreign Commerce, at 10 o'clock a. m., Wednesday, March 12, 1947.

Business to be considered: Executive session. Conference with officials of the Securities and Exchange Commission pursuant to the Legislative Reorganization Act of 1946.

COMMITTEE ON POST OFFICE AND CIVIL SERVICE

Subcommittee meeting 10 a. m., Wednesday, March 12, 1947, 213 House Office Building, to consider H. R. 1636, pertaining to rural carriers' leave.

COMMITTEE ON FOREIGN AFFAIRS

An executive meeting of the Committee on Foreign Affairs will be held in the Foreign Affairs Committee room, gallery floor, the Capitol, on Thursday, March 13, 1947, at 10:30 a. m., on House Joint Resolution 134, providing for relief assistance to countries devastated by war.

COMMITTEE ON THE JUDICIARY

On Friday, March 14, 1947, at 10 a. m., Subcommittee No. 4 of the Committee on the Judiciary will begin hearings on the following measures, with respect to war and emergency powers:

H. R. 1983, to amend the Second War Powers Act, 1942, as amended.

House Concurrent Resolution 5, to declare the date of termination of the wars in which the United States has been engaged since December 7, 1941.

House Concurrent Resolution 9, to declare December 7, 1946, as the date of the cessation of hostilities in, and as the date of the termination of, the present war.

House Concurrent Resolution 25, to declare the date of termination of the wars in which the United States has been engaged since December 7, 1941.

House Joint Resolution 56, to terminate the emergency war powers of the President.

House Joint Resolution 128, to declare July 4, 1947, as the date of the cessation of hostilities in the present war.

House Concurrent Resolution 21, providing that various titles of the Second War Powers Act of 1942 shall remain in force until the day following the adoption of this resolution.

The hearings will be conducted in the Judiciary Committee room, 346 House Office Building.

There will be a hearing before Subcommittee No. 3 of the Committee on the Judiciary on Monday, March 17, 1947, on the following bills:

H. R. 1468: To provide for the review of certain orders of the Interstate Commerce Commission and the United States Maritime Commission and giving the United States courts of appeals jurisdiction on review to enjoin, set aside, or suspend such orders.

H. R. 1470: To provide for the review of orders of the Federal Communications Commission under the Communications Act of 1934, as amended, and of certain orders of the Secretary of Agriculture made under the Packers and Stockyards Act, 1921, as amended, and the Perishable Agricultural Commodities Act, 1930, as amended.

The hearing will begin at 10:30 a. m., and will be held in room 346, House Office Building.

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., Tuesday and Wednesday, March 18 and 19, 1947.

Business to be considered: Public hearings on H. R. 2185, H. R. 2235; and H. R. 2292, a bill to amend the Natural Gas Act approved June 21, 1938, as amended.

## COMMITTEE HEARING POSTPONED

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

Mr. CHARLES A. WOLVERTON, chairman of the House Interstate and Foreign Commerce Committee, today stated that in order to accommodate the witnesses who wish to appear in connection with H. R. 2185, introduced by Representative RIZLEY; H. R. 2235, introduced by Representative CARSON; and H. R. 2292, introduced by Representative DAVIS of Tennessee, proposing to amend the Natural Gas Act, it has been found necessary to tentatively postpone to April 14 the hearings which were set to begin March 18 and 19.

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## EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

434. A letter from the Acting Chairman, Federal Trade Commission, transmitting a special report entitled "The Present Trend of Corporate Mergers and Acquisitions"; to the Committee on the Judiciary.

435. A letter from the Acting Secretary of the Treasury, transmitting a draft of a proposed bill to provide for the orderly transaction of the public business in the event of the death, resignation, or separation from office of regional disbursing officers of the Treasury Department; to the Committee on Expenditures in the Executive Departmnts.

436. A letter from the President, Board of Commissioners, District of Columbia, transmitting a draft of a proposed bill to amend the District of Columbia Traffic Act, 1925, approved March 3, 1925, as amended, to provide for tests of blood, urine, and breath of persons arrested in the District of Columbia for certain offenses; to the Committee on the District of Columbia.

437. A letter from the Secretary of War, transmitting a draft of a proposed bill to authorize the crediting of moneys received from the disposition of serviceable Army Air Forces supplies, materials, and equipment, other than surplus property, to the applicable current Army Air Forces appropriation; to the Committee on Armed Services.

438. A letter from the Attorney General, transmitting a draft of a proposed bill to provide for the care and custody of insane persons charged with or convicted of offenses against the United States, and for other purposes; to the Committee on the Judiciary.

439. A letter from the Postmaster General, transmitting a draft of a proposed bill for the relief of James H. Underwood, former postmaster at Guam, Guam; to the Committee on the Judiciary.

440. A letter from the Secretary of Commerce, transmitting a draft of a proposed bill to fix the fees payable to the Patent Office and to amend section 4934 of the Revised Statutes, and for other purposes; to the Committee on the Judiciary.

441. A letter from the Acting Secretary of the Treasury, transmitting a draft of a proposed bill for the relief of G. F. Allen, former Chief Disbursing Officer, Treasury Department, and for other purposes; to the Committee on the Judiciary.

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## REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

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

Mr. CANFIELD: Committee on Appropriations. H. R. 2436. A bill making Treasury and Post Office appropriations for 1948; without amendment (Rept. No. 103). Referred to the Committee of the Whole House on the State of the Union.

Mr. LECOMPTE: Committee on House Administration. House Resolution 59. Resolution to provide funds for the expenses of the investigation and study authorized by House Resolution 58; without amendment (Rept. No. 105). Referred to the House Calendar.

Mr. LECOMPTE: Committee on House Administration. House Resolution 126. Resolution to provide funds for the Committee on Education and Labor; without amendment (Rept. No. 106). Referred to the House Calendar.

Mr. LECOMPTE: Committee on House Administration. House Resolution 129. Resolution to authorize payment of $2,706.07 to settle debt of the select committee investigating the national defense program in its relation to small business in the United States; without amendment (Rept. No. 107). Referred to the House Calendar.

Mr. KNUTSON: Committee on Ways and Means. H. R. 2404. A bill to suspend certain import taxes on copper; without amendment (Rept. No. 108). Referred to the Committee of the Whole House on the State of the Union.

Mr. ANDERSON of California: Committee on Armed Services. H. R. 1366. A bill to facilitate procurement of supplies and services by the War and Navy Departments, and for other purposes; with amendment (Rept. No. 109). Referred to the Committee of the Whole House on the State of the Union.

Mr. FELLOWS: Committee on the Judiciary. H. R. 236. A bill to amend the Nationality Act of 1940 so as to permit naturalization proceedings to be had at places other than in the office of the clerk or in open court in the case of sick or physically disabled individuals; without amendment (Rept. No. 110). Referred to the House Calendar.

Mr. FELLOWS: Committee on the Judiciary. H. R. 2032. A bill to preserve the continuity of residence in the United States for naturalization purposes in the cases of alien residents who departed for service in Allied armed forces during the Second World War; with amendments (Rept. No. 111). Referred to the House Calendar.

Mr. WOLCOTT: Committee on Banking and Currency. H. R. 2413. A bill to amend the Federal Reserve Act, and for other purposes; without amendment (Rept. No. 116). Referred to the Committee of the Whole House on the State of the Union.

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## 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. FELLOWS: Committee on the Judiciary. H. R. 422. A bill for the relief of Francesco and Natalia Picchi; with amendment (Rept. No. 112). Referred to the Committee of the Whole House.

Mr. FELLOWS: Committee on the Judiciary. H. R. 555. A bill for the relief of Edna Rita Saffron Fidone; without amendment (Rept. No. 113). Referred to the Committee of the Whole House.

Mr. FELLOWS: Committee on the Judiciary. H. R. 621. A bill for the relief of Vera Frances Elicker; with amendment (Rept. No. 114). Referred to the Committee of the Whole House.

Mr. FELLOWS: Committee on the Judiciary. H. R. 1004. A bill amending the act of October 14, 1940, entitled "An act to record the lawful admission to the United States for permanent residence of Nicholas G. Karas"; without amendment (Rept. No. 115). 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. CANFIELD:

H. R. 2436. A bill making Treasury and Post Office appropriations for 1948; to the Committee on Appropriations.

By Mr. BARRETT:

H. R. 2437. A bill to transfer the Conservation Branch of the United States Geological Survey of the Department of the Interior to Casper, Wyo.; to the Committee on Public Lands.

H. R. 2438. A bill to repeal section 2 of the act entitled "An act for the preservation of American antiquities," approved June 8, 1906; to the Committee on Public Lands.

H. R. 2439. A bill granting the consent of Congress to the States of Utah and Wyoming to negotiate and enter into a compact for the division of the waters of the Henrys Fork River and its tributaries; to the Committee on Public Lands.

By Mr. BOGGS or Louisiana:

H. R. 2440. A bill to extend the reclamation laws to the State of Louisiana; to the Committee on Public Lands.

H. R. 2441. A bill to amend the Mustering-Out Payment Act of 1944 to provide mustering-out payments for certain members of the armed forces discharged to accept employment and to extend the time for filing applications for the benefits of such act; to the Committee on Armed Services.

By Mr. BROOKS:

H. R. 2442. A bill to amend the Armed Forces Leave Act of 1946 to permit settlement and compensation for terminal leave under such act to be made in cash, to provide that bonds issued under such act shall be redeemable at any time, and for other purposes; to the Committee on Armed Services.

By Mr. DAVIS of Georgia:

H. R. 2443. A bill to cancel regulation W and to prevent regulation of consumer credit by the Federal Government; to the Committee on Banking and Currency.

By Mr. GOSSETT:

H. R. 2444. A bill to amend the Nationality Act of 1940 so as to require an applicant for naturalization to agree to bear arms if necessary in support and defense of the United States, and for other purposes; to the Committee on the Judiciary.

By Mr. HEDRICK:

H. R. 2445. A bill to provide for recognition of the State of West Virginia as a community-property State for Federal income-tax purposes; to the Committee on Ways and Means.

By Mr. JAVITS:

H. R. 2446. A bill to permit certain displaced persons under 14 years of age orphaned as a result of World War II to enter the United States as nonquota immigrants; to the Committee on the Judiciary.

By Mr. JONES of Washington:

H. R. 2447. A bill to amend the Civil Service Retirement Act of May 29, 1930, as amended; to the Committee on Post Office and Civil Service.

By Mr. LYNCH:

H. R. 2448. A bill to establish and provide for a system of old-age and survivors' insurance for employees of religious, charitable, educational, and certain other organizations, and for other purposes; to the Committee on Ways and Means.

By Mr. PETERSON:

H. R. 2449. A bill to provide for the establishment of the Russell, Majors, Waddell National Monument; to the Committee on Public Lands.

By Mr. PHILBIN (by request):

H. R. 2450. A bill to encourage expansion of business by allowing a deduction, for income-tax purposes, of certain capital expenditures; to the Committee on Ways and Means.

By Mr. REED of Illinois:

H. R. 2451. A bill to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto; to the Committee on the Judiciary.

By Mr. RIVERS:

H. R. 2452. A bill to provide additional inducements to citizens of the United States to make the United States naval service a career, and for other purposes; to the Committee on Armed Services.

By Mr. ROBERTSON:

H. R. 2453. A bill to provide for the establishment and operation of a research laboratory in the North Dakota lignite-consuming region for investigation of the mining, preparation, and utilization of lignite; for the development of new uses and markets; for improvement of health and safety in mining; and for a comprehensive study of the region to aid in the solution of its economic problems and to make its natural and human resources of maximum usefulness in the reconversion period and time of peace; to the Committee on Public Lands.

By Mr. ROGERS of Florida:

H. R. 2454. A bill to exempt homesteads from execution or other process of the Federal courts and from distraint and sale for the nonpayment of Federal taxes, and for other purposes; to the Committee on the Judiciary.

By Mr. RUSSELL:

H. R. 2455. A bill to establish within the Department of the Interior a National Minerals Resource Division, and for other purposes; to the Committee on Public Lands.

By Mr. SIKES:

H. R. 2456. A bill for the appropriation of funds for the improvement of St. Josephs Bay and Harbor, Fla.; to the Committee on Appropriations.

H. R. 2457. A bill for the appropriation of funds for the improvement of St. Andrews Bay, Fla.; to the Committee on Appropriations.

H. R. 2458. A bill for the appropriation of funds for the improvement of Pensacola Bay, Fla.; to the Committee on Appropriations.

H. R. 2459. A bill for the appropriation of funds for the improvement of the Apalachicola, Chattahoochee, and Flint Rivers, Ga., Fla., and Ala.; to the Committee on Appropriations.

H. R. 2460. A bill for the appropriation of funds for the improvement of St. Marks River, Fla.; to the Committee on Appropriations.

By Mr. SNYDER:

H. R. 2461. A bill to provide for recognition of the State of West Virginia as a community-property State for Federal income-tax purposes; to the Committee on Ways and Means.

By Mr. STEVENSON:

H. R. 2462. A bill to amend the Civil Service Retirement Act of May 29, 1930, as amended; to the Committee on Post Office and Civil Service.

By Mr. VAN ZANDT:

H. R. 2463. A bill to amend section 210 (c) of title 11 of the Social Security Act, as amended, so as to extend the time for making application for old-age and survivors insurance benefits payable to survivors of certain veterans; to the Committee on Ways and Means.

By Mr. WEICHEL:

H. R. 2464. A bill to raise the limit on individual postal savings accounts to $5,000; to the Committee on Post Office and Civil Service.

By Mr. JENKINS of Ohio:

H. R. 2465. A bill to provide for the demonstration of public-library service in areas without such service or with inadequate library facilities; to the Committee on Education and Labor.

By Mr. SASSCER:

H. R. 2466. A bill to provide funds for engineering, planning, and dredging of a channel to Mill Creek, Md.; to the Committee on Appropriations.

H. R. 2467. A bill to provide funds for engineering, planning, and dredging of a channel to Island Creek, St. Georges Island, Md.; to the Committee on Appropriations.

By Mr. WILSON of Texas:

H. R. 2468. A bill to facilitate the current payment of the individual income tax by members of certain partnerships; to the Committee on Ways and Means.

By Mr. ANDERSON of California:

H. R. 2469. A bill to amend the act approved August 7, 1946, authorizing relief from the terms of certain war contracts to furnish the Government with work, supplies, or services; to the Committee on the Judiciary.

By Mr. BEALL:

H. R. 2470. A bill to authorize the establishment of a band in the Metropolitan Police force; to the Committee on the District of Columbia.

H. R. 2471. A bill to provide for periodical reimbursement of the general fund of the District of Columbia for certain expenditures made for the compensation, uniforms, equipment, and other expenses of the United States Park Police force; to the Committee on the District of Columbia.

By Mr. BURKE:

H. R. 2472. A bill to provide expert assistance and to cooperate with Federal, State, and other suitable agencies in promoting the conservation of wildlife by promoting sound land-use practices, and for other purposes; to the Committee on Agriculture.

By Mr. JOHNSON of California:

H. R. 2473. A bill to authorize the transfer without charge to the States and their political subdivisions of all interest of the United States in educational and recreational facilities acquired under the act of October 14, 1940, as amended; to the Committee on Banking and Currency.

By Mr. McMILLAN of South Carolina:

H. R. 2474. A bill relating to certain unperformed contracts under the Federal rural electrification program; to the Committee on Agriculture.

By Mr. ROBERTSON:

H. R. 2475. A bill to amend the Clayton Act by adding a proviso to section 2 (c) of said act (U. S. C., title 15, sec. 13 (c)); to the Committee on the Judiciary.

By Mr. PETERSON:

H. R. 2476. A bill to provide every adult citizen in the United States with equal basic Federal insurance, permitting retirement with benefits at age 60, and also covering total disability, from whatever cause, for certain citizens under 60; to give protection to widows with children; to provide an ever-expanding market for goods and services through the payment and distribution of such benefits in ratio to the Nation's steadily increasing ability to produce, with the cost of such benefits to be carried by every citizen in proportion to the income privileges he enjoys; to the Committee on Ways and Means.

By Mr. TOLLEFSON:

H. R. 2477. A bill to extend the statute of limitations with respect to suits by certain immigrant inspectors and employees for extra pay for Sunday and holiday services; to the Committee on the Judiciary.

By Mr. FORAND:

H. J. Res. 147. Joint resolution to provide for the preservation of the frigate *Constellation;* to the Committee on Armed Services.

By Mr. KLEIN:

H. J. Res. 148. Joint resolution proposing an amendment to the Constitution of the United States extending the right to vote to citizens 18 years of age or older; to the Committee on the Judiciary.

By Mr. HOFFMAN:

H. Res. 135. Resolution providing for the expenses of conducting the studies and investigations authorized by House Resolution 118; to the Committee on House Administration.

By Mrs. ROGERS of Massachusetts:

H. Res. 136. Resolution providing expenses for conducting the study and inspection authorized by House Resolution 120 of the Eightieth Congress; to the Committee on House Administration.

By Mr. POULSON:

H. Res. 137. Resolution relating to the preparation for the immediate negotiation of a peace treaty with Japan; to the Committee on Foreign Affairs.

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## MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the Territory of Hawaii, memorializing the President and the Congress of the United States to grant immediate statehood to Hawaii; to the Committee on Public Lands.

Also, memorial of the Legislature of the State of Idaho, memorializing the President and the Congress of the United States in opposition to the policy of the Secretary of the Department of the Interior, J. A. Krug, as announced on February 2, 1947, accompanying his first annual report, of keeping all federally owned mineral lands in permanent Federal ownership, permitting development only under leasing laws, and that the present mining laws which permit the patenting of mineral lands should be repealed; to the Committee on Public Lands.

Also, memorial of the Legislature of the State of South Carolina, memorializing the President and the Congress of the United States to amend the Social Security Act in certain particulars; to the Committee on Ways and Means.

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

Also, memorial of the Legislature of the State of Wyoming, memorializing the President and the Congress of the United States to strengthen present sanitary requirements governing the importation of livestock from the Republic of Mexico; to the Committee on Agriculture.

Also, memorial of the Legislature of the State of Idaho, memorializing the President and the Congress of the United States in opposition to the policy of the State Department to reduce tariffs on mineral products under the Trade Agreement Act; to the Committee on Ways and Means.

Also, memorial of the Legislature of the Territory of Alaska, memorializing the President and the Congress of the United States urging enactment of the Alaska statehood bill, H. R. 206; to the Committee on Public Lands.

Also, memorial of the Legislature of the Territory of Alaska, memorializing the President and the Congress of the United States with regard to obtaining a congressional appropriation enabling the construction of a combined courthouse, jail, and general Federal building at Valdez, Alaska, capable of housing the offices and records of all Federal agencies located there; to the Committee on Appropriations.

Also, memorial of the Legislature of the State of Wisconsin, memorializing the President and the Congress of the United States to remove all controls upon the production and sale of sugar; to the Committee on Banking and Currency.

Also, memorial of the Legislature of the State of Arizona, memorializing the President and the Congress of the United States relating to Federal contribution for old-age assistance; to the Committee on Ways and Means.

### PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ALBERT:

H. R. 2478. A bill for the relief of Mrs. Mildred H. Gibbons, Chief Clerk, Hugo, Okla., Farm Security Administration, Department of Agriculture; to the Committee on the Judiciary.

By Mr. COMBS:

H. R. 2479. A bill for the relief of Hardy H. Bryant; to the Committee on the Judiciary.

By Mr. DURHAM:

H. R. 2480. A bill for the relief of Ulma B. Riggs; to the Committee on the Judiciary.

By Mr. GRANGER:

H. R. 2481. A bill for the relief of Rokuichi Tahara; to the Committee on the Judiciary.

By Mr. HOWELL:

H. R. 2482. A bill for the relief of John Ritter Dunham; to the Committee on the Judiciary.

By Mr. MATHEWS:

H. R. 2483. A bill for the relief of Emma Armstrong for loss sustained in post-office burglary; to the Committee on the Judiciary.

By Mr. MURRAY of Wisconsin:

H. R. 2484. A bill to authorize the payment of certain sums to jobbers in connection with their logging of timber for the Menominee Indians on the Menominee Reservation during the logging season 1934–35, and for other purposes; to the Committee on Public Lands.

By Mr. O'KONSKI:

H. R. 2485. A bill for the relief of Pawel Prokopieni; to the Committee on the Judiciary.

H. R. 2486. A bill for the relief of Zdzislaw Moskala; to the Committee on the Judiciary.

H. R. 2487. A bill for the relief of Stanislaw H. Mayak; to the Committee on the Judiciary.

By Mr. PATTERSON:

H. R. 2488. A bill for the relief of Polivio S. Aresta; to the Committee on the Judiciary.

By Mr. RIVERS:

H. R. 2489. A bill for the relief of James W. Adkins and Mary Clark Adkins; to the Committee on the Judiciary.

By Mr. TRIMBLE:

H. R. 2490. A bill for the relief of J. V. Crain; to the Committee on the Judiciary.

### PETITIONS, ETC.

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

171. By Mr. FORAND: Resolution of the General Assembly of the State of Rhode Island and Providence Plantations, requesting the Senators and Representatives from Rhode Island in the Congress of the United States to use their good offices to secure prompt passage of the George bill, so-called, or a similar measure, to restore to the veterans of World War II the benefit rights to which they are justly entitled; to the Committee on Veterans' Affairs.

172. Also, resolution of the General Assembly of the State of Rhode Island and Providence Plantations, memorializing the Senators and Representatives from Rhode Island in the Congress of the United States with relation to the establishment of a national cemetery in the State of Rhode Island and Providence Plantations; to the Committee on Armed Services.

173. By Mrs. SMITH of Maine: Resolution of Winslow Grange, No. 320, Winslow, Maine, favoring an allocation of sugar for home canning in 1947 to the end that home canning will not be unduly curtailed; to the Committee on Agriculture.

174. By Mr. THOMASON: Petition of Reserve officers, members of Odessa (Tex.) Chapter, ROA, urging passage of legislation providing for plan of universal military training whereby each young man of this country shall have 4 months of basic training, and for other purposes; to the Committee on Armed Services.

175. Also, petition of Reserve officers, of Odessa, Tex., urging legislation providing amendment to law for uniform allowance for newly commissioned officers, for equalization of military leave for civil-service employees, and for other purposes; to the Committee on Armed Services.

176. Also, petition of Reserve officers, of Odessa, Tex., urging legislation providing inactive-duty pay for Reserve officers of the armed forces, disability retirement pay for Reserve and other civilian component personnel ordered to active duty for periods of less than 30 days, and for other purposes; to the Committee on Armed Services.

177. Also, petition of Reserve officers, of Odessa, Tex., urging legislation providing for a single Department of the Armed Forces; to the Committee on Armed Services.

178. By the SPEAKER: Petition of Legislative Committee on Educational Survey, Baton Rouge, La., petitioning consideration of their resolution with reference to endorsement of the bill S. 472; to the Committee on Education and Labor.

# HOUSE OF REPRESENTATIVES

## TUESDAY, MARCH 11, 1947

The House met at 12 o'clock noon.

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

Thou Father of all mercies, whose spirit mingles with ours as sunshine with the air, we wait at the altar of supplication, deeply conscious that we are the children of time and sense. In the shadow of Thy wings, love and truth go before Thy face. We rejoice that Thou art our help and strength, and pray Thee to make us restless and weary of the things we see, striving for that which transcends human attainment.

As we meditate on the world's desperate condition, attend unto our spirits, O Lord, lest our thralldom be tragically complete. O clarify our vision, gird us for labor, and grant that in all honor we may measure up to the demands of an expectant public. Forbid that we should lose their respect by vacillation or by compromising our traditions. Hear our humble prayer, O Lord, for Thy name's sake, and grant us Thy peace. Amen.

The Journal of the proceedings of yesterday was read and approved.

### EXTENSION OF REMARKS

Mr. SMITH of Wisconsin asked and was given permission to extend his remarks in the RECORD in two instances and to include a newspaper article and an editorial.

Mr. KILBURN asked and was given permission to extend his remarks in the RECORD and include a resolution on the St. Lawrence seaway.

### STRIKES AND VIOLENCE

Mr. HARTLEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

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

There was no objection.

Mr. HARTLEY. Mr. Speaker, during the past 5 weeks the Committee on Education and Labor has been holding hearings in an effort to find as adequate a solution as possible to labor unrest. We have heard unbelievable testimony concerning violence in the conduct of strikes throughout the Nation. Workers have been beaten up, their families and homes molested, in practically every large city in the Nation. It is the same pattern, whether in Detroit, Chicago, or New York. In Pittsburgh we heard evidence that explosive bombs have been hurled at business establishments and fires started. Witnesses from Philadelphia came before the committee and testified that they were afraid of their lives because they testified before the Committee on Labor. This situation is not confined to large cities. As an example, and there are many similar cases, there is the case of violence involved at the Norman Dairies in New Canaan, Conn., a community of 6,500 population. The drivers of two trucks owned by this small dairy were beaten up and left unconscious by the roadside. One of them, incidentally, was a returned veteran of the Navy Air Corps. These victims had the courage to swear out warrants against their assailants, and, although that was 14 months ago, the case still has to come to trial.

Only last Saturday a representative of the AFL carpenters' union who is involved in the 2-year-old jurisdictional strike in the movie industry in Hollywood testified that he felt his life was in danger from the very moment he left our committee room.

About 2 weeks ago, George P. McNear, Jr., appeared before our committee to testify relative to the strike on the Toledo, Peoria & Western Railroad. After he testified, he indicated to me personally that he felt he might be threatened and that attempts might be made to intimidate him. Later, representatives of the unions involved in that strike also testified before this committee.

They charged Mr. McNear, among other things, with lack of any knowledge of railroading and, at least by intimation and inference, impugned his patriotism. To these charges Mr. McNear did not see fit to reply.

He could have stated that he learned railroading under Mr. Loree, famed American railroader. He could have stated that he worked on track gangs on the New York Central in 1916 and early 1917 in order to fit himself for an important post in organizing French railroads in World War I.

And as to his patriotism, he could have told the story of his only son in World War II. That son, in the Navy, wrote to