Also, petition of Elmira (N. Y.) Printing Pressmen and Assistants' Union, No. 187, Joseph W. Mann, secretary, and Gus Bacon, president; also T. J. Wagstaff, of Pulteney, N. Y., protesting against the passage of House bill 18986 and Senate bill 4429 as vitally affecting the printing business; to the Committee on the Post Office and Post Roads.

Also, petition of Roy E. Bartholomew, F. L. Cary, and 58 other citizens of the town of Horseheads, county of Chemung, in New York State, protesting against the use of the United States mail by liquor interests for advertising purposes; to the Committee on the Post Office and Post Roads.

Also, petition of W. T. Henry, John Huff, Seth Winner, J. J. Fennell, L. Hoffman, and 41 other citizens and voters of Elmira, N. Y., re prohibition in the District of Columbia and national constitutional prohibition; to the Committee on the District of Columbia.

Also, petition of Riverside Methodist Episcopal Church, of Elmira, N. Y., with a membership of over 350, by Rev. George E. Hutchins, pastor, favoring prohibition in the District of Columbia, national constitutional prohibition, and legislation to exclude liquor advertisements and solicitations from the mails; to the Committee on the Post Office and Post Roads.

Also, petition of 200 voters of the First Methodist Church of Elmira, N. Y., through Dewitt S. Hooker, favoring District of Columbia prohibition, national constitutional prohibition, and all other bills which would restrict the liquor traffic; to the Committee on the District of Columbia.

Also, petition of 125 voters of the Disciples' Church, of Elmira, N. Y., by A. L. Streeter, official board chairman, favoring prohibition in the District of Columbia and national constitutional prohibition; to the Committee on the District of Columbia.

By Mr. ROWE: Memorials of the City Club, of New York; Hogan & Son, of New York; the Rotary Club, of New York; and the Christian Intelligencer, of New York, in re changes in existing postal law; to the Committee on the Post Office and Post Roads.

Also, memorial of Cigar Makers' International Union of America, Local Union, No. 132, of Brooklyn, N. Y., opposing nation-wide prohibition; to the Committee on the Judiciary.

By Mr. SLAYDEN: Petition of citizens of Bexar County, Tex., protesting against certain prohibitory legislation; to the Committee on the Judiciary.

By Mr. STINESS: Petitions of Local Unions Nos. 245 and 166, United Brewery Workmen; Teamsters and Chauffeurs' Union, No. 180; and Bartenders' Union, No. 285, all of Providence, R. I., against prohibition bills; to the Committee on the Judiciary.

By Mr. TREADWAY: Petition of Sundry citizens of Berkshire, Mass., for suffrage amendment; to the Committee on the Judiciary.

Also, petition of citizens of Holyoke, Mass., favoring national prohibition; to the Committee on the Judiciary.

By Mr. WM. ELZA WILLIAMS: Petition of citizens of Quincy, Ill., relative to prohibition bills; to the Committee on the Judiciary.

SENATE.

THURSDAY, *January 11, 1917.*

The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the following prayer:

Almighty God, we thank Thee that amidst the pressing cares that are constantly presented to us, taking our attention and our labor, Thou dost still keep alive within us a spark of life Divine. While much of our thought is held within the boundaries of space and time, there are yet aspirations and hopes that reach out toward God, and powers within us that reason of soul, and immortality, and freedom. We bless Thee that Thou dost lead us on; that Thy Spirit still abides with us. We pray that we may measure up to God's great object and purpose in our Government and in our individual life to establish righteousness among the people. For Christ's sake. Amen.

The Journal of yesterday's proceedings was read and approved.

CALLING OF THE ROLL.

Mr. SMOOT. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

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

Ashurst	Bryan	Clark	Fernald
Bankhead	Chamberlain	Culberson	Fletcher
Brady	Chilton	Curtis	Gallinger
Brandegee	Clapp	Dillingham	Gronna
Harding	Lodge	Robinson	Sutherland
Hitchcock	McCumber	Saulsbury	Swanson
Hollis	McLean	Shafroth	Thomas
Hughes	Martine, N. J.	Sheppard	Tillman
Husting	Myers	Sherman	Townsend
Johnson, Me.	Nelson	Simmons	Vardaman
Johnson, S. Dak.	Norris	Smith, Ariz.	Wadsworth
Jones	Oliver	Smith, Ga.	Walsh
Kenyon	Overman	Smith, Mich.	Watson
Kern	Page	Smith, S. C.	Williams
Kirby	Poindexter	Smoot	Works
Lane	Ransdell	Sterling	
Lea, Tenn.	Reed	Stone	

Mr. VARDAMAN. I have been requested to announce that the senior Senator from Tennessee [Mr. SHIELDS] is detained from the Senate on account of illness, and also that the junior Senator from Kentucky [Mr. BECKHAM] is detained on account of official business.

Mr. CHILTON. I wish to announce, and let the announcement stand for the day, that my colleague [Mr. GOFF] is absent on account of illness.

Mr. WALSH. The Senator from Maryland [Mr. LEE] is absent on account of illness.

Mr. MARTINE of New Jersey. I rise to announce the absence of the Senator from Oklahoma [Mr. GORE] owing to illness.

The PRESIDENT pro tempore. Sixty-six Senators have answered to their names. There is a quorum present.

NOMINATION OF WINTHROP M. DANIELS.

Mr. CLAPP. Mr. President, I desire to call attention to the fact that the RECORD of yesterday's proceedings does not state the announcement of the Senators who announced their pairs as to how they would vote if they were not paired. A number of Senators—and I was one of the number—announced how they would have voted had they been free to vote. I think the RECORD should be corrected to show those announcements.

The PRESIDENT pro tempore. The Chair thinks that any correction of the publication regarding the executive session should be made in executive session.

Mr. CLAPP. I make it in open session. Others may make it in executive session if they desire.

Mr. NORRIS. It was ordered that the roll call should be published in the RECORD. If the roll call as published is not right in the announcement of the pairs, the correction, I should think, ought to be made in open session, where it was ordered that the record should be published.

The PRESIDENT pro tempore. Is there objection to a correction of the RECORD as requested by the Senator from Minnesota?

Mr. MARTINE of New Jersey. I should like not only to correct the Senator's position, but I should like to correct my own.

Mr. CLAPP. I called attention to the entire matter and asked that the RECORD be corrected to show how each one stated he would vote if not paired.

The PRESIDENT pro tempore. The Chair thinks a matter of this sort should properly be discussed first in executive session. The Chair is informed that it is impossible for the clerks at the desk to take down in executive session the statements made by Senators of their position, because they are not prepared in executive session to do that.

Mr. CLAPP. Mr. President, then I rise to a question of personal privilege.

The PRESIDENT pro tempore. The Senator will state it.

Mr. CLAPP. I ask that the RECORD show that on the roll call referred to, on page 1248, proceedings of January 10, when my name was called, I announced that if at liberty to vote I would vote "nay." I make this statement because the Senate in executive session voted that the record be printed in the permanent RECORD of the Senate.

The PRESIDENT pro tempore. The Chair in justice to the clerks will state that the order as stated to the Chair was that the vote and the pairs be printed in the RECORD, and the RECORD seems to comply with the order.

Mr. CLAPP. I would not for a moment be understood as reflecting upon the action of the clerical force. I ask, as a matter of privilege, that the RECORD be corrected.

Mr. MARTINE of New Jersey. Mr. President, I ask that in my own case, similar to that referred to by the Senator from Minnesota, the RECORD may be corrected. I gave the reasons, and stated that if I had the opportunity I would vote "nay." I should like to have the RECORD corrected in my case. I have no doubt the clerks did all that they understood it was their duty to do at the time.

Mr. NORRIS. I should like to make the same correction, although I can not do it as a matter of personal privilege, because the announcement I made was for an absent Senator. I

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stated why he was absent, and also how he would have voted if he had been here. I was authorized to make the announcement, but, of course, I did not make it regarding myself. I have no complaint to make, so far as I am individually concerned, but I should like to correct the RECORD by adding to the RECORD the following: "That the Senator from Wisconsin [Mr. LA FOLLETTE] was detained from the Senate on account of illness in his family, and that had he been present he would have voted 'nay.'"

Mr. BRYAN. It seems to me that the permanent RECORD ought to show that the vote on the confirmation of the nomination was placed in the RECORD by unanimous consent. The record of it now is that it was done upon motion of the Senator from Iowa [Mr. CUMMINS]. Of course, under the rule of the Senate it could not be done except by unanimous consent.

The PRESIDENT pro tempore. If there be no objection, the correction suggested by the Senator from Florida will be made in the permanent RECORD.

Mr. SMITH of Michigan. Mr. President, as the Chair will doubtless remember, I announced the transfer of my pair with the Senator from Missouri [Mr. REED] to my colleague [Mr. TOWNSEND], who was unavoidably absent. When I discovered that my colleague had voted "yea" on the previous vote I withdrew that pair, which, of course, indicated, as I stated then, that I should vote "nay" if permitted to vote. I should like to have the RECORD show that fact.

Mr. HUSTING. I was requested to announce the pair of the senior Senator from Wisconsin [Mr. LA FOLLETTE], and I should like to have the RECORD show that I did so. I should like to have the RECORD also show that the statement was made by me yesterday that if the Senator from Illinois [Mr. LEWIS] were permitted to vote he would vote "yea" and the senior Senator from Wisconsin would vote "nay." In other words, the Senator from Illinois was paired in favor of the confirmation and the senior Senator from Wisconsin against the confirmation.

Mr. WALSH. I wish the RECORD likewise to show that I stated in announcing my pair that if I were at liberty to vote I would vote "nay."

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by J. C. South, its Chief Clerk, announced that the House had passed the bill (S. 703) to provide for the promotion of vocational education; to provide for cooperation with the States in the promotion of such education in agriculture and the trades and industries; to provide for cooperation with the States in the preparation of teachers of vocational subjects; and to appropriate money and regulate its expenditure, with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had passed a bill (H. R. 15914) to authorize the Secretary of Agriculture to license establishments for and to regulate the preparation of viruses, serums, toxins, and analogous products for use in the treatment of domestic animals, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED JOINT RESOLUTIONS SIGNED.

The message further announced that the Speaker of the House had signed the following enrolled joint resolutions, and they were thereupon signed by the President pro tempore:

S. J. Res. 187. Joint resolution providing for the filling of a vacancy in the Board of Regents of the Smithsonian Institution, in the class other than Members of Congress; and

S. J. Res. 190. Joint resolution to continue and extend the time for making report of the joint subcommittee appointed under a joint resolution entitled "Joint resolution creating a joint subcommittee from the membership of the Senate Committee on Interstate Commerce and the House Committee on Interstate and Foreign Commerce to investigate the conditions relating to interstate and foreign commerce, and the necessity of further legislation relating thereto, and defining the powers and duties of such subcommittee," approved July 20, 1916, and providing for the filling of vacancies in said subcommittee.

PETITIONS AND MEMORIALS.

Mr. HITCHCOCK presented a petition of the Central Labor Union of Omaha, Nebr., praying for the enactment of legislation to provide for the use of all surplus moneys received from naturalization sources for the education of immigrants, which was ordered to lie on the table.

He also presented a petition of Local Branch, National Association of Bureau of Animal Industry Employees, of Omaha, Nebr., praying for the enactment of legislation to provide a reclassification of the salaries of employees in the Bureau of Animal Industry, which was referred to the Committee on Agriculture and Forestry.

Mr. JONES. I present two telegrams in the nature of petitions, one signed by the president of the Federal Employees' Union of Spokane, Wash., and the other by the president of the Federal Employees Union of Tacoma, Wash. I ask that one of the telegrams be printed in the RECORD and that both telegrams be referred, I assume, to the Committee on Appropriations, although they should more properly go to the Democratic caucus.

The PRESIDENT pro tempore. Without objection, the request as to the printing of one telegram will be complied with and both telegrams will be referred to the Committee on Appropriations.

Mr. JONES. I ask that one of the telegrams be read.

The PRESIDENT pro tempore. Without objection, the telegram referred to will be read.

The Secretary read the telegram, as follows:

[Telegram.]

SPOKANE, WASH.

Senator WESLEY L. JONES,
Washington, D. C.:

Informed Democratic caucus has agreed to defeat increases of pay for Government employees; urgently request that you use every means to secure increase commensurate with increased cost of living; condition of custodian employees in this city is pitiable; salary $55 per month.

ARTHUR PERRIN,
President Federal Employees' Union.

The PRESIDENT pro tempore. The telegrams will be referred to the Committee on Appropriations.

Mr. JOHNSON of South Dakota. I present petitions signed by 178 citizens of Lawrence County, S. Dak., favoring national prohibition. The petitions also ask for legislation to prohibit the manufacture and sale of intoxicating liquors in the District of Columbia; to prohibit the shipment of intoxicating liquors by interstate commerce to States having prohibitory laws; and also to prohibit the use of the mails to solicit orders for intoxicating liquors, and to close the mails to liquor advertisements. I ask that the petitions be received and properly referred.

The PRESIDENT pro tempore. The petitions will lie on the table.

Mr. SHEPPARD presented memorials of sundry citizens of Waco, Tex., remonstrating against national prohibition, which were ordered to lie on the table.

He also presented petitions of sundry citizens of Galveston, Tex., praying for national prohibition, which were ordered to lie on the table.

He also presented petitions of the congregations of the Douglass Memorial Methodist Episcopal Church, the Columbia Heights Christian Church, and the Eastern Presbyterian Church; of Minnehaha Lodge, No. 1, International Order of Good Templars; and of sundry citizens, all of Washington, D. C., praying for prohibition in the District of Columbia, which were ordered to lie on the table.

Mr. PHELAN presented a petition of the Sierra Club, of San Francisco, Cal., praying for the enactment of legislation providing for the improvement of the national parks, which was referred to the Committee on Public Lands.

Mr. KENYON presented a petition of sundry citizens of Mason City, Iowa, praying for an increase in the salaries of postal employees, which was referred to the Committee on Post Offices and Post Roads.

He also presented petitions of the Board of Education of Sioux City; of Local Lodge, Danish Brotherhood of America, of Des Moines; and of Local Chapter, Daughters of the American Revolution, of Council Bluffs, all in the State of Iowa, praying for the enactment of legislation to provide for the use of all surplus moneys received from naturalization sources for the education of immigrants, which were ordered to lie on the table.

He also presented a petition of the congregation of the Vermont Avenue Christian Church, of Washington, D. C., praying for prohibition in the District of Columbia, which was ordered to lie on the table.

Mr. CHAMBERLAIN presented a petition of sundry citizens of Philomath, Oreg., praying for national prohibition, which was ordered to lie on the table.

Mr. McLEAN presented a memorial of the Master Printers of Connecticut, of New Haven, Conn., and a memorial of Local Union No. 329, International Typographical Union, of Waterbury, Conn., remonstrating against an increase in postal rates, which were referred to the Committee on Post Offices and Post Roads.

He also presented a memorial of Local Union No. 128, American Flint Glass Workers, of Norwich, Conn., remonstrating against the enactment of legislation to exclude liquor advertisements from the mails, which was ordered to lie on the table.

He also presented petitions of sundry citizens of Connecticut, praying for national prohibition, which were ordered to lie on the table.

Mr. LODGE presented a petition of Boston Council, Friends of Irish Freedom, of Massachusetts, praying for the adoption of a resolution approving the establishment of Ireland as an independent State, which was referred to the Committee on Foreign Relations.

PROHIBITION IN PORTO RICO (S. DOC. NO. 674).

Mr. LODGE. Mr. President, I should like to ask—the clerks at the desk will probably be able to inform me—whether a joint resolution from the legislative assembly of Porto Rico, with regard to the imposition of prohibition in the bill now pending in Congress has ever been received and printed?

The PRESIDENT pro tempore. The Chair is informed that the joint resolution referred to by the Senator from Massachusetts has not yet been presented.

Mr. LODGE. I present that resolution. It is a very brief one containing some important statistics. I ask that it be printed in the RECORD and also that it be printed as a Senate document. It will cost only a few dollars to print it; I think not exceeding $15.

The PRESIDENT pro tempore. Without objection, it is so ordered, and the joint resolution will be referred to the Committee on Pacific Islands and Porto Rico.

The joint resolution is as follows:

Joint resolution requesting the Congress of the United States not to include in legislating for Porto Rico any prohibition whatever on the sale, importation, or manufacture of alcoholic beverages in Porto Rico.

Whereas the "International Reform Bureau" has submitted a statement to the committees of the United States Senate and House of Representatives, praying the Congress to prohibit the importation, manufacture, and sale of alcoholic beverages in Porto Rico;

Whereas certain averments contrary to facts are made in the aforesaid statement, giving a false idea of our conditions and making us appear before the world as a demoralized people;

Whereas in that statement the erroneous averment is made that $14,000,000 are consumed in alcohol in Porto Rico, while only $7,000,000 are spent in wheat flour, meaning thereby that this last article constitutes the sole or largest foodstuff of our people and thus establishing a very alarming difference between the figures just quoted;

Whereas the precise amount of alcoholic liquors consumed in Porto Rico, taken from data furnished by the treasury department of the insular government, a department entrusted with keeping such statistics for the purpose of levying the excise taxes of the Government, is as follows for the fiscal year 1914–15:

Total value of article, taking as basis its annual average price:

1,926,139 liters of distilled spirits	$1,251,990.35
1,394,657 liters of beer	264,933.00
483,638 liters of wine	91,824.00
1,421 liters of champagne	5,865.00
3,805,855 liters. Total	1,614,612.35

The above statement shows there is a difference of $12,385,387.65 between the exact value of the consumption of alcoholic beverages in Porto Rico and the estimated value of $14,000,000 as stated by the "International Reform Bureau";

Whereas the total value of foodstuffs shipped into Porto Rico, according to statistical reports of the United States customhouse, for the fiscal year of 1914–15 is shown as follows:

Rice	$4,857,807
Meat and meat products	3,428,984
Fish and fish products	1,229,176
Corn meal	289,106
Beans and dried peas	712,318
Dairy products	559,379
Potatoes	184,823
Chocolate	49,243
Fruits and nuts	147,377
Onions	76,611
Refined sugar	678,814
Bread and biscuits	325,131
Canned foodstuffs	139,351
Oats	148,689
Wheat flour	1,884,416
Other foodstuffs	159,381
Total value of imported foodstuffs for consumption	14,870,606

Whereas besides the articles enumerated, there are grown on the island many starch-food plants and cereals, such as yautías (a tropical tuber), sweet potatoes, yam, plantain, yucc, potatoes, onions, breadfruit, alligator pears, corn, beans, pumpkin, and other varieties of vegetables representing an amount greater than all the rice, flour, and other similar articles shipped into the island and in milk, fowls, fish, sugar, meat products, chocolates, and other products, an amount also greater than the value of similar articles imported, and therefore the excess per capita between the food and alcoholic consumption is far greater than what the "international reform bureau" endeavors to demonstrate;

Whereas Porto Rico, compared with the United States and other countries of the world in this respect, is per capita one of the most sober and temperate countries, as can be readily seen by the following comparative statement, in which the total consumption of alcohol in Porto Rico and in the United States during fiscal year 1914–15 is taken as a basis, according to data shown on page 267 of the World Almanac for 1916:

Consumption per capita.

	Alcohol.	Wine.	Beer.
	Liters.	*Liters.*	*Liters.*
United States	5.52	1.96	77.5
Porto Rico	2	.50	1.22

Whereas the statistical reports themselves show a constant decrease in the consumption of alcohol in Porto Rico, as can be seen by the following comparative statement for the fiscal years 1912–13 and 1914–15:

	1912–13	1914–15
	Liters.	*Liters.*
Distilled spirits	3,391,989	1,926,139
Beer	2,433,962	1,394,457
Wine	989,067	483,638
Champagne	18,049	1,421
Total	6,838,067	3,805,655

These totals representing a reduction in the consumption of alcoholic beverages for the year 1914–15 against 1912–13 of 3,027,412 liters, an amount equivalent, approximately, to a decrease of 45 per cent in two years only, which is principally due to the influence of our educational moral and sanitation system;

Whereas a prohibition measure of that character would reduce the insular government receipts more than $1,400,000; that is, 37 per cent of the total government income, amounting only to $3,760,798.79 during the fiscal year 1914–15;

Whereas a reduction of such magnitude in the government receipts could not be compensated by any other source of revenue at the present time, taking into consideration the actual financial condition of the island. Such reduction, therefore, would involve the stoppage of our progress, for we should then have to abandon many necessary public services, such as public health, road construction, and especially our public-school work, which is indispensable to the attainment of the goal of our desires in our constant endeavor to eradicate illiteracy, furnishing a primary education to 200,000 children who are still without school facilities on the island;

Whereas it seems to be fair and in accordance with democratic principles that legislation of a local nature should be left entirely to the discretion of the local legislative assembly: Now, therefore, be it

Resolved by the Legislative Assembly of Porto Rico, That the Congress of the United States be requested not to consider the aforesaid petition in legislating for Porto Rico, and that no prohibition whatever of the sale, importation, or manufacturing of alcoholic beverages in Porto Rico be included in such legislation, leaving the legislature of the island to adopt such measures as may be deemed advisable for that purpose.

Approved by the Governor of Porto Rico.

BRIDGE BILLS.

Mr. OLIVER. Mr. President, on Monday last the Senator from Texas [Mr. SHEPPARD] reported three bridge bills and asked for their immediate consideration. It is always customary to immediately consider such routine bills, but at that time the controversy with regard to the volunteer officers' retirement bill was going on, which prevented those bills being then considered. It is important that the work on the bridges involved be prosecuted in order to partially relieve the railroad congestion now existing in the northern and western parts of my State, and I ask for the present consideration of the bills.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the Chair lays the first bridge bill referred to before the Senate.

The Senate, as in Committee of the Whole, proceeded to consider the bill (S. 7536) authorizing the Western New York & Pennsylvania Railway Co. to reconstruct, maintain, and operate a bridge across the Allegheny River, in the borough of Warren and township of Pleasant, Warren County, Pa.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

The bill (S. 7537) authorizing the Western New York & Pennsylvania Railway Co. to reconstruct, maintain, and operate a bridge across the Allegheny River, in the town of Allegany, county of Cattaraugus, N. Y., was considered as in Committee of the Whole.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, and read the third time.

Mr. TOWNSEND. Mr. President, I shall not object to the passage of this bill, but I shall object to any other business during the morning hour, and shall ask for the regular order.

The PRESIDENT pro tempore. Having been read three times, the question is, Shall the bill pass?

The bill was passed.

The bill (S. 7538) authorizing the Western New York & Pennsylvania Railway Co. to reconstruct, maintain, and operate a bridge across the Allegheny River, in Glade and Kinzua

Townships, Warren County, Pa., was announced as next in order.

Mr. FLETCHER. Mr. President, at the time these bridge bills were reported and objected to there was a report made on the bill (S. 7359) authorizing the Delaware Railroad Co. to construct, maintain, and operate a bridge across the Nanticoke River at Seaford, Sussex County, Del. The consideration of that bill was first objected to and then the consideration of all the bridge bills which were subsequently reported was objected to. Now, it is but fair, if these other bridge bills are to be passed, that the bill which I have named should be acted on at the same time.

Mr. TOWNSEND. Mr. President, I made the announcement a moment ago that I should object to any other bills being considered until the morning business has been disposed of.

Mr. FLETCHER. I know very well what the Senator's announcement was.

Mr. TOWNSEND. My attention was diverted for a moment, or I should have objected to the consideration of these bills at the time the request was made. I think, however, we should dispose of the morning business, after which time I shall decide what my course of action shall be.

The PRESIDENT pro tempore. The Chair will ask the Senator from Pennsylvania [Mr. OLIVER] whether his request was for unanimous consent to include three bridge bills or only two of them? The understanding of the Chair was that his request included the consideration of the three bills.

Mr. OLIVER. My request was for unanimous consent for the consideration of the three bills to which I referred.

Mr. TOWNSEND. I stated that as to the matter which was under consideration at the time, I should not object; but that after that was disposed of I should object to the consideration of any other bill during the morning hour.

Mr. FLETCHER. If that is to be the program, I object to the consideration of any of these bills. I think the bill which I have named stands exactly on the same footing with the other three. I do not think it is fair to dispose of some of these bills and to leave the others unconsidered.

Mr. OLIVER. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Florida yield to the Senator from Pennsylvania?

Mr. FLETCHER. I do.

Mr. OLIVER. Mr. President, I simply wish to say to the Senator from Florida that two of the three bills have been passed and the third one will require but a minute. I appeal to the Senator not to interpose an objection to having this bill disposed of.

Mr. FLETCHER. I will withdraw the objection under the circumstances; but I repeat it is not fair, because the first bill reported the other day and objected to was the bill which I have named, which is now on the calendar.

Mr. TOWNSEND. Mr. President, I supposed the Senate had abandoned the thought of being fair in matters of legislation. Therefore I should have objected to the consideration of the other bills if I had understood the proposition in time, but unanimous consent had been given while my attention was temporarily attracted to something else. I stated, however, that after the pending bill was disposed of, for the consideration of which unanimous consent had been granted, I should object to the consideration of any other bill, and should insist upon the regular order.

Mr. FLETCHER. Mr. President, I can not say what the Senator from Michigan has abandoned, but I know that I have not abandoned, the thought of being fair; and if Senators can not be fair otherwise, they should be compelled to be so.

Mr. GALLINGER. I ask for the regular order.

The PRESIDENT pro tempore. As the Chair understands, the Senate, at the request of the Senator from Pennsylvania [Mr. OLIVER], gave unanimous consent for the consideration of the three bridge bills referred to by him. The third bill is now being considered.

Mr. FLETCHER. There is no objection raised as to the consideration of the third bridge bill which was reported, I will say to the Chair.

The PRESIDENT pro tempore. The Chair understands, then, that there is no objection to the present consideration of the third bridge bill named by the Senator from Pennsylvania, and its consideration will be proceeded with.

The Senate, as in Committee of the Whole, proceeded to consider the bill (S. 7538) authorizing the Western New York & Pennsylvania Railway Co. to construct, maintain, and operate a bridge across the Allegheny River, in Glade and Kinzua Townships, Warren County, Pa.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

REPORTS OF COMMITTEE ON POST OFFICES AND POST ROADS.

Mr. VARDAMAN, from the Committee on Post Offices and Post Roads, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

H. R. 3894. An act for the relief of George H. Grace (Rept. No. 917); and

H. R. 3895. An act for the relief of F. W. Schultz (Rept. No. 918).

SPECIAL TAX ON DISTILLED SPIRITS.

Mr. CURTIS. On the 9th instant, I introduced the bill (S. 7763) prohibiting the issuance of special-tax stamps authorizing the sale of distilled spirits or other intoxicating liquors unless public notice by advertisement has been given, and for other purposes, and it was referred to the Committee on the Judiciary. I ask unanimous consent that the Committee on the Judiciary be discharged from the further consideration of the bill and that it be referred to the Committee on Finance.

The PRESIDENT pro tempore. The bill will be referred to the Committee on Finance.

REVISION OF THE PRINTING LAWS.

Mr. CHILTON. From the Committee on Printing, I report back favorably without amendment the bill (S. 7795) to amend and revise the laws relating to printing and binding and the distribution of publications for Congress.

At the same time I submit a report (No. 910) from the committee responding to the resolution of the Senate passed December 15, 1916. It is but fair to say, Mr. President, that long before this resolution was offered the Committee on Printing had taken up the subject of economy in printing in all the departments and had reported a bill, which is on the calendar, being Senate bill 1107, Order of Business 168, designed to bring about the economies which, after the subsequent investigation, we find are so urgent upon the part of the Government. I make the report and ask that it be printed.

Mr. SMOOT. Mr. President, in connection with this report, I merely wish to add that I hope the Senate some morning will pass this bill——

Mr. GALLINGER. Or some afternoon.

Mr. SMOOT. I will say to the Senator that there is no objection to the provisions of this bill. They have been taken out of the regular printing bill, everything that was objected to in the previous bill having been eliminated. The bill, if passed, will save to the Government of the United States $436,000 every year, and no one will be hurt. On some other occasion, when we have more time at our disposal, we can pass the other part of the printing bill, which will save another $400,000. This bill has nothing in it to which anybody can object, and I certainly hope that it will at an early day pass the Senate in the morning hour.

Mr. FLETCHER obtained the floor.

Mr. SMITH of Michigan. I should like to ask the Senator from Utah a question.

The PRESIDENT pro tempore. Does the Senator from Florida yield to the Senator from Michigan?

Mr. FLETCHER. I yield.

Mr. SMITH of Michigan. I should like to ask the Senator from Utah, who is very familiar with the financial condition of the Government, whether he can see in the scope of his vision some place to save something like $400,000,000, which the Government sadly needs at this time?

Mr. SMOOT. This is merely a beginning, Mr. President. It will be, I fear, absolutely impossible to save anything like the amount suggested by the Senator from Michigan.

Mr. SMITH of Michigan. It is a beginning at the end of the Congress.

Mr. FLETCHER. Mr. President, further, in connection with this report, I call attention to the fact that the Committee on Printing reported on February 25, 1916, a bill which is on the calendar, as the Senator from West Virginia [Mr. CHILTON] has stated. That bill included the economies to which the Senator from Utah [Mr. SMOOT] has referred, along with others. The total net economies provided for by that bill would have amounted to $798,013. That bill has been on the calendar ever since last February. We have made every effort we could to get it up, but we have not been able to secure its consideration. There were some features of it objected to, as the Senator from Utah has mentioned; but the bill now reported would seem to eliminate all those features; and I certainly join with other Senators in hoping that we will find time to act upon this bill

and effect the economies that are mentioned, particularly in view of the present financial situation of the Government.

The PRESIDENT pro tempore. The bill will go to the calendar.

ELLA M. JONES.

Mr. LEA of Tennessee. From the Committee to Audit and Control the Contingent Expenses of the Senate, I report back favorably, with an amendment, Senate resolution 302, and I ask unanimous consent for its immediate consideration.

The PRESIDENT pro tempore. The Secretary will read the resolution.

The Secretary read the resolution, as follows:

Resolved, That the Secretary of the Senate be, and he hereby is, authorized and directed to pay from the miscellaneous items of the contingent fund of the Senate to Ella M. Jones, widow of Frank G. Jones, late a private of the police force of the Senate Office Building, a sum equal to one year's salary at the rate he was receiving by law at the time of his death, said sum to be considered as including funeral expenses and all other allowances.

The PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

Mr. GALLINGER. Let the amendment be stated.

The SECRETARY. The committee proposes to insert a preamble to read as follows:

Whereas the late Frank G. Jones has served continuously as an employee of the Senate for more than 40 years: Be it.

Mr. LEA of Tennessee. Mr. President, I will say that it is customary to appropriate six months' salary to the widow of a deceased employee; but as this man saw over 40 years' service in the employ of the Senate it is proposed to allow his widow one year's salary.

Mr. TOWNSEND. I shall not object to the consideration of that resolution.

Mr. GALLINGER. Mr. President, I will ask the Senator from Tennessee in all good conscience if this is not a dangerous principle for us now to establish, giving a year's salary to the widow of a deceased employee simply because of his long service?

Mr. LEA of Tennessee. We found that the precedent had already been established. There have been at least two such cases heretofore.

Mr. GALLINGER. There are two other precedents, I know.

Mr. LEA of Tennessee. As I was about to say, there have been at least two such cases where employees have had continuous service for more than 40 years, as had this man, where a full year's salary was allowed to his widow instead of the usual six months' salary. This is a peculiarly worthy case. The widow is absolutely destitute.

Mr. GALLINGER. Well, Mr. President, I will not object. I understand that the other side has gone on record against increasing the salaries of the poorly paid employees of the Government, and if they wish to depart from the usual amount given to the widows of deceased employees I will not object.

Mr. LEA of Tennessee. In this case we were merely following the precedent that had been established by the other side.

The PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

Mr. OVERMAN. I object, Mr. President. I am willing to pay the usual sum, six months' salary, to the widow of this employee, the same as we have done in other cases; but I do not think this is a case that calls for the appropriation of a full year's salary.

The PRESIDENT pro tempore. Objection is made.

Mr. OVERMAN. I am willing to let the resolution pass with an amendment providing that the widow shall be paid six months' salary.

Mr. LEA of Tennessee. I did not understand the suggestion of the Senator from North Carolina.

Mr. OVERMAN. I say that if the Senator will agree to an amendment applying in this case the same rule which we have applied in other cases, I will not object to the resolution. I am very anxious to see it go through, but I will not agree that a whole year's salary shall be paid to the widow of this employee or any other employee.

Mr. LEA of Tennessee. As I have stated, that has been done where there has been service for a longer period than 40 years.

Mr. OVERMAN. It has been done; but this is a time when we want to retrench, to do all we can to reduce the enormous expenses of the Government, and it is not a time, in my opinion, to provide for the payment of a year's salary to the widow of a deceased employee. As I have said, however, I shall not object to the resolution if an amendment is made providing for the payment of six months' salary.

Mr. LEA of Tennessee. The Senator from Indiana [Mr. KERN] is the author of the resolution, and I can not agree to the amendment suggested without the consent of that Senator.

Mr. KERN. Mr. President, this is an extraordinary case; there has been no case like it before the Senate. This man had been employed here for over 40 years, he had reared a family, he had worked for a meager salary, he had performed his duties well, and he has left his family without means. It seems to me that, under these extraordinary circumstances, there ought not to be any hesitation about allowing a year's salary to his widow.

It is all well enough to talk about economy; I am very much in favor of economy myself; but I prefer to indulge in methods of economy in matters in which millions and scores of millions are involved, rather than in respect to a little compensation to the widow of a man who had served the Senate faithfully and well for over 40 years. The case is out of line with the usual cases of the kind that come before us, and I do not think there ought to be a moment's hesitation about granting this amount.

Mr. OVERMAN. Mr. President, it is not out of line with other cases. Even in cases where men have served here for 50 years the usual rule has been to give their widows six months' salary. This widow will receive $550 if six months' compensation is allowed, and I do not think the amount should be increased beyond that. I knew Mr. Jones; I was fond of him; he was a splendid man and an efficient officer. I do not want, however, to make an exception of this kind, and so I shall object to the consideration of the resolution unless it is amended so as to provide not more than six months' compensation to the widow.

The PRESIDENT pro tempore. Objection is made, and the resolution will go to the calendar.

BILLS AND JOINT RESOLUTION INTRODUCED.

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

By Mr. HUSTING:

A bill (S. 7799) granting an increase of pension to Charles Ellis;

A bill (S. 7800) granting an increase of pension to Henry D. Baxter; and

A bill (S. 7801) granting a pension to Julius Jensen; to the Committee on Pensions.

By Mr. BORAH:

A bill (S. 7802) to provide for the construction of the Black Canyon project, Idaho; to the Committee on Irrigation and Reclamation of Arid Lands.

By Mr. WADSWORTH:

A bill (S. 7803) for the control, regulation, and use of the waters of the Niagara River below Niagara Falls, and for other purposes; to the Committee on Foreign Relations.

By Mr. REED:

A bill (S. 7804) granting an increase of pension to Ella R. Brown; to the Committee on Pensions.

By Mr. WATSON:

A bill (S. 7805) granting an increase of pension to Joseph McG. Lunsford;

A bill (S. 7806) granting an increase of pension to John P. McCorkle;

A bill (S. 7807) granting an increase of pension to Benjamin W. Laybourn; and

A bill (S. 7808) granting an increase of pension to Andrew J. Bridges; to the Committee on Pensions.

By Mr. PAGE:

A bill (S. 7809) granting an increase of pension to George A. Cheney; to the Committee on Pensions.

By Mr. CHAMBERLAIN:

A bill (S. 7810) granting a pension to James P. Merrifield (with accompanying papers); to the Committee on Pensions.

By Mr. SMITH of Michigan:

A bill (S. 7811) for the relief of Robert B. Jennings; to the Committee on Military Affairs.

A bill (S. 7812) granting an increase of pension to Mary J. Welch;

A bill (S. 7813) granting an increase of pension to Charles A. Voorheis;

A bill (S. 7814) granting a pension to Homer R. Hutson;

A bill (S. 7815) granting an increase of pension to Matilda Paxton;

A bill (S. 7816) for the relief of Alonzo D. Cadwallader; and

A bill (S. 7817) granting an increase of pension to Rudolph Davis (with accompanying papers); to the Committee on Pensions.

By Mr. JOHNSON of Maine:

A bill (S. 7818) granting an increase of pension to Leonard H. Bunker (with accompanying papers);

A bill (S. 7819) granting an increase of pension to George W. Cushman (with accompanying papers);

A bill (S. 7820) granting a pension to William J. Kelsey (with accompanying papers);

A bill (S. 7821) granting a pension to Charles E. Matthews (with accompanying papers);

A bill (S. 7822) granting an increase of pension to Coridon J. Emmons (with accompanying papers);

A bill (S. 7823) granting an increase of pension to Franklin B. Nutt (with accompanying papers); and

A bill (S. 7824) granting an increase of pension to Abraham Bachelder (with accompanying papers); to the Committee on Pensions.

By Mr. OWEN:

A joint resolution (S. J. Res. 195) forbidding Federal judges to declare any act of Congress unconstitutional and providing penalties therefor.

AMENDMENTS TO APPROPRIATION BILLS.

Mr. SMITH of Michigan submitted an amendment proposing to appropriate $24,649.57 for paving streets in Sault Ste. Marie, Mich., fronting on Government property used in connection with the ship canal, intended to be proposed by him to the sundry civil appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

Mr. JONES submitted an amendment proposing to appropriate $5,000 for study of methods of clearing off logged-off lands, etc., intended to be proposed by him to the Agricultural appropriation bill (H. R. 19359), which was referred to the Committee on Agriculture and Forestry and ordered to be printed.

Mr. PHELAN submitted an amendment proposing to appropriate $35,000 for the purchase, preparation, and irrigation of not to exceed 150 acres of land in Chico, Butte County, Cal., etc., intended to be proposed by him to the Agricultural appropriation bill (H. R. 19359), which was referred to the Committee on Agriculture and Forestry and ordered to be printed.

Mr. FLETCHER submitted an amendment proposing to increase the number of levelers at $1,200 each in the Water Department, District of Columbia, from one to two, intended to be proposed by him to the District of Columbia appropriation bill (H. R. 19119), which was referred to the Committee on Appropriations and ordered to be printed.

Mr. GALLINGER submitted an amendment proposing to appropriate $3,600 to grade and improve Wyoming Avenue NW., Washington, D. C., between Twenty-third and Twenty-fourth Streets, intended to be proposed by him to the District of Columbia appropriation bill (H. R. 19119), which was ordered to be printed and, with the accompanying paper, referred to the Committee on Appropriations.

TERMINATION OF PRESENT SESSION.

Mr. WALSH submitted the following resolution (S. Res. 313), which was read and referred to the Committee on the Judiciary:

Resolved, That it is the sense of the Senate that the present session will, without any action on the part of this body and without action or concurrence of the House of Representatives, terminate at 12 o'clock meridian on March 4, 1917.

TARGET PRACTICE IN THE NAVY.

Mr. LODGE submitted the following resolution (S. Res. 314), which was read, considered by unanimous consent, and agreed to:

Resolved, That the Secretary of the Navy, if not incompatible with the public interest, be directed to send to the Senate the scores made on the 30 by 90 foot screen target by the Atlantic Battleship Fleet in division and day individual battle practice in the seasons of 1914, 1915, and 1916, the figures to be given both as noted by Admiral Mayo and other umpires on the spot, and also as subsequently modified by the camera observations.

OIL-LEASING BILL.

Mr. PHELAN. Mr. President, I ask unanimous consent to have printed in the RECORD a statement of the California delegation in support of the oil-leasing bill.

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

The statement referred to is as follows:

WASHINGTON, D. C., *January 11, 1917.*

Wrong impressions concerning the oil situation in California, and particularly the remedial provisions contained in the leasing bill, have been created in many places, and we desire to make the following statement, which we hope may tend to remove the same and cause a better understanding of the situation:

Up to March 1, 1916, there had been withdrawn from entry in the Western States 48,393,197 acres of supposed coal lands, 5,603,295 acres of oil lands, and 2,581,339 acres of phosphate lands, most of which had been withdrawn for several years.

The West, to go forward and prosper, must have an opportunity to develop its natural resources. It needs, and the whole country needs, the use of its coal for fuel, its phosphate for fertilizing its farms, and its oil for gasoline, kerosene, lubricants, and the many other uses to which it is being put in the sciences and the arts.

Secretary Lane has ever been mindful of the necessity of enacting laws which will develop these great resources under proper restrictions and Government control, and has recommended a bill to Congress for that purpose, which bill has passed the House twice and is now pending in the Senate.

California is most vitally concerned in the development of its oil fields, which can not be accomplished until the leasing bill becomes a law. On September 27, 1909, President Taft issued an order withdrawing over 1,000,000 acres of land in California, a large portion of which is unpatented land, which embraces the oil fields located in the San Joaquin and Kern River districts. Although it was intended by this order, and so expressed, that valid existing claims were not to be disturbed, still the result has been to cast a doubt upon the validity of a great many claims. Suits have been commenced by the Government to cancel some, and other suits are threatened, with the result that the oil industry of California has been paralyzed and development work has practically stopped. The whole country suffers from this unhappy situation, as well as California, because of the diminishing of the oil production on the Pacific coast, which, in a great measure, affects the whole oil supply of the Nation, and which has resulted in an increase in the price of gasoline and all petroleum products, thereby affecting everyone who drives a machine, owns a combustion engine, lubricates machinery, or lights a home. It therefore will be seen that the question involved in the pending bill, with its relief provisions for the California oil producers, is not a local one, but one which affects the whole country.

When the order was made withdrawing this large tract of land more than 95 per cent of the California claimants had already entered upon it under the mining laws and initiated their claims, and many thousands of dollars had at that time been expended in development work. These entries were not only lawfully made, but were encouraged by the laws of the United States. They believed that the order of withdrawal did not interfere with their locations, but invited them to proceed with their work, because the order provided that all existing valid claims might proceed to entry in the usual manner. On December 12, 1912, more than three years after the order of withdrawal and after millions of dollars had been expended and valuable oil properties created, a naval reserve known as Naval Reserve No. 2 was ordered covering a portion of the land withdrawn.

The opposition to the oil-leasing bill is due principally to the Navy and its efforts to hold this reserve and appropriate for its use all the millions invested there long before the reserve was thought of. The remedial provisions in the bill recognize the equities of the oil companies and give them the right to relinquish their claims to the Government and receive a lease therefor upon paying a one-eighth royalty. It is also provided that the oil companies may pursue their rights for a patent for the land upon which oil had been discovered where the mining laws have been complied with.

The Navy justifies its demands upon the ground that it is necessary that it should have the oil for its use that is within this particular reserve. This reserve can not be used to store oil for the future use of the Navy, because there are already over 200 wells drilled within its limits. These wells, in the estimate of the Bureau of Mines, have already drained this reserve of fully one-third of its entire content. Fully two-thirds of this reserve is now in private ownership, patents therefor having been issued.

Through some technicality of the law the Navy hopes to be able to hold this property within Naval Reserve No. 2, but Congress, viewing the equities of the case and not wishing to do an injustice and a grievous wrong, can give relief by passing the leasing bill. This bill has passed the House twice and is now pending in the Senate, having been favorably reported by the Public Lands Committee of that body, and its passage is of great national importance.

The fears of the Navy are unfounded, because there is an abundance of oil which it can secure from publicly owned lands without taking the wells drilled and owned by private citizens and the oil therefrom, which is being used in the industries of the country. Naval Reserve No. 1 covers an area of 38,117 acres, and is estimated to contain 100,000,000 barrels. Naval Reserve No. 3 embraces 9,520 acres, with an estimate of 30,000,000 barrels, while Naval Reserve No. 4, created December 6, 1916, is estimated by the Geological Survey to contain 1,000,000,000 barrels. The Government also owns over 3,200,000 acres of withdrawn petroleum lands from which it can create other reserves containing many millions of barrels more.

JOHN D. WORKS,
United States Senator.
JAMES D. PHELAN,
United States Senator.
DENVER S. CHURCH,
Member of Congress, Seventh California District.
JULIUS KAHN,
Member of Congress, Fourth California District.
C. F. CURRY,
Member of Congress, Third California District.
WILLIAM KETTNER,
Member of Congress, Eleventh California District.
JOHN E. RAKER,
Member of Congress, Second California District.
E. A. HAYES,
Member of Congress, Eighth California District.
J. A. ELSTON,
Member of Congress.

OSAGE INDIAN SCHOOL.

The PRESIDENT pro tempore. If there be no further concurrent or other resolutions, morning busines is closed.

Mr. BANKHEAD. I move that the Senate proceed to the consideration of Senate bill 4429, to amend the postal laws.

Mr. CURTIS. Mr. President, will the Senator from Alabama withhold that motion to permit me to make a request that the Chair lay before the Senate a Senate bill which has been amended by the House? If the House amendments are not agreed to at this session, it will cause the closing of a school which is now attended by 140 Indian pupils. The measure will lead to no debate, and it is very important that the bill be enacted into law as soon as possible.

Mr. BANKHEAD. I yield for that purpose.

The PRESIDENT pro tempore laid before the Senate the amendments of the House of Representatives to the bill (S. 6864) providing for the continuance of the Osage Indian School, Oklahoma, for a period of 10 years from January 1, 1917, which were, on page 1, lines 7 and 8, to strike out "in the discretion of the Secretary of the Interior"; on page 1, line 10, strike out "not exceeding 10 years" and insert "one year"; on page 2, lines 1 and 2, strike out ", on the condition of establishing vocational instruction in such schools"; and to amend the title so as to read: "An act providing for the continuance of the Osage Indian School, Oklahoma, for a period of one year from January 1, 1917."

Mr. CURTIS. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

HOUSE BILL REFERRED.

House bill 15914, an act to authorize the Secretary of Agriculture to license establishments for and to regulate the preparation of viruses, serums, toxins, and analogous products for use in the treatment of domestic animals, and for other purposes, was read twice by its title and referred to the Committee on Agriculture and Forestry.

IMPORTATION OF SISAL AND MANILA HEMP.

Mr. GRONNA. Mr. President, I ask permission to make the following report:

On February 7, 1916, a resolution, being Senate resolution 94, was submitted by the Senator from Louisiana [Mr. RANSDELL] and referred to the Committee on Agriculture and Forestry. It merely provided for the appointment of a committee to investigate the sisal and binding-twine condition. The committee has completed its report, but can not make that report to the Senate until this resolution has been adopted. I therefore ask unanimous consent to have the resolution considered at this time.

The PRESIDENT pro tempore. The Senator from North Dakota asks unanimous consent for the immediate consideration of a resolution, which will be read.

The Secretary read Senate resolution 94 (S. Rept. No. 919), submitted by Mr. RANSDELL, February 7, 1916, as follows:

Whereas binding twine is one of the large items of expense in the production of grain; and

Whereas it has been alleged in the public press and by individuals that the present price thereof is exorbitant and is fixed and controlled by certain persons and corporations: Therefore be it

Resolved, That the Committee on Agriculture and Forestry of the Senate, or any subcommittee appointed by said committee, be, and is hereby, authorized and instructed to investigate and report to Congress what companies and corporations are engaged in the importation of said sisal and manila hemp and the production of binding twine, and to what extent, if any, they control the price thereof, and whether there are any combinations or agreements to fix and control the wholesale or retail prices of sisal and manila binding twine in the United States.

The committee is authorized to administer oaths, subpœna witnesses, and send for persons and papers in the prosecution of the said investigation.

The PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

Mr. STONE. Mr. President, what is this resolution? Does it raise a committee to make an investigation?

Mr. GRONNA. I will say to the Senator from Missouri that the investigation has been made, but the committee is unable to make its report until the resolution has been adopted. The committee is ready to make its report.

Mr. STONE. How did the committee make the investigation in the first instance?

Mr. GRONNA. By authority of the Agricultural Committee.

Mr. STONE. By the act of the committee?

Mr. GRONNA. Yes.

Mr. STONE. Well, why can not the committee report?

Mr. RANSDELL. Mr. President, if I may be permitted, I will say to the Senator from Missouri that under the authority granted to this subcommittee by the Agricultural Committee we would have to report back to the Agricultural Committee, and we wanted to report directly to the Senate. This is a resolution that was offered some time ago that would permit us to report directly to the Senate. We should like to have that authority.

Mr. STONE. Does it involve an expenditure?

Mr. RANSDELL. None at all. All that has been undergone. It is just a formal matter.

Mr. CLARK. Mr. President, is this the report of a committee?

Mr. RANSDELL. It is the report of a subcommittee appointed by the Agricultural Committee to investigate the sisal and binding-twine situation.

Mr. CLARK. Exactly so; but the resolution authorizes the committee, or a subcommittee, to investigate and report, does it not?

Mr. RANSDELL. It authorizes a subcommittee, or the entire committee, to make the investigation; but we have already had authority from the full committee to make it. The report is a unanimous one.

The PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

Mr. McCUMBER. Mr. President, I should like to inquire what we are voting on. There is nothing on earth to prevent the committee from making the report, if it has made an investigation. It seems to me that the only object is to make the report responsive to some particular Senator's resolution, when as a matter of fact it is not responsive to that resolution. It is sought to adopt the resolution after the report has been completed, and then make the report as if it were in answer to that resolution, when, as I understand, it was not in response to that resolution, but was the independent action of the Committee on Agriculture and Forestry.

Mr. RANSDELL. I will state to the Senator that a resolution was offered and was referred to the Committee on Agriculture and Forestry. It was not reported back to the Senate by the Committee on Agriculture and Forestry; but the committee thought, and so decided, that it had ample power to make the investigation under its general authority. It thereupon appointed a subcommittee, composed of three Senators—the Senator from North Dakota [Mr. GRONNA], the Senator from New York [Mr. WADSWORTH], and myself—to make this investigation. We made the investigation, and I will say that we worked very hard upon it. Inadvertently we were of the opinion that we had a right to report back directly to the Senate, and we so reported to the Senate three days ago. When our report reached the officials of the Senate they saw that we were reporting to the Senate under a resolution which never had been adopted. There is no question about our authority to act under the resolution of the Agricultural Committee; but we were not acting under a formal resolution of the Senate itself, and we are simply asking now that this resolution, which was introduced nearly a year ago, be adopted in order that we may make our report to the Senate itself.

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

Mr. RANSDELL. I shall be delighted to yield.

Mr. OVERMAN. Would it not be proper to ask the Senate to receive the report and have it printed without this resolution?

Mr. RANSDELL. That would be entirely satisfactory to the committee.

Mr. SMOOT. I will ask the Senator if the report was not printed in the RECORD? I remember the Senator making that request.

Mr. RANSDELL. It was not printed.

Mr. SMOOT. That is, the request was made for it?

Mr. RANSDELL. The request was made, and it was not granted.

Mr. SMOOT. It was not printed?

Mr. RANSDELL. It has not been printed. It was found that the resolution under which we sought to report had not been adopted.

Mr. McCUMBER. Mr. President, it is quite clear that the Committee on Agriculture and Forestry under their authority as a committee investigated this subject. I do not think they even needed to have a resolution to investigate it. They did investigate the subject, and after investigating the subject they made their report. Now, they desire to make that report responsive to some particular resolution that never was considered or adopted by the Senate. It seems to me to be almost an unheard-of proposition, and that there is nothing to prevent the committee making its report, as it already has done, and that report being accepted by the Senate and the matter disposed of.

Mr. RANSDELL. If the Senate is willing to accept the report, I will say to the Senator from North Dakota that is all we wish. We wish our report accepted by the Senate.

Mr. CLARK. The difficulty with that is that this is not the report of a committee. It is the report of a subcommittee.

Mr. BRANDEGEE. Mr. President, I will suggest to the Senator from Louisiana that if a subcommittee investigated the matter I should think the subcommittee would report to the committee that appointed it, and then let the committee adopt the report of the subcommittee and report it to the Senate, if the committee favors the report of the subcommittee.

The PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

Mr. McCUMBER. I object to the present consideration of the resolution.

The PRESIDENT pro tempore. Objection is made, and the resolution will go to the calendar.

MEMORIAL ADDRESSES.

Mr. KERN. Mr. President, I desire to give notice that on Saturday, the 17th day of February, 1917, immediately after the routine morning business, the Senate will be asked to consider resolutions in commemoration of the life, character, and public services of Senator BENJAMIN F. SHIVELY, of Indiana; of Senator EDWIN C. BURLEIGH, of Maine; and of Senator JAMES P. CLARKE, of Arkansas.

PROHIBITION OF LIQUOR ADVERTISEMENTS.

Mr. BANKHEAD. I move that the Senate proceed to the consideration of Senate bill 4429, to amend the postal laws.

The PRESIDENT pro tempore. The question is on the motion of the Senator from Alabama that the Senate proceed to the consideration of Senate bill 4429.

Mr. GALLINGER. Let the title be read.

The SECRETARY. A bill (S. 4429) to amend the postal laws.

Mr. STONE. I ask that the bill may be read in full.

The PRESIDENT pro tempore. The Secretary will read the bill for the information of the Senate.

The Secretary read the bill, as follows:

Be it enacted, etc., That no letter, postal card, circular, newspaper, pamphlet, or publication of any kind containing any advertisement of spirituous, vinous, malted, fermented, or other intoxicating liquors of any kind, or containing a solicitation of an order or orders for said liquors, or any of them, shall be deposited in or carried by the mails of the United States, or be delivered by any postmaster or letter carrier, when addressed or directed to any person, firm, corporation, or association, or other addressee, at any place or point in any State or Territory of the United States at which it is by the law in force in the State or Territory at that time unlawful to advertise or solicit orders for such liquors, or any of them, respectively.

Whoever shall knowingly deposit or cause to be deposited or shall knowingly send or cause to be sent anything to be conveyed or delivered by mail in violation of the provisions of this section, or shall knowingly deliver or cause to be delivered by mail anything herein forbidden to be carried by mail shall be fined not more than $1,000 or imprisoned not more than two years, or both; and for any subsequent offense shall be imprisoned not more than five years. Any person violating any provision of this section may be tried and punished, either in the district in which the unlawful matter or publication was mailed or to which it was carried by mail for delivery, according to direction thereon, or in which it was caused to be delivered by mail to the person to whom it was addressed.

SEC. 2. That whoever, being a postmaster or other person employed in the Postal Service, shall knowingly send by mail or deliver any letter, package, postal card, circular, newspaper, pamphlet, or publication of any kind containing any advertisement of the said liquors or any of them mentioned in the first section of this act, or containing a solicitation of an order or orders for said liquors, or any of them, when addressed or directed to any person, firm, corporation, or association, or other addressee, at any place or point in any State or Territory of the United States at which it is by the law in force in the State or Territory at that time unlawful to advertise or solicit orders for such liquors, or any of them, respectively, shall be fined not more than $100 or imprisonment not more than one year, or both.

SEC. 3. That any advertisement for such liquors, or any of them, stating the person from whom, or the firm or corporation from which, or the place where, or the price at which, or the method by which said liquors, or any of them, may be obtained, or containing the picture of a brewery or distillery or bottles or other receptacles designed to serve as an advertisement of such liquors, or any of them, shall be within the inhibition of this act.

The PRESIDING OFFICER (Mr. BRYAN in the chair). The question is on the motion of the Senator from Alabama [Mr. BANKHEAD] that the Senate proceed to the consideration of the bill which has been read by the Secretary.

The motion was agreed to; and the Senate, as in Committee of the Whole, proceeded to consider the bill.

Mr. BANKHEAD. Mr. President, I desire to make a very brief statement as to the purpose and object of the bill.

There are a number of States—the State of Alabama being one—in which whisky advertising is prohibited by State law; and this bill simply seeks to prevent the use of the mails for whisky advertising going into States where the State law itself prohibits such advertising. It does not apply to any other State. It does not apply to any State where a portion of its territory is dry and a portion of it permits the sale of spirituous liquor. It is simply an effort, in the case of States where legislation on this subject has been passed and is now in force, to enable the States to enforce their own laws with reference to prohibition. That is all the bill is intended to accomplish, and I can see no reason why there should be any objection to it.

Mr. GALLINGER. Mr. President——

Mr. BANKHEAD. I yield to the Senator.

Mr. GALLINGER. As I understand the matter, it simply puts the same ban upon newspapers out of a State that is put upon newspapers in a State. Is that it?

Mr. BANKHEAD. That is the idea exactly.

Mr. HITCHCOCK. Would the Senator have any objection to incorporating in the bill the names of the States having such laws?

Mr. BANKHEAD. I would have no objection, as far as I am concerned, but I am not advised as to the number of States. It is a general proposition.

Mr. HITCHCOCK. Let me present this example: How is a person, for instance, living in California to know when he mails a newspaper or a letter whether or not he is violating the law, if the Senator himself does not know? Should not the law which prohibits the sending of such matter in the mail state distinctly to the people what States have enforced these laws? Is it to be necessary, for instance, for a newspaper publisher who sends newspapers into every State in the Union through exchange to ask his lawyer to look up the law of 48 States? If he is to be penalized for violating the law, the law ought certainly to make it clear what acts are unlawful.

Mr. BANKHEAD. I apprehend that every liquor dealer in this country, I do not care whether he lives in California or where he may live, knows, or at least is supposed to know, where advertising of this character is prohibited.

Mr. HITCHCOCK. That is not the point. A man publishes a newspaper in a State. He sends those newspapers not only to subscribers who come into his business office without his knowledge but he sends them to exchange publications in perhaps 30 or perhaps 40 States in the Union. He is under an obligation to send a copy to every advertiser, wherever he is in the United States. He may send papers into 48 States. Must he inquire into the law of each of the 48 States to know whether he can send newspapers into a State or if he sends into such a State does he incurr the penalty involved in this proposed law? It seems to me the confession of the Senator himself that he does not know what States have such laws is a warrant for incorporating into the bill this information on the subject.

Mr. BANKHEAD. As far as I am individually concerned, I confess there is merit in the proposition. I would not object, as far as I am concerned, to exempting newspapers exclusively for exchange purposes or——

Mr. SHAFROTH. Let me make a suggestion.

Mr. HITCHCOCK. I will say to the Senator it does not affect me particularly, it does not affect many newspapers, because there is a gradual tendency of the newspapers to exclude liquor advertisements of every sort, but as a general principle it is wrong to pass a law and not have the law itself show exactly what the violation may be. If there is any information available as to what States have these laws that information ought to be incorporated in the bill.

Mr. SHAFROTH. Will the Senator yield for a suggestion there?

Mr. HITCHCOCK. The Senator from Alabama has the floor.

Mr. BANKHEAD. I yield to the Senator.

Mr. SHAFROTH. I wish to suggest that if you name the States you would have to have an act of Congress every year changing them, because the States change their own laws.

Mr. HITCHCOCK. That is a simple matter.

Mr. SHAFROTH. It is not a simple matter.

Mr. SMITH of Georgia. There is no trouble about finding out what they are——

The PRESIDING OFFICER. Does the Senator from Alabama yield? There are five Senators on the floor.

Mr. BANKHEAD. I yield to the Senator from Georgia.

Mr. SMITH of Georgia. I thought the Senator from Alabama had finished.

There is no trouble in finding out which States prohibit it. You can apply to any liquor dealer in the United States, to any large wholesaler, and he will furnish you a list. The newspapers of the country can easily know.

Mr. HITCHCOCK. It is a statute of the United States, and the thousands of newspaper publishers in the country ought to be able to read this law and know by reading the law what would be a violation of its criminal provision.

Mr. SMITH of Georgia. They do.

Mr. HITCHCOCK. Under the vague terms here it would be a criminal violation of the law to send a paper into a State that prohibited the circulation of liquor advertisements, when, as the Senator in charge of the bill himself says, he does not know what States have such laws; and I must confess I do not know. It makes it absolutely necessary for every publisher to watch the legislation of 48 States in order to keep track of it.

Mr. SMITH of Georgia. There is not a particle of trouble in any publisher finding out. The laws may change. To undertake to put in the act the name of the States now meeting the requirements of this bill and limit to them would be to exclude

from the benefits of the act the States which next year may adopt a prohibitory law. A State next year might repeal its law. It should apply in its terms to those States that have the law. There is not a bit of trouble in finding out which States they are. There is not a man who could not send a law clerk to the law library downstairs or upon inquiry at the Congressional Reference Bureau of the Library of Congress get in 15 minutes the list. They will all be published, and as changes are made they will be published. I do not suppose there is a newspaper office in the United States where there is not an employee who knows the list of States to which the bill will apply.

Mr. HITCHCOCK. The Senator is entirely mistaken.

Mr. SMITH of Georgia. If there is not, he can find out without the slightest difficulty from the list which will at once be published in all the leading papers as soon as this bill becomes a law.

Mr. HITCHCOCK. The Senator knows very well that there are 48 different jurisdictions in the United States. A man does very well if he can avoid violating the laws of his own State, let alone violating the laws of 47 other States. It is unfair to pass a drastic law of this kind; and yet I am in favor of the law. I believe in excluding liquor advertisements from the mails of the United States in those States where the local law prohibits it.

I will say that many newspapers, the best newspapers of the country, have already adopted the policy of excluding liquor advertisements; but I believe on the general principle it is not right to incorporate a criminal provision in a law and then say to a man in one State, "If you violate the law of 47 other States you are liable to a jail penalty."

Mr. SMITH of Georgia. To say to a newspaper you shall not send a paper into a State unless you find out whether the laws of the State forbid the advertisement of liquor in newspapers is not a severe tax. A newspaper ought not to be allowed to send it into a State unless it would take that trouble.

There are probably one-third of the States to-day who forbid it; I hope in a few months there will be one-third more; and as they are added I want these advertisements kept out. I do not think it would be a severe provision to say that the newspapers which carry liquor advertisements should not go through the mails at all. But we do not go that far. We simply say that if you send them into a State you shall take the burden of finding out that the law of the State permits liquor advertisements to be sent into the State. It is not a severe burden; it is easily found out.

Mr. HITCHCOCK. I challenge the Senator. I say he can not find out in an hour in what States a violation of this law would be involved.

Mr. SMITH of Georgia. If I had a newspaper I could find out before I had to mail it to-morrow morning. Just as soon as this bill passes a list is sure to be published giving the names of the States from which liquor advertisements will be excluded. These States will be at once universally known. With great respect for the Senator I must urge that he has suggested a difficulty without merit.

Mr. VARDAMAN and Mr. OLIVER addressed the Chair.

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

Mr. BANKHEAD. I yield first to the Senator from Mississippi.

Mr. VARDAMAN. Mr. President, I was about to observe that many of the States now have laws prohibiting the sale of newspapers containing liquor advertisements. This bill, if enacted into a law, would impose no greater hardships or make it more difficult for the newspapers to find out that liquor advertisements were not permitted in the States that have acted on this matter than the laws already upon the statute books of the States. The fact is, I do not see how any newspaper is going to be inconvenienced, led into a snare, or forced to do anything difficult of attainment by the enactment of the bill. It will, however, prevent the circulation of papers containing liquor advertisements, take from the newspaper publishers a few paltry dollars derived from that source, but the good which would result to the entire country by prohibiting circulation of these advertisements outweighs and overbalances all losses that the publishers might suffer. I think the better class of newspapers have about determined that whisky advertisements are not desirable business and very naturally respect for public sentiment has caused most of the publishers to refuse this class of business; all of which I wish to commend as presaging better things for the future.

Now, Mr. President, I take no stock whatever in the views expressed by some Senators when the prohibition or whisky question comes up for discussion that these laws are sumptuary in their nature and restrictive of the rights of the American citizen. In the first place, under our form of government, a Government which in theory at least derives all of its just powers from the consent of the governed, no citizen is vouchsafed a right the exercise of which involves infidelity to his family, disloyalty to his Government, and a flagitious crime against posterity. That to my mind is self-evident. The traffic in alcoholic stimulants has been outlawed by all the civilized nations of the earth and it is the consensus of the most enlightened opinion in the world that the excessive use of alcoholic stimulants causes more crimes, insanity, poverty, makes more orphans, widows, blights more lives—in a word causes more sorrow and suffering than all other agencies for evil combined. Anything that encourages the use of liquor is an enemy to the human race. It promotes lawlessness and foments strife, and therefore the traffic in it should be outlawed and prohibited by law. Governments are made for men rather than men for governments, and when the government ceases to serve mankind for the benefit of mankind its usefulness ceases. The argument has been advanced that if a State permits its citizen to buy even a limited quantity of liquor it ought to permit the newspapers or dealers in liquors to let the citizen know where he can get it. Now, I am not so much interested in keeping the fellow who wants to buy the liquor from reading newspaper advertisements as I am to prevent liquor dealers from finding out the whereabouts of the man down in Mississippi or Georgia to whom he would like to sell his poison. I want to keep the temptation out of the citizen's way. I realize that the best part of the Lord's prayer, the one that has served humanity best, is that which says, "Lead us not into temptation but deliver us from evil." There is much potency in mere suggestion, and for that reason, Mr. President, I am supporting this bill. I think it is the duty of the Congress of the United States to enact this bill into law and stop the circulation of newspapers containing whisky advertisements in the States that have legislated on the subject. I hope from the depths of my heart that the time is not far distant when every State in this Republic will have outlawed the whisky traffic and all men will avoid this enemy to health and happiness as they do a plague of cholera or any other deadly pestilence.

Mr. SMITH of Arizona and Mr. OLIVER addressed the Chair.

Mr. BANKHEAD. I yield to the Senator from Arizona.

Mr. OLIVER. It seems to me that the difficulty suggested by the Senator from Nebraska——

Mr. SMITH of Arizona. I thought I had the floor.

Mr. BANKHEAD. I yield to the Senator from Arizona. I will yield next to the Senator from Pennsylvania.

Mr. OLIVER. I beg the Senator's pardon.

Mr. SMITH of Arizona. I suggest to the Senator from Alabama that the bill should contain a provision not only for the States that now have these inhibition laws but for the States that shall hereafter prohibit the liquor traffic.

Mr. BANKHEAD. I accept that. I think it is an admirable suggestion.

Mr. SMITH of Arizona. That would cure the difficulty and avoid the necessity of future legislation in regard to it.

Mr. BANKHEAD. Let the clerks insert at the proper place "or hereafter."

Mr. OLIVER. Mr. President——

Mr. BANKHEAD. I yield to the Senator from Pennsylvania.

Mr. OLIVER. I suggest that the objection raised by the Senator from Nebraska [Mr. HITCHCOCK] might be met by so amending the bill as to authorize or direct the Postmaster General from time to time to designate the States whose legislation prohibits the circulation of such publications and that would be notice to the public and enable everyone to be informed as to the States into which they can not send such publications.

Mr. BANKHEAD. I have no objection to that amendment.

Mr. OLIVER. I suggest to the Senator who reported the bill that such an amendment be incorporated in it.

Mr. BANKHEAD. I have no objection.

Mr. NORRIS. Will the Senator yield to me?

Mr. BANKHEAD. I yield to the Senator from Nebraska.

Mr. NORRIS. I wish to call the attention of the Senator to section 2 and to say that it is a part of the bill that is not at all necessary for its proper enforcement. I am satisfied that section would work a hardship on postmasters. It applies only to the postmasters, and makes it a crime for a postmaster or anyone employed in the office who shall knowingly send by mail or deliver any letter, package, and so forth, containing an advertisement for liquor, and makes him liable to a penalty of $100 fine and imprisonment for one year, or both.

While this section does provide that this must be done knowingly, I can see, I think, how there might be a vast amount of difficulty arise if the postmaster was honestly trying to enforce

the law as to whether he ought to send or deliver a newspaper or a package.

It seems to me that if we want to make it a crime for a publisher or other person to send such matter through the mail, he ought to be confined to that, and we should not put this hardship upon the employees of the Post Office Department. There might be quite a large post office with several hundred employees; an employee might have knowledge of a certain law in a certain State and in the ordinary routine of business he would handle some publication that went into that State. There would always be a question as to his knowledge, even though he did not have it, and a great deal of difficulty would arise in case he was prosecuted.

Mr. SHAFROTH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Alabama yield?

Mr. BANKHEAD. I yield.

Mr. SHAFROTH. Let me suggest to the Senator that it would be impossible to enforce this law if some such provision was not in it. It may be that it is not in the most perfect form, but there should be some provision of this kind as against those who handle the mail. It is not supposed that the postmaster opens the letters or reads even the postal cards, and I do not believe you could convict a person under this act without——

Mr. NORRIS. The difficulty, I think, would arise in handling newspapers more than anything else.

Mr. SHAFROTH. As a matter of fact, newspapers usually come in wrappers. He is not supposed to open those; he can not read all that is in a newspaper; but it seems to me if somebody would go to the postmaster and say, "Here is a violation of the law in this particular newspaper that is being circulated, and I call your attention to it," and there should come to the post office a newspaper of that kind it ought to be his duty to prevent the same from being circulated.

Mr. NORRIS. It would be the easiest thing in the world, it seems to me, to convict the publisher of a paper for sending it out; he knows what is in his paper, and there would be no difficulty in securing convictions under this law; but an employee in the post office who is to handle it might have read it in the morning, and in the course of that day he might be required to deliver this publication to the train or from the train to some other official. He ought not to be compelled, it seems to me, to stop in the performance of his official duty and say, "These papers can not be delivered." He might notify his superior officer probably that he had reason to believe that such a publication that was going through the post office contained liquor advertisements and addressed to some party in the State where perhaps there was a law against it. The publication of an advertisement is something easily proven; there is no difficulty attached to it. Why add this burden upon all the employees of the Post Office Department?

Mr. BANKHEAD. It is no burden at all on the post-office employees. If they do not know the paper contains the advertisement they are not responsible.

Mr. NORRIS. But they would——

Mr. BANKHEAD. I want to say the main purpose of this bill is not to reach newspapers, but it is to reach manufacturers and wholesalers of whisky, whose circulars go into towns direct with an advertisement of some kind relating to the sale of whisky, with all kinds of pictures, sent to every man in the community. They send them to schools; they send them wherever they suppose they can effect a sale. That is the main purpose of this bill.

Mr. NORRIS. Mr. President——

Mr. BANKHEAD. Wait a minute.

Mr. NORRIS. I am waiting.

Mr. BANKHEAD. When we get in behind the people who manufacture and sell whisky and stop them from advertising there will be no trouble at all with the postmasters in delivering the mail, because none of the matter forbidden will be sent; and if they should accidentally deliver one without knowledge they are not liable.

Mr. NORRIS. Now, if the Senator is through, I wish to take the floor in my own right.

Mr. BANKHEAD. I do not yield the floor. I yield to the Senator.

Mr. NORRIS. I will wait until the Senator finishes, then.

Mr. SUTHERLAND. While the Senator from Alabama still has the floor——

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Utah?

Mr. BANKHEAD. I yield.

Mr. SUTHERLAND. I should like to ask the Senator a question about the construction of section 2. The provision is, I understand, that whoever, being a postmaster or other person in the employment of the Postal Service, shall knowingly send by mail or deliver any of these letters or packages containing liquor advertisements into territory where, by law, circulation of such advertisements is forbidden, is guilty of an offense.

I ask the Senator whether or not the word "knowingly" would apply to the state of mind of the postmaster or other postal agent with reference to the existence of the law in the State or whether the knowledge is to be confined to the character of advertising.

In other words, to make myself entirely clear, suppose a newspaper is mailed to some particular office. That newspaper contains a liquor advertisement. The postmaster knows the existence of that advertisement, but he does not know that there is a law in the State to which it is to be sent which forbids the circulation of such advertisements, but it afterwards turns out that there is such a law. Would that constitute a violation of the section?

Mr. BANKHEAD. Mr. President, I suggest to the Senator that we have already amended the bill so as to provide that the Postmaster General from time to time shall publish a list of the States where this law is to be effective and operative. That, of course, gives notice to every postmaster, to every dealer, and to everybody else. In other words, as to the States where their legislatures have prohibited advertisements within the States, we have amended the bill so as to provide that the Postmaster General shall publish that list. If in the future a State should go into that list, the Postmaster General is to give notice through the Post Office Department. That, it seems to me, would answer the Senator's question.

Mr. SUTHERLAND. Mr. President, I want to say to the Senator from Alabama that I quite sympathize with the purpose of this act and I entirely agree with the provisions contained in section 1; but I am not at all sure that it is wise to impose a penalty, as provided in section 2, upon every postmaster of every crossroads post office of the country and upon every postal employee through whose hands forbidden advertising matter of this kind may pass.

I will ask the Senator from Alabama, who is more familiar with the subject than am I, a question. We have laws which forbid the circulation of obscene matter through the mail, which forbid the circulation of advertisements of lotteries, the circulation of matter which is of a fraudulent character. Now, can the Senator from Alabama tell us whether the law in all those cases penalizes the postmaster who may permit matter of that kind to be sent through the post office or to be delivered at the post office?

Mr. BANKHEAD. I think the law in that respect is about the same as is this proposed law.

Mr. SUTHERLAND. I was under the impression that it was not, but the Senator from Alabama may be right.

Mr. BANKHEAD. Well, I am not positive; I do not assert it as a fact; but, as I have said, the purpose of this bill is to prohibit the use of the mails in the carrying of whisky advertisements in the States where the laws of the States prohibit such advertisements. We propose to require the Postmaster General to publish from time to time a list of the States in the Union that will come within the provisions of this proposed law. That, of course, will put every postmaster on notice. If a postmaster should accidentally or otherwise permit a letter to pass through his hands containing such matter, without his knowledge, he would not, of course, be subject to the provisions of this act. That provision, to my mind, is only intended to apply at the point of delivery and not at the original mailing point.

Mr. SUTHERLAND. Mr. President, let me make this suggestion to the Senator from Alabama: The postmasters and the employees of the Post Office Department are, of course, all under the direction and control of the Postmaster General. If a postmaster is knowingly and willfully permitting a violation of any laws of this character, he can be reached and disciplined by the Post Office Department. Therefore is there any real need of penalizing him in addition to all that?

Mr. BANKHEAD. That might depend, Mr. President, upon whether the Post Office Department was desirous of very thoroughly enforcing the law. I think it had better be left to the communities where the injury is to result, if there is an injury, to see to the prosecution of the violators of the law.

Mr. POINDEXTER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Washington?

Mr. BANKHEAD. I yield to the Senator from Washington.

Mr. POINDEXTER. I am in favor of the bill; it will undoubtedly do some good; but I should like to inquire of the Senator from Alabama what is the purpose of the friends of

the bill, and the object to be accomplished by it, in placing a limitation on the character of the liquor advertisements to be prohibited? Why pick out certain kinds of liquor advertisements and prohibit them and allow other kinds?

Mr. BANKHEAD. This includes all character of advertisements.

Mr. POINDEXTER. I beg the Senator's pardon.

Mr. BANKHEAD. What character of advertisement is not included?

Mr. POINDEXTER. There is only a special class of liquor advertisements prohibited. Those advertisements are set out and described in section 3, specifically mentioning certain kinds of liquor advertisements that are excluded from the mails. Of course, that would allow any liquor advertisements not described. This is the description of the particular kinds of liquor advertisements prohibited:

SEC. 3. That any advertisement for such liquors, or any of them, stating the person from whom, or the firm or corporation from which, or the place where, or the price at which, or the method by which said liquors, or any of them, may be obtained, or containing the picture of a brewery or distillery or bottles or other receptacles designed to serve as an advertisement of such liquors, or any of them * * *.

Under this bill any liquor advertisement that did not contain the name of the person from whom the liquor could be obtained, the place where it could be obtained, or which did not contain a picture of a brewery or of a bottle or of a receptacle of the liquor would not be excluded from the mails. Of course, this will be a criminal law, Mr. President, and, therefore, to be strictly construed. As the Senator is perfectly well aware, the general rule as to the construction of a penal statute is to that effect. An advertisement of a familiar brand of beer or whisky in the ordinary form in which such advertisements are placed does not go into detail as to the name of the person from whom they could be obtained or the place where they are to be sold or the name of the corporation, or contain a picture of the distillery or of the bottles in which the liquors are contained. It is a very rare thing that such advertisements contain any such information. The fact of the case is that they generally simply advertise the name of the whisky or the name of the beer, some well-known brand, which has a market value through the long years in which the business has been built up. That is the ordinary form in which such advertisements are placed, and none of them could be excluded by any court to whom this act was submitted.

Mr. BANKHEAD. Mr. President, all I have to say, in response to that, is that we believe that this bill, when it becomes a law, will make it much more difficult for people to get whisky than it is now; and that is one of the objects which we are trying to accomplish.

Mr. POINDEXTER. If that is the Senator's object, why does he not strike out the specific description and leave the section stand, that any advertisement of such liquors, or any of them, shall be within the provisions of this act? That would accomplish the purpose. Strike out of section 3, beginning in line 7, all after the word "them," and all of the section from that down to and including the word "them," in line 12. Then it would exclude all liquor advertisements, which, I understand, is the purpose of the Senator.

Mr. BANKHEAD. Does the Senator from Washington make a motion to strike that matter out of the bill?

Mr. POINDEXTER. That was not my purpose; but I will now make that motion.

Mr. BANKHEAD. I hope the Senator will not do so, or, if he does so, I hope his amendment will not be adopted, because I think it will absolutely destroy the purpose of the bill.

Mr. CHILTON. Mr. President, I wish to call the attention of the Senator from Washington [Mr. POINDEXTER], who has just spoken, to the fact that in section 1, line 4, of the bill the description is "any advertisement of spirituous, vinus, malted, fermented, or other intoxicating liquors of any kind." That is the general description of the offense. Section 3 simply selects some liquors, as mentioned by the Senator, and provides that they also shall come within the prohibitions of the act. The first section still contains the general description, and then there is a specific designation of well-known means that might be adopted to evade the act. I do not think the mentioning of those particular things in section 3 would nullify the general description in section 1. What does the Senator from Washington think about that?

Mr. POINDEXTER. Mr. President, I do not like to differ on a legal proposition with the distinguished Senator from West Virginia, but I am compelled to do so in this case. I think that the special provision governs the general provision. It always does so in a matter of statutory construction.

Mr. CHILTON. Now, merely let me suggest to the Senator, suppose——

Mr. POINDEXTER. But, furthermore—if the Senator will allow me to complete the answer to his question——

Mr. CHILTON. Certainly. I beg the Senator's pardon.

Mr. POINDEXTER. If, according to the Senator's own construction, section 1 excludes all such advertisements, what is the necessity for specifying certain particular kinds in section 3?

Mr. CHILTON. Now, let me call the attention of the Senator to this idea: In section 3, if he will turn to it, in line 12, where it says that certain things "shall be within the inhibition of this act," suppose we should say "shall also be within the inhibition of this act." Then, clearly that would show a legislative intent not to make the specific designation override the general description in the first section. Therefore, in order to make that clear, I move that the word "also" be inserted after the word "shall," in line 12.

The PRESIDING OFFICER. The Secretary will state the amendment.

Mr. BANKHEAD. Mr. President, will the Senator repeat that suggestion?

Mr. CHILTON. In order to make the matter clear and to answer the criticism of the Senator from Washington, I move in section 3, page 3, line 12, to insert the word "also" between the word "shall" and the word "be," so as to read "shall also be within."

Mr. BANKHEAD. What is the purpose of that? What is the Senator going to accomplish by that?

Mr. CHILTON. I am simply endeavoring to answer the objection of the Senator from Washington [Mr. POINDEXTER] and to obviate the possible construction which he suggests might be put upon the bill.

Mr. SMITH of Georgia. Mr. President, this language in section 3 is intended to broaden the bill, and I think it does so. It says:

That any advertisement for such liquors, or any of them, stating the person from whom, or the firm or corporation from which, or the place where, or the price at which, or the method by which said liquors, or any of them, may be obtained—

I stop there. Anything, therefore, descriptive of the person from whom the liquor could be obtained, or stating how the liquor could be bought, or where it could be bought, shall be held to be an advertisement. Furthermore—

or containing the picture of a brewery or distillery or bottles or other receptacles designed to serve as an advertisement of such liquors, or any of them, shall be within the inhibition of this act.

The section is simply intended to go further, and say that if a man prints his name and address, and then under it puts simply the picture of a whisky bottle, it shall be treated as an advertisement of his business, or if he puts a picture of a beer bottle under it, it shall be treated as an advertisement of his business. The section has been prepared with a view to catching the different schemes which have been resorted to by way of advertisement.

Mr. POINDEXTER. All of those would be advertisements, would they not?

Mr. SMITH of Georgia. No.

Mr. CLAPP. Not necessarily. The section establishes a rule of evidence.

Mr. SMITH of Georgia. I think it fixes a rule of construction and designates these as advertisements. Now, I want to ask the Senator what kind of advertisement it occurs to him section 3 does not cover?

Mr. POINDEXTER. I have described the kind that it occurs to me the section does not cover, and that is the ordinary kind of whisky or beer advertisements which contain the name of the beer or whisky. That is not covered by that section.

Mr. SMITH of Georgia. I think it is.

Mr. POINDEXTER. I beg the Senator's pardon.

Mr. SMITH of Georgia. It uses the words, "stating the person from whom, or the firm or corporation from which, or the place where, or the price at which, or the method by which, said liquors or any of them may be obtained."

Mr. POINDEXTER. That does not include an advertisement which merely specifies the brand or name of the article. One of the commonest liquor advertisements that is known merely gives the name of the commodity and then says, "That's all."

Mr. SMITH of Georgia. Then, suppose we add the words "or containing the name of a liquor," in connection with the words now found in the section, "containing the picture of a brewery or distillery or bottles or other receptacles designed to serve as an advertisement of such liquors"?

Mr. POINDEXTER. That certainly would improve it; but there may be other classes of advertisements that still would not be included.

Mr. SMITH of Georgia. The object was to include the devices indicated, so that the judge must recognize them as advertisements.

Mr. STERLING. Mr. President, will the Senator yield to me for a moment?

Mr. SMITH of Georgia. I move, Mr. President, to amend by adding the words "or containing the name of a liquor."

The PRESIDING OFFICER. There is an amendment pending. The Senator's motion will be in order later.

Mr. STERLING. Mr. President, it occurs to me that the objection made by the Senator from Washington [Mr. POINDEXTER] is obviated by the first section of the bill, and that all kinds of liquor advertisements would be included in that first section. Section 3 was merely added as a matter of caution for the purpose of including in the prohibited advertising the particular kinds or forms of liquor advertisements indicated, and I think that they, together with section 1, would include every kind and form of liquor advertisement.

The PRESIDING OFFICER. The question is on the amendment of the Senator from West Virginia [Mr. CHILTON].

Mr. CHILTON. For the time being, I ask leave to withdraw the amendment.

Mr. POINDEXTER. Mr. President, I do not care to pursue this matter much further. I only made a suggestion intended to point out, as I thought I ought to point out before this matter was disposed of, what seemed to me to be so obvious; and I have only one more word to say in regard to it, in answer to the Senator from South Dakota [Mr. STERLING], which is, that instead of being an amplification of section 1 of the act it is rather a definition. That is what it would be construed by a court as being. When a law says that all liquor advertisements shall be excluded from the mails in certain territory, and then adds another section that liquor advertisements containing so and so and so and so shall be inhibited by this act, the last provision is a definition of the word "advertisement" used in the first section, and the first section will not apply to any other kind of advertisements except those in the definition.

Mr. NORRIS. Mr. President, I desire to speak again of section 2, and I do so because I am in favor of the legislation. I do not believe, however, that we ought to do anything that is unnecessary for its proper enforcement and that may bring hardship upon a good many innocent people.

In the first place, Mr. President, in prosecutions under this act it seems to me the facts would be very easily proven. The fact as to whether a newspaper contains an advertisement or not can be shown by the newspaper itself. It would be very easy to get a copy of the newspaper, and in the case of a pamphlet carried in a 1-cent unsealed envelope its nature can be very easily proven by a copy of the circular itself. In any case, whether it is against a postmaster or an employee or a man who has the liquor for sale, that evidence would perhaps be necessary to obtain a conviction, and it could be easily obtained. If the law were of such a nature that an employee of the Post Office Department might easily assist in covering it up or avoiding the law, then there might be some reason for coupling him up in the law and making him perform some duty that he otherwise, in the ordinary course of his employment, would not be called upon to perform. Section 2 provides:

That whoever, being a postmaster or other person employed in the Postal Service, shall knowingly send by mail or deliver any letter, package, postal card, circular, newspaper, pamphlet, or publication of any kind containing any advertisement of the said liquors * * * shall be fined—

And so forth. That would include the man who carried the mail from the post office to the train. It might be construed to include the man on the train who was distributing the mail. It would at least include every country postmaster in the United States. It would include every mail clerk in every post office in the United States. The Senator from Alabama said this was only intended to apply to the postmaster at the office where the advertising matter was delivered; but I want to call the attention of the Senate to the fact that it explicitly applies not only to him but to the postmaster at the office from which it is sent, or to any other employee having anything to do with it.

What is the necessity of doing that? We do not want to prosecute the postmaster. He is not the guilty man. The employees of the department are not guilty. We do not want to punish them. It is the fellow who sends out the advertisement that you want to get. You can get him easily, if he sends it out to any of these States, by getting a copy of the advertisement itself, which will be very easily secured without any difficulty whatever.

I can see a thousand ways in which a postmaster in some little town or a postmaster in a large city who has control of a whole lot of employees might get into difficulty. It is true the law says it must be done knowingly by him; but a whole lot of circumstances might arise in which one man would say that they did it knowingly when another man might say that they did it without knowledge. The postmaster himself, or some clerk who was conscientious and wanted to perform his duty, when he had newspapers to distribute around in the boxes, with the people all waiting on the outside to get their mail, their dailies perhaps, might see as he was distributing these newspapers some reading matter as to which he might not know positively whether it was an advertisement or whether it was not. Advertisements are often put in papers in such form that it is a matter of some difficulty to tell whether they are advertisements or not.

Mr. SUTHERLAND. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Utah?

Mr. NORRIS. In one moment I will yield. He must stop right then and there at his own peril, and still he is an innocent man. He has nothing to do with the circulation of this advertisement of the sale of the liquor illegally. Why jeopardize him? Why put him into this bill when without his being in it prosecutions can be so easily proven and the right parties prosecuted and convicted?

Now I yield to the Senator from Utah.

Mr. SUTHERLAND. I was going to suggest to the Senator that in all probability he is conceding rather too much when he says that under section 2 the act must be knowingly done.

Mr. NORRIS. That may be.

Mr. SUTHERLAND. The word "knowingly" applies to the first part of this section, namely, that the postmaster must know that the letter or package or postal card or newspaper contains the forbidden advertisements; that is, advertisements of intoxicating liquors. But is it not true that the postmaster under section 2 just as the person mailing the forbidden thing under section 1, is bound at his peril to know the law of the State into which it is sent?

Mr. NORRIS. Yes, sir; he must know the law.

Mr. SUTHERLAND. Now, think of the absurdity of compelling the thousands of post-office employees in the United States, every crossroads postmaster, to study the laws of these various States, and at his peril to ascertain every place where laws of that kind obtain. It is perfectly just that the newspaper owner, or the person who is instrumental in sending out the advertisement for his own benefit, should be compelled to know that.

Mr. NORRIS. Yes.

Mr. SUTHERLAND. But if the postmaster or the clerk permits one of these advertisements to go through his hands, in ignorance of the law of the State to which it is being sent, it seems to me he ought not to be penalized. I think it is going altogether too far to do that.

Mr. NORRIS. I agree with the Senator thoroughly. In addition to that, it is not at all necessary in order to get the guilty party.

Mr. SUTHERLAND. Not at all.

Mr. NORRIS. It does not assist in any way in getting the man who is really guilty; and I move, Mr. President, to strike out section 2.

The PRESIDING OFFICER. The question is upon the motion of the Senator from Nebraska, which will be stated by the Secretary.

The SECRETARY. On page 2 it is proposed to strike out lines 17 to 25, both inclusive, and on page 3 it is proposed to strike out lines 1 to 5, both inclusive, being section 2 of the bill.

Mr. STONE. Mr. President, I should like to inquire of the Senator from Alabama, who is in charge of the bill, whether it would not be a good idea, if possible, to incorporate in this bill a provision that would make it unlawful for a telegraph or telephone company to permit a message advertising or soliciting to go over its wires to a State where advertising or soliciting of the kind described is forbidden?

Mr. BANKHEAD. Oh, no. It does not affect telegrams.

Mr. STONE. I know it does not; but you might make it do so.

Mr. SMITH of Georgia. It is not necessary.

Mr. BANKHEAD. I do not see how it could be applied to telegrams under the provisions of this bill.

Mr. STONE. It could be treated as interstate commerce. Another thing that occurs to me, Mr. President, is that we ought to apply this prohibitive policy to the District of Columbia. I wish to send to the desk and have read an amendment which I suggest.

The PRESIDING OFFICER. The Secretary will state the amendment.

The SECRETARY. After line 2, page 2, it is proposed to insert:

That after the passage and approval of this act it shall be unlawful to advertise or solicit orders for such liquors, or any of them, in the District of Columbia, and that all the provisions of this act shall apply to and be in force within said District.

Mr. STONE. Mr. President, the idea is, through this amendment, if accepted, to protect the unwary in this District from the dangers besetting them; and also that it might have a widely beneficial effect by keeping out of the city, and therefore from the eyes of these Congressmen who assemble here—transient innocents from abroad—what is printed in the New York, Boston, Philadelphia, Baltimore, Cincinnati, and St. Louis papers. To exclude these papers from the District because, forsooth, there might be some advertising in them bringing the publishers within the provisions of this proposed law would, I have no doubt, result in great benefit and have a most enlightening and uplifting effect not only on Members of Congress but upon this entire community.

These are the potent reasons that move me to suggest an amendment of the kind submitted.

Mr. FLETCHER. Mr. President, it seems to me the Senator from Nebraska [Mr. NORRIS] has raised a very important question in connection with section 2. It would seem to be going very far in this effort to regulate matters through the Post Office Department on the one hand and through the interstate-commerce feature of the Constitution and laws on the other, to police the whole country by making postmasters or other persons employed in the Postal Service—the mail carriers everywhere, and men on the trains who might handle a package or a letter that contained an order for liquors or contained an advertisement of liquors—violators of the law, and subject them to prosecution and fine and imprisonment for permitting the transmission through the mails of even a letter or a package or a postal card or a newspaper or a pamphlet or a publication of any kind that contained an advertisement or a solicitation of an order or orders for liquors, or any of them, when addressed to any person or firm in some State or some point in the United States in which it is, by law in force in the State or Territory at that time, unlawful to advertise or solicit orders for such liquors. Such postmaster or other person employed in the Postal Service sending by mail or delivering any such letter, package, postal card, circular, newspaper, or pamphlet containing any such advertisement or solicitation for order is liable to prosecution and punishment under that section.

It seems to me it is going too far, and is extreme, to subject these people to the possibility of this sort of criminal action in a matter when there might be a question whether they had knowledge or not; but that question would have to be thrashed out in the courts. They would be put to enormous expense and inconvenience, probably, and under the stain and strain of criminal charges, and practically the burden put upon them, possibly, to show that they did not have knowledge that some package or some letter which they handled, delivered, or put in the mails for delivery contained an order or a solicitation for an order or an advertisement prohibited under this law. It seems to me it is undertaking to reach out and extend this sort of legislation so as to affect injuriously people to whom it ought not to apply.

Mr. BANKHEAD. Mr. President, would the Senator from Florida and the Senator from Nebraska be satisfied if we struck out section 3 of the bill?

Mr. FLETCHER. Section 2 is the objectionable section. The motion made by the Senator from Nebraska, which is the pending question, is to strike out section 2; and I think that ought to be agreed to.

Mr. BANKHEAD. Then, Mr. President, if it is in order, I move to strike out sections 2 and 3 of the bill.

Mr. TOWNSEND. Mr. President, may I ask what the calendar number of this bill is, so that I can find it?

The PRESIDING OFFICER (Mr. MARTINE of New Jersey in the chair). The calendar number of the bill is 798. The question is on the amendment offered by the Senator from Alabama.

Mr. BANKHEAD. I presume the Senator from Nebraska would be willing that that motion should be entertained, to strike out sections 2 and 3 of the bill.

Mr. NORRIS. I have no objection myself to section 3. I really do not think section 3 is necessary, but it seems to me it adds a little to the explanation of section 1. I would rather have the vote taken separately on the two sections.

Mr. BANKHEAD. Then, I move to strike out section 2.

Mr. NORRIS. That is the motion I have made; that is pending.

The PRESIDING OFFICER. The motion that is before the Senate is to strike out section 2 of the bill.

The motion was agreed to.

Mr. POINDEXTER. Now, I move to strike out section 3.

The PRESIDING OFFICER. The question is on the motion of the Senator from Washington.

The motion was agreed to.

Mr. POMERENE. Mr. President, I send to the desk an amendment to be inserted at the end of section 1.

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. On page 2, line 16, after the word "addressed" and before the period, it is proposed to insert a colon and the following words:

Provided, however, That this act shall not be so construed as to prevent the carrying by mail of a newspaper containing such advertisements when it is mailed for the purpose of serving process in legal proceedings.

Mr. POMERENE. It will occur to the Senator that it may often be necessary in litigation to insert advertisements for nonresident litigants, and under the phraseology of this law it might be improper to mail them if they contained some of this forbidden matter.

Mr. BANKHEAD. That is all right.

Mr. CHILTON. I should like to have the amendment read again, please.

The PRESIDING OFFICER. The Secretary will again state the amendment.

The Secretary again stated the amendment.

Mr. CHILTON. That would take the whole paper.

Mr. BANKHEAD. That is all right.

Mr. KIRBY. Mr. President, I should like to ask the author of the amendment if it would not permit the depositing in the mail at any time of any newspaper carrying any liquor advertisements?

Mr. POMERENE. Not at all.

Mr. KIRBY. Do not all newspapers carry these nonresident notices for service by publication?

Mr. POMERENE. It would simply permit mailing a copy of such a paper to, for instance, a nonresident defendant when the paper was mailed for the purpose of perfecting service.

Mr. KIRBY. My understanding about constructive service is that, under all the statutes with which I am familiar, when you publish this notice in your paper for a certain number of days in the jurisdiction in which the suit is brought your service is completed, and you do not need to send the paper outside of the State to serve it.

Mr. POMERENE. Mr. President, that may be true in the Senator's own State, but it is not true in my State of Ohio. We are obliged in these cases to mail them, and let the record show that a copy of the paper containing this advertisement has in fact been mailed to the certain address that is given, if the address is known.

Mr. KIRBY. If it is known; yes.

Mr. STERLING. Mr. President——

Mr. SHAFROTH. Mr. President, does the amendment offered by the Senator limit it to the one notice?

Mr. POMERENE. It does. It is limited to the newspaper when it is mailed for this purpose.

Mr. STERLING. Mr. President, I simply want to ask the Senator from Ohio if he will not amend his amendment so as to apply to the particular cases to which he refers—his own State, for example. Otherwise I think the whole matter would be rendered almost nugatory.

Mr. POMERENE. Oh, no. It is impossible to give it such a construction as that, and I am quite sure that the Senator will not place that construction upon it when he sees it.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Ohio. Those in favor of the amendment will say "aye." [A pause.] Those opposed will say "no." [A pause.] The ayes have it.

Mr. STERLING and other Senators called for a division.

The PRESIDING OFFICER. A division is asked for.

Mr. LANE. I do not understand the amendment well enough to justify me in voting upon it. Is a newspaper containing a legal notice exempt?

Mr. POMERENE. I did not say so.

Mr. STERLING. Mr. President——

The PRESIDING OFFICER. The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business, which will be stated.

The SECRETARY. A bill (H. R. 408) to provide for the development of water power and the use of public lands in relation thereto, and for other purposes.

Mr. BANKHEAD. I ask the Senator from Montana in charge of the unfinished business if he will be willing to let us

take a vote on this question. It will not require more than two minutes, I think.

Mr. WALSH. I think that we can dispose of this matter to-morrow morning.

Mr. BANKHEAD. I do not think it will take five minutes.

Mr. VARDAMAN. It will not take five minutes, I think.

Mr. BANKHEAD. Let us get it out of the way. I do not want to interfere with the unfinished business more than a few minutes.

Mr. WALSH. Of course, I would have to consult my friend the Senator from Michigan [Mr. TOWNSEND] about it.

Mr. SMITH of Georgia. It would require unanimous consent to temporarily lay the bill aside for the purpose of disposing of the measure which is before the Senate.

Mr. TOWNSEND. I will say to the Senator from Montana that I do not care to interfere with the consideration of Senate bill 4429. Postponing the consideration of the unfinished business would make no difference to me. I shall not object, as far as that is concerned, to that, because I propose to have something to do with that myself. So far as I am concerned, I shall not object to unanimous consent to lay the unfinished business aside.

Mr. SMITH of Georgia. To lay it temporarily aside.

Mr. BANKHEAD. I ask the Senator from Montana if he will not consent to have the bill laid aside temporarily until we can dispose of the pending bill.

Mr. WALSH. The Senator from Montana is willing that unanimous consent shall be given that the unfinished business be temporarily laid aside.

The PRESIDING OFFICER. Unanimous consent is asked that the unfinished business may be temporarily laid aside.

Mr. CLARK. Mr. President, a parliamentary inquiry. I should like the ruling of the Chair as to the effect of unanimous consent upon temporarily laying aside the bill advocated by the Senator from Montana, which is now before the Senate. What would be the effect on the balance of the day's procedings? Would the bill then have to come up by motion?

Mr. SMITH of Georgia. Oh, no.

Mr. CLARK. I am asking the Chair.

Mr. SMITH of Georgia. I am certain what the ruling of the Chair will be when the point is made.

Mr. CLARK. I was curious in my own mind to know what the effect would be.

Mr. STERLING. I called for a division on the amendment of the Senator from Ohio [Mr. POMERENE].

The PRESIDING OFFICER. The request is that the unfinished business may be temporarily laid aside. It is laid aside, without objection.

Mr. STONE. Mr. President, I wish to suggest, to put this beyond all doubt, a request for unanimous consent that the bill constituting the unfinished business now before the Senate be temporarily laid aside for the consideration of the bill of which the Senator from Alabama is in charge, and that at the conclusion of that consideration the unfinished business be proceeded with.

The PRESIDING OFFICER. That, the Chair understands, is the proposition of the Senator from Montana.

Mr. WALSH. That is my understanding of the effect of the rule; but I recognize that the Senator from Wyoming [Mr. CLARK] has had long experience in this Chamber, and when he raises a question as to whether that is the correct view naturally my apprehensions are aroused and I must ask the Chair for information, to rule upon the point made by the Senator from Wyoming as to what the status of the matter will be when the pending postal bill is disposed of.

The PRESIDING OFFICER. The judgment of the Chair would be that temporarily laying aside the unfinished business, as suggested by the Senator from Montana, the bill in charge of the Senator from Alabama will be before the Senate.

Mr. SWANSON. Mr. President——

The PRESIDING OFFICER. The Chair does not claim to be overversed in parliamentary methods, and if there is a question before the Senate as to the wisdom of the decision the Chair will have no hesitancy in having the Senate decide it.

Mr. SWANSON. It has been uniformly held, I think repeatedly, that where unanimous consent is given to temporarily lay a bill aside it does not lose its place as unfinished business, because we are proceeding by unanimous consent, and if any Senator objects to further proceeding with the bill that is temporarily before the Senate by unanimous consent, then the unfinished business comes up. It has been the ruling, I think, uniformly that only by unanimous consent can the unfinished business be temporarily laid aside, and on the objection of one Senator the unfinished business comes before the Senate.

Mr. SMOOT. Mr. President, I think the Senator from Virginia has gone too far in his statement. If the Senator had qualified his statement in this wise I would agree with him. Wherever a unanimous-consent agreement is asked to lay the unfinished business temporarily aside to consider a certain bill, and that is what I understand this request to be, at the conclusion of the consideration of the bill the unfinished business comes before the Senate. But if the unfinished business is temporarily laid aside and another bill is taken up by vote of the Senate and its consideration should not be concluded during that day, that bill becomes the unfinished business for the following day.

Mr. SWANSON. I understand the reverse, if it is done by unanimous consent; but if the Senate votes to take it up it displaces the unfinished business anyway. However, when we do business by unanimous consent temporarily it terminates at any time unanimous consent is withdrawn. If, for instance, the Senator from Montana should object to the further consideration of Senate bill 4429, then the unfinished business, I understand, would come before the Senate.

Mr. SMOOT. Oh, no.

Mr. GALLINGER. Mr. President, however that may be, it strikes me that in this case our course is plain. The request is that the bill be laid temporarily aside for the consideration of a certain bill. If that be done, when that certain bill has been disposed of unquestionably the unfinished business automatically comes before the Senate. There is no doubt about that.

The PRESIDING OFFICER. The Chair agrees with the Senator from New Hampshire.

Mr. WALSH. All the Senator from Montana desires is a ruling of the Chair. I do not want the judgment of the Chair on the matter; I want the ruling of the Chair on the point made by the Senator from Wyoming [Mr. CLARK] as to whether when the postal bill is disposed of the water-power bill will come before the Senate without further action.

The PRESIDING OFFICER. That would be the ruling of the Chair.

Mr. BANKHEAD. I offer the following amendment which has already been agreed to——

Mr. STERLING. Will the Senator from Alabama yield to me?

Mr. BANKHEAD. Let us adopt this amendment first.

Mr. STERLING. As I understand the situation, we have not disposed of the amendment of the Senator from Ohio. I asked for a division on the amendment and I think that is pending.

Mr. POMERENE. Before the vote is taken, I wish the Senate to understand the purpose of the amendment. It is offered for one purpose only, and that is this: Often it is necessary to obtain constructive service on nonresidents. The methods for constructive service in the different States vary. In my own State, for instance, it is necessary in order to obtain constructive service upon a nonresident of the State to insert the advertisement and to mail a copy of the paper containing that advertisement to the defendant at his last known place of residence if that place of residence is known. Otherwise the fact must be stated that it is not known.

Now, if there should be no paper printed in the jurisdiction in which the suit is brought which does not contain these forbidden advertisements, under the phraseology of the pending bill a litigant would be forbidden to mail a copy of the paper to some one in another State where the law of that State forbids the carrying of a newspaper containing the advertisement, and it might embarrass legal proceedings.

So it is having that thought in mind my amendment provides that this bill not be so construed as to prevent the mailing of a copy of a newspaper when it is done for the purpose of completing service of process.

Mr. LANE. I should like to ask the Senator if under its terms the advertising of a certain brand of liquor which was of any value might not be taken advantage of by bringing a bogus suit, a small suit of some sort, and then secure service in that way.

Mr. POMERENE. Of course, they could only be sent to the defendant in that case.

Mr. LANE. A small suit we will say might be instituted for the purpose of securing the opportunity to advertise in a large way. If it does not have that effect, it certaintly is a good provision.

Mr. POMERENE. It certainly does not have any such effect.

Mr. LANE. They could not go on under it.

Mr. POMERENE. No.

Mr. LANE. Very well.

The PRESIDING OFFICER. A division has been asked for. The question is on the amendment of the Senator from Ohio [Mr. POMERENE].

Mr. OLIVER. I should like to have the amendment stated.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Ohio, on which a division was asked.

On a division, the amendment was rejected.

The PRESIDING OFFICER. The Senator from Alabama [Mr. BANKHEAD] offers an amendment, which will be stated.

The SECRETARY. On page 2, line 16, after the word "addressed" and before the period, insert the following proviso:

Provided, That the Postmaster General is hereby authorized and directed to make public from time to time in suitable bulletins or public notices the names of States in which it is unlawful to advertise or solicit orders for any such liquors.

The PRESIDENT pro tempore. The question is on the amendment of the Senator from Alabama.

The amendment was agreed to.

The PRESIDENT pro tempore. If there be no further amendment, the bill will be reported to the Senate.

The bill was reported to the Senate as amended, and the amendments were concurred in.

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

Mr. JONES. Mr. President, just one word. I was glad indeed to see this contemplated action by the Senate. It will be remembered that at the last session this proposition was pressed as an amendment on an appropriation bill, and I want to congratulate the Senator from Alabama in bringing it forward promptly and getting it before the Senate for action.

The PRESIDENT pro tempore. The question is, Shall the bill pass?

The bill was passed.

IMPORTATION OF SISAL AND MANILA HEMP.

Mr. GRONNA. I am directed by the Committee on Agriculture and Forestry to submit a report of an investigation made by a subcommittee of that committee on the importation of sisal and manila hemp. I ask that the report may be received and printed.

The PRESIDENT pro tempore. The report will be printed.

The Chair lays before the Senate the unfinished business.

WATER-POWER DEVELOPMENT.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 408) to provide for the development of water power and the use of public lands in relation thereto, and for other purposes.

Mr. TOWNSEND. Mr. President, I desire to submit a suggestion to the Senate, and I should like to have a quorum present. Therefore I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Senator from Michigan suggests the absence of a quorum. The Secretary will call the roll.

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

Bankhead	Gallinger	McLean	Smith, Ga.
Beckham	Gronna	Martine, N. J.	Smith, Md.
Borah	Hardwick	Myers	Smith, Mich.
Brady	Hughes	Nelson	Smoot
Bryan	Husting	Norris	Sterling
Chamberlain	James	Oliver	Sutherland
Chilton	Johnson, S. Dak.	Overman	Thomas
Clapp	Jones	Page	Thompson
Clark	Kenyon	Poindexter	Townsend
Colt	Kern	Pomerene	Vardaman
Culberson	Kirby	Robinson	Wadsworth
Dillingham	Lane	Saulsbury	Walsh
du Pont	Lea, Tenn.	Sheppard	Williams
Fall	Lodge	Sherman	Works
Fletcher	McCumber	Simmons	

The PRESIDENT pro tempore. Fifty-nine Senators have answered to their names. A quorum is present.

Mr. TOWNSEND. Mr. President, as I understand it, the bill before the Senate now is what is commonly known as the Myers water-power bill. I think the public generally recognizes it by that name better than by any other. I think I am stating what is known to every Senator present when I say that there is probably as bitter opposition to this bill, as conscientious opposition to it in the Senate, as there is to the bill known as the Volunteer officers' retired list bill. I think there would be quite as much justification on the part of any Senator to oppose its consideration by every method known under the rules as there is for the opposition which has been manifested to Senate bill 392.

The Myers bill, I understand, was considered in the Democratic caucus lately and it was there decided to take that measure up as the next bill before the Senate. The Senators on the Democratic side who have expressed themselves as favorable to Senate bill 392 have told me that they felt in duty bound to abide by the instructions of the caucus.

I can not understand the attitude of any Senator who would allow himself to be bound by a caucus rule against his own conscientious conviction of what ought to be done. I have never allowed that rule to govern me, and I never expect to be governed in that manner. It, however, is a matter for the individual Senator to decide for himself as to whether he should be bound or not.

Mr. WORKS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Michigan yield to the Senator from California?

Mr. TOWNSEND. I yield.

Mr. WORKS. I wish to ask the Senator from Michigan whether he understands that the Democratic caucus bound its members to the support of this bill or only that the bill should be taken up?

Mr. TOWNSEND. My understanding is they were bound to take up the bill for consideration and hold it before the Senate until it was disposed of.

I know from conversation with Senators that a good many of them were opposed to the action. I know that a good many of them felt that it was not proper to displace the volunteer officers' retired list bill after it had had its position before the Senate, and especially after the treatment it had received at the hands of certain Senators.

Mr. President, I hesitate to oppose by dilatory tactics a measure that a majority of the Senate sincerely desire to consider, but the fact of the matter is that the bill which was displaced by the caucus action was displaced by a majority of a majority. The minority Members on that side who are not in favor of postponing it, together with those who are friendly to it on this side, constitute a majority of the Senate. So we have this peculiar condition: A minority of the Senate through the acquiescence of minority members of the majority have agreed that the majority of the Senate shall not have its way in reference to matters of legislation. Yet Senators rise in their seats and plead that the majority shall control the legislation of the Congress. The consideration of the power bill at this time is not the voluntary desire of a majority of Senators.

Now, Mr. President, I know that if the minority on that side who are favorable to the volunteer officers' retired list bill would refuse to be bound against their better judgment, their conscientious conviction, this situation could not maintain. Nevertheless it does maintain, as I am informed; and I am also told by Senators on the Democratic side who are favorable to Senate bill 392 that they have been bound only to the consideration of the Myers bill and at the close of that bill they will vote to take up Senate bill 392.

Mr. President, if I could, if it were in my power, I should like to get that question settled in order that I may know better how to govern my action, and that other Senators on this side may govern themselves as to what course they ought to take relative to the Myers bill.

I do not know that it would be possible under the rule to get a unanimous-consent proposition even if submitted, unless the bill in reference to which the request is made is before the Senate. I think it has been determined by the Chair that I can not call for a unanimous-consent agreement to consider Senate bill 392 unless it is before the Senate. I will ask the Chair if I am correct about that. Would it—in other words, would the Chair entertain a proposal for unanimous consent to consider Senate bill 392 at the close or determination of the so-called Myers bill?

The PRESIDENT pro tempore. The Chair is informed that such a ruling has been made and the Chair thinks it quite as important that there shall be uniformity in the rulings of the different persons who happen to preside here as that we should have rules at all. So the Chair will adhere to the ruling that the bill must be before the Senate when unanimous consent is asked.

Mr. TOWNSEND. I so understood. Before I proceed further in this matter I move that the Senate now proceed to the consideration of Senate bill 392 for the purpose of getting it before the Senate in order to make some kind of an arrangement for its determination at the close of the so-called Myers bill.

Mr. MYERS. Mr. President, I am very much surprised that the Senator from Michigan would make that motion at this time. I understood from the remarks of the Senator from Michigan the other day—I think it was about day before yesterday when his motion to take up the volunteer officers' bill was defeated—I understood from some rather extended remarks he made at that time that he indicated he would submit to the will of the Senate as expressed by a majority vote and would make no further effort——

Mr. TOWNSEND. I will say that the Senator misunderstood me. As the RECORD will disclose, I said that for that evening until I had an opportunity to discuss the matter with my colleagues I personally should not offer any further obstruction.

Mr. MYERS. It is entirely possible that I misunderstood the Senator.

Mr. TOWNSEND. The Senator certainly did, and the RECORD will disclose what I have stated to be the fact.

Mr. MYERS. It is not necessary for me to look at the RECORD. If the Senator from Michigan says I misunderstood him—he knows what he said and what he meant—that is sufficient for me. I, however, had been of the impression that he was not going to press the volunteer officers' retirement bill any further until at least this bill was gotten out of the way.

I attended the Democratic caucus to which the Senator refers, and while I do not know that it is proper to state what occurred in a caucus, and I shall not undertake to do so, I am under the impression that, when the present unfinished business of the Senate is disposed of, Senators on both sides of the Chamber—those on this side of the Chamber as well as those on the other side—will be at liberty to vote to take up any measure which they may wish to take up.

Mr. TOWNSEND. Unless in the meantime another caucus should intervene.

Mr. MYERS. I am speaking of the present status of affairs according to my individual understanding. I had very much hoped, basing my hopes on what I understood the Senator from Michigan to say the other day, that we should get a fair and square chance for the consideration of House bill 408, at least for two or three days. If at the end of that time it should appear that it is going to be impossible to bring the bill to a vote, I should not consider it unreasonable to pass on to some other business; but, I repeat, the bill which is now the unfinished business has never had a fair and square chance to be brought to a vote. It has been on the calendar for about one year, and I had certainly hoped that it would get a chance for a few days at this time. The bill has not been before the Senate nearly so often nor for nearly so long a time and it has not consumed nearly so much of the time of the Senate as has the volunteer officers' bill; but, of course, I realize the right of the Senator from Michigan to make his motion at any time; and I now move to lay that motion on the table.

Mr. TOWNSEND. Mr. President, I did not yield for that purpose; I had the floor, and I supposed that I was yielding for a question.

Mr. MYERS. The Senator did not yield at all. I rose and I was recognized.

The PRESIDENT pro tempore. A motion to lay on the table is not debatable.

Mr. TOWNSEND. A point of order, Mr. President. I had not yielded the floor for the Senator to make any such motion as that. I supposed he desired to ask me a question.

The PRESIDENT pro tempore. The Chair can not determine for what purpose a Senator yields the floor. The motion of the Senator from Montana is to lay upon the table the motion of the Senator from Michigan.

Mr. TOWNSEND. Mr. President, upon that I ask for the yeas and nays, and I give notice that there will be no haste made by that kind of a ruling or that kind of proceeding.

Mr. MYERS. I should merely like to say personally, if I may have the privilege, that I had no idea of taking the Senator from Michigan off the floor. I thought I had the floor in my own right.

The PRESIDENT pro tempore. The question is on the motion of the Senator from Montana [Mr. MYERS] to lay on the table the motion of the Senator from Michigan [Mr. TOWNSEND], on which the yeas and nays have been demanded.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. JAMES (when his name was called). I transfer the general pair I have with the junior Senator from Massachusetts [Mr. WEEKS] to the junior Senator from Maryland [Mr. LEE] and vote "yea."

Mr. OVERMAN (when his name was called). I have a general pair with the junior Senator from Wyoming [Mr. WARREN]. I transfer that pair to the senior Senator from Virginia [Mr. MARTIN] and vote "yea."

Mr. TILLMAN (when his name was called). Transferring my pair with the Senator from West Virginia [Mr. GOFF] to the Senator from Tennessee [Mr. SHIELDS], I vote "yea."

Mr. WALSH (when his name was called). I have a general pair with the Senator from Rhode Island [Mr. LIPPITT]. I transfer that pair to the Senator from Oklahoma [Mr. GORE] and vote "yea."

Mr. WILLIAMS (when his name was called). Transferring my pair with the senior Senator from Pennsylvania [Mr. PENROSE] to the Senator from Illinois [Mr. LEWIS], I vote "yea."

The roll call was concluded.

Mr. SMITH of Arizona. I have been requested to announce the absence of the Senator from Tennessee [Mr. SHIELDS] on account of temporary illness. I should like that announcement to stand for the day.

Mr. GRONNA. I have a general pair with the senior Senator from Maine [Mr. JOHNSON], which I transfer to the senior Senator from Washington [Mr. JONES] and vote "nay."

Mr. OWEN. I transfer my pair with the Senator from New Mexico [Mr. CATRON] to the Senator from Louisiana [Mr. BROUSSARD] and vote "yea."

Mr. CURTIS. I have been requested to announce the following pairs:

The Senator from New Hampshire [Mr. GALLINGER] with the Senator from New York [Mr. O'GORMAN]; and

The Senator from Ohio [Mr. HARDING] with the Senator from Alabama [Mr. UNDERWOOD].

Mr. DU PONT (after having voted in the negative). I have already voted, but I should like to inquire whether or not the junior Senator from Kentucky [Mr. BECKHAM] has voted?

The PRESIDENT pro tempore. He has not.

Mr. DU PONT. I have a general pair with the junior Senator from Kentucky. In his absence, I transfer that pair to the junior Senator from Maine [Mr. FERNALD] and will allow my vote to stand.

Mr. WALSH. I announce that the Senator from Maryland [Mr. LEE] is absent on account of illness. If present he would vote "yea."

The result was announced—yeas 32, nays 34, as follows:

YEAS—32.

Bankhead	James	Ransdell	Smith, Md.
Bryan	Lea, Tenn.	Robinson	Smith, S. C.
Chamberlain	Myers	Saulsbury	Stone
Chilton	Newlands	Shafroth	Swanson
Culberson	Overman	Sheppard	Thomas
Fletcher	Owen	Simmons	Tillman
Hollis	Phelan	Smith, Ariz.	Walsh
Hughes	Pittman	Smith, Ga.	Williams

NAYS—34.

Borah	du Pont	Martine, N. J.	Sterling
Brady	Fall	Nelson	Sutherland
Brandegee	Gronna	Norris	Thompson
Clapp	Husting	Oliver	Townsend
Clark	Kenyon	Page	Wadsworth
Colt	Lane	Poindexter	Watson
Cummins	Lodge	Sherman	Works
Curtis	McCumber	Smith, Mich.	
Dillingham	McLean	Smoot	

NOT VOTING—30.

Ashurst	Harding	La Follette	Reed
Beckham	Hardwick	Lee, Md.	Shields
Broussard	Hitchcock	Lewis	Underwood
Catron	Johnson, Me.	Lippitt	Vardaman
Fernald	Johnson, S. Dak.	Martin, Va.	Warren
Gallinger	Jones	O'Gorman	Weeks
Goff	Kern	Penrose	
Gore	Kirby	Pomerene	

So the motion of Mr. MYERS was rejected.

Mr. WALSH. Mr President, I think the Senator from Michigan [Mr. TOWNSEND] is exceedingly unfair and exceedingly unjust to those Members on this side of the Chamber who are with him in support of the measure upon which his heart is so deeply set. He has some friends on this side of the Chamber who are very earnestly desirous of seeing his bill enacted into law; they have on various occasions voted with him to secure the consideration of his bill by the Senate; but, Mr. President, those same Senators are likewise in favor of the bill now before the Senate as the unfinished business. It does not by any means follow, because they are in favor of the bill advocated by the Senator from Michigan, that they must at all times and under all circumstances insist upon the consideration of that bill in preference to any other measure which may in anywise come before the Senate for consideration; and when the Senator from Michigan charges upon the floor of the Senate that these friends of his measure have been coerced by any caucus action or that they are acting under any kind of duress by any caucus action or that they are in any sense guilty of any impropriety in considering that House bill 408 ought to be proceeded with before the Senate, I think the Senator ought to feel that he has not treated them quite fairly.

Mr. President, this is a Democratic Senate; the Democratic Party is responsible for the legislation which passes the Senate, and is responsible likewise for the failure of the Senate to pass any particular legislation, except in so far as it may be prevented from carrying out its will by obstructive tactics, to which the Senator from Michigan now seems determined to devote himself. It is no kind of a reflection upon the friends on this side of the Chamber of the measure advocated by the Senator from Michigan that they should express themselves as of the belief that House bill 408 ought now to be considered,

instead of the bill advocated by the Senator from Michigan; nor does it imply on their part any unfaithfulness to that measure.

Mr. President, House bill 408 is intended to carry out the recommendations made by the President of the United States, in repeated messages to the Congress of the United States, urging them to enact appropriate legislation, which will permit the development and utilization of the great water-power sites of this country. The bill which is now before the Senate was prepared by a conference of the chairmen of various committees of both the Senate and the House in conjunction with the Secretary of the Interior, who, under the law, is charged with the administration of the public lands.

Mr. WORKS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Montana yield to the Senator from California?

Mr. WALSH. I will very gladly yield to the Senator after I get through the statement I desire to make, if he will have the kindness to indulge me so far.

Mr. WORKS. Very well.

Mr. WALSH. Having been so prepared, Mr. President, the bill had the consideration of the House of Representatives; elaborate hearings were had upon it; and it was passed by that body. It came here. The Democratic majority believed that it was a question of great importance to this country; and in the month of August last at a caucus, or conference, as it is sometimes called, which was held, it was determined at the first opportunity upon the convening of this session to urge that bill upon the consideration of the Senate. A year ago it was the unfinished business of the Senate, but had to yield to some appropriation bill which was then clamoring for consideration. When the attention of the Democratic caucus the other evening was called to the fact that this bill had already been made a caucus measure and had been considered by the Democratic majority as of such transcendent importance that it ought to have consideration immediately upon the reconvening of the present session of Congress, Democratic Members who were also favorable to the bill of the Senator from Michigan recognized that they ought to join with their associates in securing recognition of the water-power bill; and I think the Senator from Michigan will, upon considering all the conditions, absolve them from many of the charges which he has, as I think inconsiderately, made against them. I now yield to the Senator from California.

Mr. WORKS. Mr. President, I wanted to ask the Senator whether the bill that is now before the Senate is the bill that came from the conference to which he has referred or whether it has not been changed in very material and important respects?

Mr. WALSH. The Senator is quite right that the bill as drafted by the conference was materially changed in the other House. It came here, and the Senate Committee on Public Lands has reported an entire substitute for it, I may say, preserving only the general aspects of the bill; and subsequently the Committee on Public Lands submitted some additional amendments to the bill. I am speaking of the history of the bill for the purpose of showing that it is an important measure, for the purpose of showing that it is identified with the efforts of the present administration to give appropriate legislation to the country, and that there is good reason why the Democratic Members in caucus assembled should have felt that they were not justified in putting upon the calendar for consideration, in preference to it, the measure advocated by a Senator on the other side; and I desire to submit that they are not open to very severe criticism, so far as I can see, for having reached that conclusion.

Mr. WORKS. Mr. President, I did not intend to criticize the course of the Senator in what he was saying with respect to the proprieties or improprieties of what may have taken place. I only wanted to call attention to the fact that the bill now before the Senate is not the one recommended by the President of the United States; it is not the one recommended by the Secretary of the Interior, or by the commission to which the Senator refers; but it is altogether a different bill. Of course it involves the principle that was involved in the original bill—that I confess—but it is very materially different in many respects.

Mr. WALSH. The bill that is now before us is the bill which came from the House of Representatives. The Senate committee has recommended to this body a substitute bill, which differs, as the Senator from California has said, in many essential particulars from the bill which came to us from the House. I think I have quite accurately given the history of the bill, however.

Mr. WORKS. There is no doubt about that, except that the Senator made the statement that it is the bill recommended by the commission to which he has referred. It is not the bill which came from the House; it is entirely a substitute bill, and is altogether different in its terms and in its effect.

Mr. WALSH. Mr. President, there is no use in the Senator from California and myself bandying words about this matter. I have never said that the bill was recommended by the commission or the committees to which I have referred. I have said that the bill was originally drafted in that way. It went to the House and was materially changed there. It came to the Senate and went to the Senate Committee on Public Lands, which has reported a substitute different in many essential particulars from the original bill. The fact remains, as I have said, that we have been repeatedly memorialized by the President of the United States to pass legislation upon this subject, and thus, Mr. President, it has secured an importance among the measures that are now upon our calendar for consideration that entitles it to some special attention from the Democratic Senators upon this side, even those who are in favor of the measure so earnestly advocated by the Senator from Michigan.

I have said so much only in justification of the action of the Senators who are left in such situation from the remarks of the Senator from Michigan that one would believe that they had been disciplined and were acting under some kind of mental constraint or coercion in choosing at this time that House bill 408 should be considered rather than that the bill advocated by the Senator from Michigan should have consideration.

Mr. TOWNSEND. Mr. President, as I have already said, my object in making the motion to take up Senate bill 392 was to get it before the Senate in order that I might attempt to make some arrangements for considering it. Am I asking too much? But, in reference to what the Senator from Montana has stated, I desire to say that the peculiar condition grows out of the action of the caucus. What I have stated in reference to the feeling of some of the minority Members has been obtained from talking with them. I have not gone into the field of speculation in reference to this matter, but I am speaking from first-hand information. I say now, as I have said before, that I recognize that the majority has a perfect right to do what it can do properly toward enacting legislation; but when the Senator insists, as he has insisted on several occasions, that the volunteers officers' bill, Senate bill 392, has been treated fairly, he must be speaking from a thorough misunderstanding of the situation, and not at all from a familiarity with the record.

Mr. WALSH. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Michigan yield to the Senator from Montana?

Mr. TOWNSEND. I think I had better, under the ruling of the Chair, refuse to yield to any Senator, and I decline to yield until I make my statement.

Mr. WALSH. I assume the Senator does not wish to make a misstatement.

The PRESIDENT pro tempore. The Senator from Michigan declines to yield.

Mr. TOWNSEND. The motion to table the motion that I made was entertained by the Chair under these conditions: I had the floor and was making a statement. I yielded to the Senator from Montana [Mr. MYERS] for a question, as I had supposed. I did not say that I yielded for a question, because it has been taken for granted that that is what a Senator yields for; but while I had the floor the Senator from Montana [Mr. MYERS] made a motion to table the motion I was discussing at that time. The Chair held that it was proper. Therefore, I say, while I would like to yield to the Senator from Montana, I do not wish to be put in a position where, by yielding, I surrender the floor for any purpose whatever.

I desire now to finish what I was stating. The Senator has said that this bill has been treated fairly. I understood him to say that.

Mr. WALSH. The Senator misunderstood me. I never made any such statement.

Mr. TOWNSEND. Well, what does the Senator hold as to the attitude of the majority in reference to this bill?

Mr. WALSH. I decline to make any answer to that question.

Mr. TOWNSEND. Well, I have maintained repeatedly that the bill has not been treated fairly. If it had been, it would have been out of the way long ago. The Senator from Georgia [Mr. SMITH], who is opposed to the bill, has repeatedly said that he was ready to vote when he made a speech upon it; that he did not believe it ought to be held up, but that there ought to be opportunity to vote on it. Other Senators have expressed themselves in the same way; but when we had it up before us for consideration for an hour or two, tactics would be employed to prevent the consideration of it, and the time of the Senate was wasted, apparently with malice aforethought. It was done for the purpose of enabling some other bill to be brought in;

and the same argument was made for it that the Senator made so eloquently just now—that it was an administration measure, and that it was therefore entitled to special consideration.

Those are the facts in reference to this bill. So, I say, I have made this motion, hoping that it may carry and that we may get consideration for it; but if the Members on the other side who favor this bill say that under no circumstances will they vote for the volunteer officers' bill or attempt to hold it before the Senate in order that a vote can be had on it in time to have it considered by the other House, then, in that case, I would not feel like unduly delaying action on the power bill, although I would be amply justified in doing so, following illustrious precedents of distinguished Democratic Senators. I am informed, however, that that is not the case; that there are Democratic Senators who are conscientiously in favor of Senate bill 392 and will vote for it if given an opportunity. Of course, that opportunity never can come if a caucus shall intervene and by it Senators shall be compelled, if they are to adhere to their party organization, to vote for some other measure.

I have not attempted to delay the deliberations of the Senate. I do not want to be put in that attitude; but I propose, under the policies that have been adopted, to use every legitimate means within my power to secure consideration of Senate bill 392. I say to you that there is no bill on the calendar against which the people would more thoroughly approve a filibuster than the bill which the Senator from Montana is now supporting. He speaks of indorsements and requests for its consideration. I, with other Senators, have received hundreds of petitions and letters protesting against its passage. But even that would not induce me to institute a filibuster to prevent a majority, after proper consideration, from voting on it. But all of these are sufficient for the majority to maintain a filibuster against the consideration of Senate bill 392 when no other matter has been pending before the Senate. The decks were cleared for it, so far as legislation was concerned; but we could not get a vote, nor could we get consideration of the bill for any considerable length of time. Something else would be interposed; and, yet, Senators rise in their places and say we ought to be fair toward these other measures; that we ought to deal justly with them.

Mr. President, we have dealt justly with them. I am prepared myself to deal justly with them now, and do not wish to interfere with the will of the majority, even if it is secured through what I regard the improper means of a secret caucus, which does, notwithstanding the statement of the Senator from Montana, coerce Senators into voting in a way differently from what they would have voted if all influence had been exerted in the open Senate. The Senator himself knows that if there had been no caucus action and the question had been here upon the floor as between House bill 408 and Senate bill 392 the latter would now be the unfinished business. It required the action of a secret caucus to induce the Democratic majority of the Senate to take up House bill 408 in preference to Senate bill 392. So the fine phrases and eloquent statements of the Senator have little weight with me.

I want the majority to rule in this body. I want it to rule uncoerced, and it would have done so had not a secret caucus intervened, and every Senator knows that to be the fact. Any time when we could have had a vote upon this bill unembarrassed by any untoward circumstances we could have carried it. I could not secure that vote. I think I have been fair, and I think I have been patient, relying upon the statement of the friends of the bill that we would have a vote upon it.

I submit, Mr. President, that a vote upon this bill during the very last days of the session would not be keeping faith with the real friends of the bill. If we are going to have a vote, we ought to have it now, or soon, so that the House can have time to consider it. That is all I have asked for.

So, Mr. President, this is why I have made the motion to take up for present consideration Senate bill 392, in order that we may determine, if it is possible, to fix a day for its consideration. I am willing, even though it is unfair and unjust to ask me to do it, if such an arrangement can be made, that it shall follow the consideration of the power bill, to which I am opposed, and to which I believe the country is opposed. Maybe the country does not understand it. Maybe I do not understand it. While I say I am opposed to it now, I still have an open mind, ready to be convinced. But as the matter stands at present I could do no more popular thing in the State of Michigan, if I were courting popularity, than to oppose this bill by a resort to filibustering tactics and prevent a vote being had upon it. I repeat, however, that that has not been the course I have followed in the Senate. I have felt that after proper discussion any question that had been properly considered by a committee was entitled to its day in court.

Senators have not been willing to agree that Senate bill 392 shall receive that treatment. Those who have opposed it ask me to be fair. I have been more than fair. So, Mr. President, I have made the motion to proceed to the consideration of Senate bill 392, and I trust that that motion will prevail.

Mr. MYERS. Mr. President, I contend that the Senator from Michigan [Mr. TOWNSEND] is entirely wrong in his statement of how I obtained the floor a while ago. The Senator had been speaking, and he came to a full stop and pause. I was under the impression that he had taken his seat, and I rose and addressed the Chair. I supposed, of course, he had finished his remarks. I did not ask the Senator if he would yield to me for a question, or if I might interrupt him, or if I might be heard, or ask a question, or anything of the kind.

Mr. TOWNSEND. Mr. President, will the Senator permit me?

The PRESIDENT pro tempore. Does the Senator from Montana yield to the Senator from Michigan?

Mr. MYERS. With pleasure.

Mr. TOWNSEND. While I was speaking, did not the Senator address his remarks to me?

Mr. MYERS. No.

Mr. TOWNSEND. The Senator is certainly mistaken about that. As all the Senators about me will understand, the Senator spoke to me, and I stopped to listen to what he might say. Then the Senator made the motion.

Mr. MYERS. The Senator said a while ago that I misunderstood him, and I credited him with full knowledge of what he said and what his intentions were; and now he has misunderstood me. I desire to make a little statement of the matter, if I may.

I say that I did not ask if the Senator from Michigan would yield to me, or if I might ask a question, or if I might interrupt him. I addressed no remark to him. If he thinks I did, he is mistaken. The Senator had come to a full pause, and stopped, and I think he took his seat. I may be mistaken about that. I was under the impression that he did.

Mr. TOWNSEND. I did not take my seat.

Mr. MYERS. Then I say that I thought the Senator did. The Senator came to a full pause, and stopped, in his address. I have the floor in my own right this time, and I prefer to proceed without interruption. I rose in my own right and addressed the Chair. The Chair recognized me. I proceeded to say that I was sorry the Senator from Michigan had made this motion, and gave my reasons for being sorry and for being surprised. The Chair did not ask the Senator from Michigan if he would yield to me. The Chair simply recognized me outright, without any qualification, in my own right. The Senator from Michigan imputes to me the act of rising and getting permission to interrupt him, and then taking advantage of that, having gotten the floor in that way, to move to lay his motion on the table.

If a Senator should get the floor in that way willfully, and get leave to interrupt another Senator, and, after having gotten that leave through his courtesy, should then intentionally move to table a motion, it would be a very grave act of discourtesy and of unfairness, and would be a trick to which I would not stoop nor be a party; and whatever the facts may be, I did not intend anything of the kind. I did not intend to take the Senator from the floor. I was under the impression that I had the floor in my own right, and that I was making an argument as to why we should go ahead with the consideration of House bill 408; and I was not guilty of any such act of discourtesy or unfairness or any such trick as the Senator would seem, apparently, to impute to me. I had no such intention whatever. I thought the Senator was through, and thought that I had the floor and was addressing the Chair in my own right; and I believe the RECORD will bear me out in that version of the matter.

I now ask, in order that I may be verified in that matter, that the reporter's notes of just what did transpire may be read to the Senate. I make that request. May it be granted?

The PRESIDENT pro tempore. The Chair has sent for the reporter who took down the proceedings at that time.

Mr. MYERS. There is a great deal of difference between a Senator rising and asking leave to interrupt another Senator and getting the floor by his courtesy and then moving to take him off the floor by tabling his motion and a Senator rising in his own right and being recognized directly by the Chair and making a motion. The latter is what I thought I was doing, what I intended to do, and what I claim that I did do. I certainly had no intention nor desire of proceeding in any other way, because to proceed in any other way would be a very grave act of discourtesy and unfairness, and something which I have no desire to indulge in toward the Senator from Michigan or any other Senator on either side of this Chamber.

I see that the reporter has come in, and I ask that the notes of what transpired may be read.

The PRESIDENT pro tempore. The Senator from Montana requests that the reporter read the report of what occurred just prior to the time the Senator from Montana rose before making the motion to lay on the table.

Mr. MYERS. Beginning with the last sentence of the Senator from Michigan, and then taking up what I said and what the Chair said.

The reporter read as follows:

Mr. TOWNSEND. I so understood. Before I proceed further in this matter I move that the Senate now proceed to the consideration of Senate bill 392 for the purpose of getting it before the Senate in order to make some kind of an arrangement for its determination at the close of the so-called Myers bill.

Mr. MYERS. Mr. President, I am very much surprised that the Senator from Michigan would make that motion at this time. I understood from the remarks of the Senator from Michigan the other day—I think it was about day before yesterday, when his motion to take up the volunter officers' bill was defeated—I understood from some rather extended remarks he made at that time that he indicated he would submit to the will of the Senate, as expressed by a majority vote, and would make no further effort——

The PRESIDENT pro tempore. The Chair thinks that is all the Senator desires.

Mr. KERN. Mr. President, I am very much in favor of the bill of the Senator from Michigan [Mr. TOWNSEND] and am pledged to its support. I am also in favor of and pledged to the support of other bills of equal merit and importance. The bill which it is now sought to displace occupies a rather peculiar situation, different from most other bills that will come before the Senate. As the last session approached a close extraordinary pressure was brought to bear to bring about the consideration of numerous bills. This bill, the water-power bill, was especially pressed for consideration; and it was unanimously agreed, I think, by the steering committee and by the Democratic conference that if that bill were permitted to go over until this session it would be taken up and considered and disposed of before the Christmas holidays. When the time came for its consideration the senior Senator from Montana [Mr. MYERS] was unable to attend on account of illness. He has now come here and has secured the placing of this bill upon the calendar as the unfinished business. So, as I said a moment ago, this bill occupies a little different status from that of any other bill, or at least from most other bills that will come before the Senate.

I will vote under proper circumstances to take up the bill of the Senator from Michigan, because I desire its disposition at the present session. I desire to be permitted to vote for it. But I will say to the Senator from Michigan that there is nothing in the Democratic caucus action that compels a Member to violate pledges that he has made to his constituents; and on that account I shall not feel myself bound, when the time comes when I may properly do so, to do otherwise than vote to take up his measure. I can not, however, vote to take it up to the displacement of the bill that is now before the Senate.

Mr. TOWNSEND. Mr. President, may I ask the Senator a question?

The PRESIDENT pro tempore. Does the Senator from Indiana yield to the Senator from Michigan?

Mr. KERN. I do.

Mr. TOWNSEND. I realize that the Senator has been friendly to the volunteer officers' bill. I have relied upon that friendship. Now, the Senator says he is in favor of it at the proper time. Does the Senator think it would be the proper time to take it up in time for consideration by the House of Representatives before Congress adjourns?

Mr. KERN. I should think so, of course. The proper time to take it up would be when effective action could be taken; but I can not say at this moment that I would vote to take it up as against some other bill that may come up immediately upon the conclusion of the consideration of this bill. I will, however, deal fairly by the bill; and whenever I may do so honorably, regardless of any action of the caucus, I will vote to take up the bill of the Senator. I can not be any more specific than that.

The PRESIDENT pro tempore. The motion before the Senate is that of the Senator from Michigan [Mr. TOWNSEND] to take up Senate bill 392, commonly known as the volunteer officers' retired-list bill.

Mr. HUGHES. I make the point that no quorum is present.

The PRESIDENT pro tempore. The Secretary will call the roll.

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

Bryan	Fall	Husting	Kern
Clapp	Fletcher	James	Kirby
Culberson	Gallinger	Johnson, Me.	Lane
Curtis	Gronna	Johnson, S. Dak.	Lea, Tenn.
du Pont	Hardwick	Kenyon	Lewis
McLean	Phelan	Sherman	Tillman
Martine, N. J.	Pittman	Smith, Ariz.	Townsend
Myers	Poindexter	Smith, Ga.	Wadsworth
Nelson	Pomerene	Smith, Mich.	Walsh
Norris	Reed	Smoot	Williams
Oliver	Robinson	Stone	Works
Overman	Saulsbury	Sutherland	
Owen	Shafroth	Swanson	
Page	Sheppard	Thomas	

The PRESIDENT pro tempore. Fifty-three Senators have answered to their names. There is a quorum present. The motion before the Senate is that of the Senator from Michigan [Mr. TOWNSEND] to take up for consideration Senate bill 392.

Mr. TOWNSEND. Upon that motion I demand the yeas and nays.

The yeas and nays were ordered.

Mr. OVERMAN. Mr. President, the motion is to take up what bill?

The PRESIDENT pro tempore. The volunteer officers' bill.

Mr. TOWNSEND. The object of the motion is to lay before the Senate Senate bill 392 for the purpose of trying to make some arrangement whereby it can be considered.

Mr. LEWIS. Mr. President, I do not so understand the proposition.

Mr. WALSH. The object of the motion, as I understand, is to determine whether the business of the Senate is going to be regulated by the Democratic majority or by the Senator from Michigan.

The PRESIDENT pro tempore. The Secretary will call the roll.

The Secretary proceeded to call the roll.

Mr. GALLINGER (when his name was called). I have a general pair with the senior Senator from New York [Mr. O'GORMAN], who is absent. Not knowing how he would vote on this question, I withhold my vote.

Mr. OVERMAN (when his name was called). I announce my pair and its transfer as previously. I vote "nay."

Mr. OWEN (when his name was called). I transfer my pair with the Senator from New Mexico [Mr. CATRON] to the Senator from Louisiana [Mr. BROUSSARD] and vote "nay."

The PRESIDENT pro tempore (when Mr. SAULSBURY's name was called). I have a pair with the junior Senator from Rhode Island [Mr. COLT] and therefore withhold my vote.

Mr. THOMAS (when his name was called). I have a general pair with the senior Senator from North Dakota [Mr. MCCUMBER]. In his absence I withhold my vote.

Mr. TILLMAN (when his name was called). I transfer my pair with the Senator from West Virginia [Mr. GOFF] to the Senator from Tennessee [Mr. SHIELDS] and vote "nay."

Mr. WALSH (when his name was called). I have a general pair with the Senator from Rhode Island [Mr. LIPPITT], which I transfer to the Senator from Oklahoma [Mr. GORE], and vote "nay."

Mr. WILLIAMS (when his name was called). I transfer my pair with the senior Senator from Pennsylvania [Mr. PENROSE] to the Senator from Arizona [Mr. ASHURST], and I vote "nay."

The roll call was concluded.

Mr. SWANSON. I desire to state that my colleague [Mr. MARTIN of Virginia] is detained from the Senate on account of sickness in his family. I will let this announcement stand for the day.

Mr. JAMES. I transfer the general pair I have with the Senator from Massachusetts [Mr. WEEKS] to the junior Senator from Maryland [Mr. LEE] and vote "nay."

Mr. GALLINGER. I transfer my pair to the junior Senator from Maine [Mr. FERNALD] and vote "yea."

Mr. CURTIS. I have been requested to announce the following pairs:

The Senator from Indiana [Mr. WATSON] with the Senator from Louisiana [Mr. RANSDELL];

The Senator from Pennsylvania [Mr. PENROSE] with the Senator from Missisippi [Mr. WILLIAMS];

The Senator from Ohio [Mr. HARDING] with the Senator from Alabama [Mr. UNDERWOOD]; and

The Senator from Idaho [Mr. BRADY] with the Senator from Mississippi [Mr. VARDAMAN].

Mr. SMITH of Maryland. I have a general pair with the Senator from Vermont [Mr. DILLINGHAM], which I transfer to the Senator from Kansas [Mr. THOMPSON] and vote "nay."

The result was announced—yeas 29, nays 38, as follows:

YEAS—29.

Borah	Gallinger	Nelson	Sterling
Brandegee	Gronna	Norris	Sutherland
Clapp	Husting	Oliver	Townsend
Clark	Kenyon	Page	Wadsworth
Cummins	Lane	Poindexter	Works
Curtis	Lodge	Sherman	
du Pont	McLean	Smith, Mich.	
Fall	Martine, N. J.	Smoot	

NAYS—38.

Bankhead	James	Owen	Smith, Ga.
Beckham	Johnson, Me.	Phelan	Smith, Md.
Bryan	Johnson, S. Dak.	Pittman	Smith, S. C.
Chamberlain	Kern	Pomerene	Stone
Chilton	Kirby	Reed	Swanson
Culberson	Lea, Tenn.	Robinson	Tillman
Fletcher	Lewis	Shafroth	Walsh
Hardwick	Myers	Sheppard	Williams
Hollis	Newlands	Simmons	
Hughes	Overman	Smith, Ariz.	

NOT VOTING—29.

Ashurst	Gore	Martin, Va.	Underwood
Brady	Harding	O'Gorman	Vardaman
Broussard	Hitchcock	Penrose	Warren
Catron	Jones	Ransdell	Watson
Colt	La Follette	Saulsbury	Weeks
Dillingham	Lee, Md.	Shields	
Fernald	Lippitt	Thomas	
Goff	McCumber	Thompson	

So Mr. TOWNSEND's motion was rejected.

Mr. WALSH. I ask that House bill 408 be read.

The PRESIDENT pro tempore. The Secretary will read the bill.

Mr. WALSH. I suggest that the Secretary read the substitute reported by the committee, including the amendments subsequently reported.

Mr. TOWNSEND. I ask the Senator from Montana if there is a report on the bill?

Mr. THOMAS. There are three reports.

Mr. TOWNSEND. I want to have the three reports read. I wish to know what they are about.

The PRESIDENT pro tempore. The bill will first be read, and then the reports.

The Secretary read the substitute reported by the Committee on Public Lands, with the subsequent amendments reported as follows:

That the Secretary of the Interior be, and hereby is, authorized and directed, under general regulations to be fixed by him, not inconsistent with the terms of this act, to lease to citizens of the United States, or to any association of such persons, or to any corporation organized under the laws of the United States, or any State or Territory thereof, any part of the public lands of the United States (including Alaska), reserved or unreserved, including lands in national forests, the Grand Canyon, and Mount Olympus national monuments, and other reservations, not including national parks or military reservations, for a period of 50 years and thereafter until the property is taken over and paid for or a new lease is executed as provided in section 6 unless the applicant and the Secretary of the Interior agree on a shorter period as the applicant for lease may elect, for the purpose of constructing, maintaining, and operating dams, water conduits, reservoirs, power houses, transmission lines, and other works necessary or convenient to the development, generation, transmission, and utilization of hydroelectric power, which leases shall be irrevocable except as herein provided, but which may be declared null and void upon breach of any of their terms, as provided in section 11: *Provided*, That for the purpose of enabling applicants for a lease to secure the data required in connection therewith, the Secretary of the Interior may, under general regulations to be issued by him, grant preliminary permits authorizing the occupation of lands valuable for water-power development for a period not exceeding one year in any case, which time may, however, upon application, be extended by the Secretary of the Interior if the completion of the application for lease has been prevented by unusual weather conditions or by some special or peculiar cause beyond the control of the permittee: *Provided*, That no lease shall be granted until the applicant has complied with the requirements of the laws of the State, States, or Territory wherein said project is to be located, providing for the appropriation of water to develop or generate the electrical energy intended to be generated by applicant's proposed project.

SEC. 2. That each lease made in pursuance of this act shall provide for the diligent, orderly, and reasonable development and continuous operation of the water power, subject to market conditions.

SEC. 3. That in case of the development, generation, transmission, or use of power or energy under such a lease in a Territory, or in two or more States, the regulation and control of service and of charges for service to consumers is hereby conferred upon the Interstate Commerce Commission.

SEC. 4. That any successor in interest or assignee of any lease granted under this act, whether by voluntary transfer, judicial sale, foreclosure sale, or otherwise, shall be subject to all the conditions of the approval under which such rights are held, and also subject to all the provisions and conditions of this act to the same extent as though such successor or assign were the original lessee hereunder.

SEC. 5. That upon not less than three years' notice, the United States shall have the right upon the expiration of any lease to take over all the properties constructed, acquired, or owned by any lessee, and valuable or serviceable in the development, generation, or transmission of electric current, or in the storage or distribution of water to the point of delivery to irrigation or domestic water systems, which are dependent in whole or in part for their usefulness on the continuance of the lease herein provided for, or the right to take over, upon mutual agreement with the lessee, a severable and complete unit of any such power system, upon condition that it shall pay in a lawful warrant drawn on the Treasury of the United States, or otherwise, before taking possession the fair value of such property, such value to be determined by mutual agreement between the Secretary of the Interior and the lessee, and, in case they can not agree, by proceedings instituted in the United States district court for that purpose: *Provided*, That such fair value shall not include or be affected by the value of any public lands, rights of way, franchises, or other property leased or granted under this act by the United States or by the good will, or prospective revenues.

SEC. 6. That in the event the United States does not exercise its right to take over, maintain, and operate the properties as provided in section 5 hereof, or does not renew the lease to the original lessee upon such terms and conditions and for such periods as may be authorized under the then existing applicable State or Federal laws, the Secretary of the Interior is authorized, upon the expiration of any lease under this act, to lease the properties of the original lessee to a new lessee upon such terms, under such conditions, and for such periods as applicable State or Federal laws may then authorize, and upon the further condition that the new lessee shall pay for the properties as provided in section 5 of this act. In the event the United States does not exercise its right to take over the properties, as provided in section 5, and a renewal of the lease to the original lessee is not made, and no lease is made of the properties to a new lessee, then the lease at the option of the lessee shall continue in existence until such time as the property is taken over by the United States, as provided in section 5, or by a new lessee, as provided in section 6, or the lease is renewed: *Provided*, That the original lessee shall have a preference right to renewal over and above any new lessee upon such terms and conditions as the law and regulations then in force shall authorize.

SEC. 7. That where the public interest requires or justifies the execution by the lessee of contracts for the sale and delivery of electrical energy for periods extending beyond the 50-year period herein named, such contracts may be entered into upon the approval of the public-service commission or similar authority in the State in which the sale or delivery of power is made, and upon the approval of the Secretary of the Interior of the United States; or if sold or delivered in a Territory, or in a State which has no public-service commission, then upon the approval of the Secretary of the Interior; and thereafter, in the event of the termination of the lease as herein provided, the United States or any subsequent lessee shall assume and fulfill all such contracts entered into by the original lessee.

SEC. 8. That for the occupancy and use of lands and other property of the United States permitted under this act, the Secretary of the Interior is authorized to specify in the lease and to collect charges or rentals for all land leased, which charges or rentals shall be based on the value of the land, to be determined by the amount of horsepower to be developed, and which charge or rental shall not exceed the sum of 25 cents per developed horsepower per year for the actual power sold or used by the lessee for any purpose other than the operation of the plant, and of the proceeds 50 per cent thereof shall be paid by the Secretary of the Treasury after the expiration of each fiscal year to the State within which the hydroelectric energy is generated and developed. The remaining 50 per cent shall be paid into, reserved, and appropriated as a part of the reclamation fund created by the act of Congress approved June 17, 1902, known as the reclamation act: *Provided*, That leases for the development of power by municipal corporations for municipal use shall be issued without rental charge and that leases for development of power not in excess of 25 horsepower may be issued to individuals or associations for domestic, mining, or irrigation use without charge.

SEC. 9. That where the Secretary of the Interior shall determine that the value of any lands, heretofore or hereafter reserved as water-power sites or for purposes in connection with water-power development or electrical transmission, will not be materially injured for such purposes by either location, entry, or disposal, the same may be allowed under applicable land and mining laws upon the express condition that all such locations, entries, or other methods of disposal shall be subject to the sole right of the United States and its authorized lessees to enter upon, occupy, and use any part or all of such lands reasonably necessary for the accomplishment of all purposes connected with the development, generation, transmission, or utilization of power or energy, and all rights acquired in such lands shall be subject to a reservation of such sole right to the United States and its lessees, which reservation shall be expressed in the patent or other evidence of title: *Provided*, That locations, entries, selections, or filings heretofore allowed for lands reserved as water-power sites or in connection with water-power development or electrical transmission may proceed to approval or patent under and subject to the limitations and conditions in this section contained, but nothing herein shall be construed to deny or abridge rights now granted by law to those seeking to use the public lands for purposes of irrigation or mining alone.

SEC. 10. That the Secretary of the Interior is hereby authorized to examine books and accounts of lessees and to require them to submit statements, representations, or reports, including information as to cost of water rights, lands, easements, and other property acquired, production, use, distribution, and sale of energy, all of which statements, representations, or reports so required shall be upon oath, unless otherwise specified, and in such form and upon such blanks as the Secretary of the Interior may require; and any person making any false statement, representation, or report under oath shall be subject to punishment as for perjury.

SEC. 11. That any such lease may be forfeited and canceled, by appropriate proceedings, in a court of competent jurisdiction whenever the lessee, after reasonable notice, in writing, as prescribed in the lease, shall fail to substantially comply with the terms of this act or with such conditions not inconsistent herewith as may be specifically recited in the lease.

SEC. 12. That the Secretary of the Interior is hereby authorized to make such general rules and regulations as may be necessary and proper for the purpose of carrying the provisions of this act into full force and effect.

SEC. 13. That nothing in this act shall be construed as affecting or intending to affect or to in any way interfere with the laws of any State relating to the control, appropriation, use, or distribution of water.

SEC. 14. That the provisions of this act shall not be construed as revoking or affecting any permits or valid, existing rights of way heretofore given or granted pursuant to law, but at the option of the permittee any permit heretofore given for the development, generation, transmission, or utilization of hydroelectric power may be surrendered and the permittee given a lease for the same premises under the provisions of this act.

SEC. 15. That this act shall not apply to navigation dams or structures under the jurisdiction of the Secretary of War or Chief of Engineers, or to lands purchased or acquired by condemnation by the United States, or withdrawn by the President under the act approved June 25, 1910, entitled "An act to authorize the President of the United States to make withdrawals of public lands in certain cases," where such lands are purchased, acquired by condemnation, or withdrawn by the President for the sole purpose of promoting navigation.

SEC. 16. That in instances where only 10 per cent or less of the lands actually necessary and required for the construction, maintenance, and operation of dams, water conduits, reservoirs, power houses, transmission lines, and other works for the development, generation, transmission, and utilization of hydroelectric power in any one pro-

posed separate, distinct, and complete plant or project are lands of the United States Government and such Government lands are to be used only for overflowage, reservoir, or transmission purposes and not in whole or in part as a dam site or the site of a power house nor for the erection of buildings or operation of machinery, the Secretary of the Interior may, in his discretion, upon application by the applicant waive such conditions, provisions, and requirements of this act as he may deem just.

SEC. 17. That authority is hereby conferred upon the State of Colorado or any citizen or citizens directly interested, or both, to institute and prosecute an action at law or in equity against the Secretary of the Interior to determine its right and the rights of its citizens to appropriate and apply to beneficial uses the waters of the Rio Grande River and its tributaries within its geographical boundaries. Such action may be instituted in the district court of the United States within the State of Colorado, and any judgment or decree therein shall be subject to review by writ of error or appeal as provided by law in other cases.

SEC. 18. That authority is hereby conferred upon the State of New Mexico, or any citizen or citizens directly interested, or both, to institute and prosecute an action at law or in equity against the Secretary of the Interior to determine its right and the rights of its citizens to appropriate and apply to beneficial uses the waters of the Rio Grande River and its tributaries within its geographical boundaries. Such action may be instituted in the district court of the United States within the State of New Mexico, and any judgment or decree therein shall be subject to review by writ of error or appeal as provided by law in other cases.

SEC. 19. That the lands leased under this act may be used and the works constructed, maintained, and operated thereon may be used, added to, or enlarged by the lessee or any other person, association, or corporation, for the purpose of impounding and conveying water for the generation and distribution of power for irrigation, mining, municipal, domestic, and other beneficial purposes, whenever such use of the water is authorized by the State wherein said project is situated, and under the authorization of the Secretary of the Interior: *Provided*, That the new user shall not utilize such jointly used property to generate power, unless said lessee shall, after due notice by the Secretary of the Interior, and within a reasonable time specified by him, fail to add to or enlarge said works as herein provided: *Provided, however*, That if said lands and works are so used by any other than the lessee, such use must be without expense or damage to the said lessee, and that such new user shall pay to the lessee just compensation for the use of such land and works.

Mr. TOWNSEND. I understood one of the Senators to say that there are three reports on the bill.

Mr. THOMAS. The Senator will find that two of them are what are called minority reports, one signed by two and the other by three members of the committee.

Mr. TOWNSEND. I should like to ask before the report is read on what report the majority reported the bill that has been read?

Mr. THOMAS. The bill which has been read is the bill which was reported by the majority.

Mr. TOWNSEND. I have followed the bill as it was contained in the report and it is not the bill which the Secretary read.

Mr. THOMAS. The report made by the majority of the committee was made upon the bill then reported, and it has been amended. The Senator will find the amendments printed in small capitals.

Mr. MYERS. May I make a statement in response to the inquiry of the Senator from Michigan? Will the Senator yield to me to answer his question?

Mr. TOWNSEND. I yield.

Mr. MYERS. I will state the facts are that on the 25th day of January, 1916, by order of the committee this bill was reported to the Senate just as it is printed in italics in the print which is on the desks of Senators. It was reported in just that way. After that report had been made the committee held further meetings on the bill to consider some questions that had arisen in the minds of some of the members of the committee and the committee considered the matter further. The committee thereafter recommended certain amendments to the bill as it had been reported out by order of the committee, 13 amendments to its own reported bill, and by order of the committee I at a later day reported those 13 amendments as committee amendments and asked that they might lie on the table.

Last summer, in July or August, when the bill was before the Senate for a few days as the unfinished business of the Senate, some Senator, I think it was the Senator from Colorado [Mr. SHAFROTH] or the Senator from Washington [Mr. JONES], asked that there be made a print of the bill which should include the 13 subsequent committee amendments which had been reported from the committee in order that they might all be printed together and the amendments be put in at their proper places so as to show their relation to the context of the bill. That was done and the amendments were printed in capital letters instead of italics. The result of that print is the bill which is now on the desks of Senators, and the Secretary in reading it just read it straight through, the amendments and the text. The amendments which the committee has recommended are printed in capitals and they are not in the bill contained in the report which the Senator from Michigan holds in his hand. Those are the facts.

Mr. TOWNSEND. So we have no report on the whole bill as the Secretary has read it.

Mr. MYERS. No report has been made since the 13 amendments were reported, which were printed in the bill by order of the Senate for the convenience of the Senate.

Mr. TOWNSEND. I think perhaps we can get an understanding by the reading of the report. I ask for the reading of the report.

The PRESIDENT pro tempore. Does the Senator ask that the majority or the minority report be read?

Mr. TOWNSEND. Both.

The PRESIDENT pro tempore. All the reports will be read. The Secretary will first read the report of the majority of the committee.

The Secretary proceeded to read the report submitted by Mr. MYERS June 25, 1916, as follows:

DEVELOPMENT OF WATER POWER.

Mr. MYERS, from the Committee on Public Lands, submitted the following report:

The Committee on Public Lands, to which was referred the bill (H. R. 408) to provide for the development of water power and the use of public lands in relation thereto, and for other purposes, having had the same under consideration, begs leave to report it back to the Senate with an amendment, and as amended recommends that the bill do pass:

Strike out all after the enacting clause and insert in lieu thereof the following:

Mr. WALSH. I ask unanimous consent that the reading of the bill as it appears in the report be dispensed with.

Mr. TOWNSEND. I do not object to that. I followed the reading of the bill as it was read.

The SECRETARY. Then follows the text of the bill, and the report proceeds:

The committee regards this as one of the most important measures and one of the most beneficial and conducive to the public welfare which has been or will be considered at this session of Congress.

The object of this measure is the better and speedier development for useful and beneficial purposes of the great undeveloped water power of the country, now lagging on account of inadequate and inefficient laws. It is universally admitted that the present laws for the development of water power are lame and ineffective, and that new legislation must be had before the great and untold benefits to civilization, progress, and growth from the latent water power of the country may be had. This bill seeks to attain that result.

The bill distinctly recognizes the ownership of and the right of control in the States of the use of the waters in the flowing streams of the States. In cases where latent power is going to waste in the streams of the States and where the land adjacent thereto and necessary for the location of power sites belongs to the United States Government this measure recognizes that there must be cooperation between the States which control the water and the United States Government, which owns the land. Neither alone can successfully develop water power. There must be cooperation to attain best results, and that this bill seeks to obtain by recognizing the right of the State to the use of the water and the right of the Federal Government to the use of the land and recognizing that both are essential to development of power.

This bill in nowise seeks to encroach upon, impair, or destroy any of the rights of the States. It is not intended in any wise or in any degree to trench upon the right of the State to the control of the water flowing in the streams within its borders. It is framed upon the distinct theory that the State owns and controls the use of the water flowing within the streams within its boundaries, and that the Federal Government owns and has the right to control and dispose of the public land bordering on and adjacent to such streams. The present laws are notoriously inefficient and defective for the development of water power in streams running through public lands, and water-power development is practically paralyzed and arrested. There must be new legislation before there can be any appreciable advance in water-power development.

As to power sites where Government land adjoining streams is necessary and requisite for the construction of dams and reservoirs and the erection of plants and transmission lines (as is the case more or less with a great proportion of the available water-power sites in the Western States), the States alone can not facilitate water-power development nor provide legislation sufficient therefor, because the States control only the water. It takes land as well as water in such cases to develop power. On the other hand, the Federal Government alone can not furnish the facilities for the development of power, for the Federal Government owns only the land, and it takes water as well as land to develop power. Each must contribute its share. The Federal Government must contribute the use of the land and the State government must contribute the use of the water, and the two, working in conjunction, cooperate for the promotion of the welfare, civilization, happiness, and prosperity of the people who compose both State and Nation—the highest object of good government.

The bill expressly provides that no lease of land shall be granted by the Secretary of the Interior until the applicant has complied with the requirements of the laws of the State or Territory wherein a project is to be located, providing for the appropriation of water to develop or generate the electrical energy intended to be generated by the applicant's proposed project. In other words, the applicant for a lease must first comply with the requirements of the State laws for obtaining the right to the use of the water. The Federal Government will then grant him the right to the use of the land. Thus the two together are combined for the welfare of the public and the development of a public utility.

Extensive hearings on practically the same measure were held before the Senate Committee on Public Lands at the last session of the Sixty-third Congress, and a favorable report was made by the committee on a measure of the same nature and similar in principle. Again, at this session of the present Congress the committee has considered this measure long and maturely and amended it in some further particulars than was done at the last session of the last Congress.

The present form of the bill represents the committee's latest and most mature ideas of what water-power legislation should be.

Mr. TOWNSEND. Mr. President, I notice by the reading of the report that the committee regards this as the most beneficial bill which can come before us. It therefore seems to me we ought to have a quorum while the report is being read, and I suggest the absence of a quorum, very few Senators being present.

The PRESIDING OFFICER (Mr. LEWIS in the chair). The absence of a quorum being suggested, the roll will be called.

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

Brady	Hughes	Oliver	Smoot
Bryan	Husting	Overman	Sterling
Chamberlain	James	Page	Stone
Chilton	Jones	Phelan	Sutherland
Clapp	Kenyon	Pittman	Swanson
Clark	Kirby	Pomerene	Thomas
Colt	Lane	Reed	Thompson
Fletcher	Lea, Tenn.	Robinson	Townsend
Gallinger	Lewis	Saulsbury	Vardaman
Gronna	Martine, N. J.	Shafroth	Wadsworth
Harding	Myers	Sheppard	Walsh
Hitchcock	Nelson	Smith, Mich.	Williams
Hollis	Norris	Smith, S. C.	

The PRESIDING OFFICER. Fifty-one Senators having responded to their names, the Chair announces that there is a quorum present.

Mr. WALSH. Mr. President, I am sure that no purpose is being subserved in the further reading of the report, which is available to every Senator present; and, without intending any discourtesy whatever to the Senator from Michigan, I object to its further reading.

The PRESIDING OFFICER. Objection being made to the further reading of the report——

Mr. TOWNSEND. Do I understand——

The PRESIDING OFFICER. The Senator from Michigan is recognized.

Mr. TOWNSEND. Do I understand the ruling of the Chair to be that the reading of a report on a bill is not in order, and that its reading can be objected to by one Senator?

The PRESIDING OFFICER. The present occupant of the chair has merely announced the objection, but has made no ruling; he has merely announced to the Senate the status, as it were, of the proceeding.

Mr. TOWNSEND. I move, Mr. President, that the reading of the report be continued.

Mr. WALSH. Mr. President, I do not understand that there is any rule of the Senate by which the time of the Senate can be taken up upon the request of any one Senator by the reading of a report.

Mr. TOWNSEND. Mr. President, I did not understand the suggestion of the Senator from Montana.

Mr. WALSH. I suggest that I know of no rule of the Senate by which its time can be taken up in the reading of a report at the request of one Senator; and I object to the taking up of any further time in the reading of the report.

Mr. GALLINGER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from New Hampshire?

Mr. WALSH. I do.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. GALLINGER. I should like to inquire of my friend from Montana if he ever knew an instance when a bill was under consideration that the report thereon, upon request, was not read?

Mr. WALSH. If I consult my memory, I have in mind numbers of such instances.

Mr. GALLINGER. I never heard of it before. However, we can read the report on this side of the Chamber. My voice is in good condition.

Mr. TOWNSEND. Mr. President——

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

Mr. GALLINGER. I yield the floor.

Mr. SMOOT. Mr. President——

The PRESIDING OFFICER. The Senator from Michigan has been recognized by the Chair.

Mr. TOWNSEND. I yield to the Senator from Utah.

Mr. SMOOT. Mr. President, I wish to say to the Senator from Montana that the report of a committee upon a bill is really part of the bill as far as consideration of it is concerned. The bill must be read, and I never have heard any objection made to the reading of the report when requested by a Senator; it gives the reasons why the committee reported the bill. I have never heard, as I have stated, and state again, of an objection being made to the reading of the report on a bill.

Mr. WALSH. Mr. President, I simply desire to say, in answer to the remarks of the Senator from Utah, that he is confounding terms. It is idle to talk about a report being a part of a bill. When the bill passes the report does not pass with it; it does not become a part of the law. The report is ordinarily read by unanimous consent. If I felt that the reading of the report was asked for with the view to afford any enlightenment to Members of the Senate, I should not object.

Mr. TOWNSEND. Mr. President——

The PRESIDING OFFICER. The Senator from Michigan.

Mr. TOWNSEND. May I ask the Senator from Montana if it was not he who, when the volunteer officers' bill was under consideration, asked that the report thereon be read?

Mr. WALSH. I have no recollection of the kind.

Mr. TOWNSEND. I think it was either the Senator from Montana or it was some other Senator on that side of the Chamber, at least, who asked that the report be read, and there was no objection.

Mr. WALSH. That is not at all unlikely.

Mr. TOWNSEND. I should like to ask for a ruling of the Chair on the question, a bill having been reported and the report having been made by the same committee which reported the bill stating the reasons for the passage of the bill, whether an objection can prevent its reading?

The PRESIDING OFFICER. If a ruling is asked of the present occupant of the chair, the Chair will hear any Senator who desires to be heard on the question.

Mr. SMOOT. I merely desire to ask the Senator from Montana a question. Does the Senator from Montana know of any ruling or rule of the Senate where one objection to the reading of a report will prevent its being read?

Mr. WALSH. No; we do not proceed in that way; we proceed to the consideration of a bill.

Mr. SMOOT. Certainly; and the bill is now being considered.

Mr. WALSH. Exactly.

Mr. SMOOT. And after the bill is before the Senate and a Senator requests that the report be read, I know of no rule under which an objection from one Senator could prevent it.

Mr. WALSH. Mr. President, the fundamental rule of parliamentary law is that there must be something before the Senate for consideration; that there must be some motion before the Senate. The appropriate motion at this time touches the adoption of certain amendments which have been proposed by the committee. Those are regularly taken up in their order, according to the practice of the Senate. The pending motion is the first amendment reported by the committee.

Now, Mr. President, if any Senator wants to displace that motion and to move that we proceed to the reading of the bill, of course the majority of the Senate will determine what they wish to do about the matter; but, of course, we have got to proceed in accordance with what the majority of the Senate wants concerning the consideration of the bill. A majority of the Senate can determine that we shall proceed with the reading of the report.

Mr. SMOOT. Mr. President——

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from Utah?

Mr. WALSH. I do.

Mr. STONE. Mr. President——

The PRESIDING OFFICER. The Chair must know who occupies the floor. Does the Senator from Montana yield to the Senator from Utah?

Mr. WALSH. I yield to the Senator from Utah.

The PRESIDING OFFICER. The Senator from Utah is recognized by the Chair.

Mr. SMOOT. Mr. President, under the rules, unless by unanimous consent, a bill has to be read in full, but the formal reading of the bill can be dispensed with by unanimous consent. Then the bill is read for committee amendments. However, before a bill is read for committee amendments any Senator has the right to ask that the report of the committee be read; and that is what the Senator from Michigan [Mr. TOWNSEND] has asked.

Mr. NELSON. Mr. President——

The PRESIDING OFFICER. The Senator from Missouri some time since addressed the Chair, but the Chair failed to recognize him at that time. The Chair now recognizes the Senator from Missouri.

Mr. STONE. I am very glad to yield to the Senator from Minnesota.

The PRESIDING OFFICER. The Chair recognizes the Senator from Minnesota.

Mr. NELSON. I desire to say that, whatever the rule may be, I think this matter is foreclosed. After the reading of the bill was finished, the Senator from Michigan requested the

reading of the report. That was equivalent to a motion to read the report. No objection was made at the time, and the reading has proceeded at considerable length. Consent having been given once to the reading of the report, one objection, it seems to me, can not interrupt it.

Mr. GALLINGER. No; and it could not have prevented it at the beginning, either.

Mr. STONE. Mr. President, it occurs to me that this is the correct view: When a bill is properly before the Senate, the regular course under the rules is to read the bill. The reading of it can be demanded or the reading of it can be dispensed with by the consent of the Senate; but I do not think that hitherto a report from a committee accompanying a bill has been regarded as having any privilege. To be sure, a Senator can ask to have it read, and, if there is any objection, he can read it himself. My view is that, inasmuch as a report merely gives the reasons which the committee assigns for the passage of a bill or the reasons which a minority may assign against the passage of a bill—statements pro and con—it is argumentative, it is in support of the measure or in opposition to it; and when the report is read it is an argument delivered by the committee, through the Secretary, orally, so to speak, to the Senate; but it is not read as a matter of right, any more than a Senator can, as a matter of right, during a debate present a book with a dozen or fifty pages marked and ask the Secretary to read it. I think that could be objected to; but, nevertheless, a Senator himself can from his place on the floor, as a part of his argument, read it. But, taking the case as it is and applying what I have said to the case as it is or to any similar case, I have not objected to the reading of the report, for the reason that, if a Senator is determined to occupy time in debate, he can read the report himself, and he will take more time in reading it, in all human probability, than would the Secretary.

The PRESIDING OFFICER. The Chair——

Mr. SMOOT. Mr. President, before the Chair rules——

The PRESIDING OFFICER. Will the Senator from Utah permit the Chair to say that he did not intend to rule, but that the present occupant of the chair would like to say, so as to have instructions from the Senate, that his present inclination, from information through the rules, is this, that there is no power vested in the rules with which the occupant of the chair is acquainted which vests the Chair with the right to sustain an objection to a paper being read? If this be treated as a paper the reading of which is objectionable, the elements of the objection having been discovered when it was entered upon, the present occupant of the chair feels that it should be submitted to the Senate when such objection is made. Now, if there is any Senator who can point the Chair to any rule that authorizes the Chair to dispose of such a matter by a ruling of the Chair, of course he will be grateful for the information.

Mr. SMOOT. Mr. President, I desire to point the Chair to a ruling made on January 16, 1915, which I read, as follows:

JANUARY 6, 1915 (63D CONG., 3D SESS.).

The shipping bill being under consideration, Mr. LODGE asked for the reading of the report of the committee on the bill.

An objection to the reading of the report was made by Mr. SMOOT.

The PRESIDENT pro tempore (Mr. CLARKE of Arkansas). The Senator from Utah objects. The question is, then, Shall the report be read? The Chair is doubtful as to whether it is not the right of an individual Senator to have the report read, and the Chair is going to rule that a report must be read on the request of any Senator. It seems that that will be the way to present the matter definitely and fairly to the Senate. (See CONGRESSIONAL RECORD, pp. 1061–1062.)

Mr. WALSH. Mr. President, the question seems to be answered plainly by Rule XI, which is perfectly clear in its terms, and which reads:

When the reading of a paper is called for, and objected to, it shall be determined by a vote of the Senate, without debate.

Mr. SMOOT. But this is not "a paper" in that sense.

Mr. GALLINGER. Mr. President, does the Senator from Montana seriously hold to the view that a report from a committee is in the ordinary sense "a paper"?

Mr. WALSH. I can not conceive a definition of a paper that would not include it.

Mr. GALLINGER. Very well. The bill also is "a paper," then?

Mr. WALSH. Oh, yes.

Mr. GALLINGER. Equally so?

Mr. WALSH. Oh, yes.

Mr. GALLINGER. Could the Senator have objected to the reading of the bill?

Mr. WALSH. No; because the rule expressly provides that the bill shall be read; and so that does not fall within the rule to which I have just referred.

Mr. GALLINGER. That rule has always been applied to the submission of newspaper articles and other papers; and, if objection is made, the question is submitted to the Senate; but surely a report from a committee is not "a paper" within the meaning of that rule.

Mr. WALSH. I do not see why it is not.

Mr. GALLINGER. Of course, I could not persuade the Senator if I should make a speech on the subject.

Mr. GRONNA. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Hampshire yield to the Senator from North Dakota?

Mr. GALLINGER. Just a moment. I have watched proceedings in this body for a long while, and I think the only time I ever knew a suggestion to be made that the reading of a report could be objected to was made by the Senator from Utah [Mr. SMOOT]——

Mr. SMOOT. I think that is the only case.

Mr. GALLINGER. And he astounded me when he made it a little time ago. I know of no other instance. The then President pro tempore of the Senate overruled that objection, and ruled that a demand for the reading of a report was in order, and that the report should be read.

Why, Mr. President, we are considering a bill the reasons for which are set forth in the report, and to say that we should not have the privilege of knowing what those reasons are and not have the report read is astounding to me.

Mr. WALSH. I should like to ask the Senator——

The PRESIDING OFFICER. Does the Senator from New Hampshire yield to the Senator from Montana?

Mr. GALLINGER. I yield to the Senator.

Mr. WALSH. I desire to ask the Senator from New Hampshire, for whom I have the very highest respect, if he would like to have the report read for his enlightment?

Mr. GALLINGER. I have not made that request. The Senator from Michigan has made the request, and I think he is entirely within his rights to have the report read; and, inasmuch as the Senator from Montana will freely confess that the Senator from Michigan can read it, or I can read it, or any other Senator can read it, I do not see what is gained by this contention. We have lost 15 or 20 minutes already.

Mr. GRONNA. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Hampshire yield to the Senator from North Dakota?

Mr. GALLINGER. I yield to the Senator from North Dakota.

Mr. GRONNA. It is true that Rule XI provides, as the Senator from Montana has just said, that—

When the reading of a paper is called for and objected to, it shall be determined by a vote of the Senate, without debate.

But it refers us to Jefferson's Manual, section 32, which reads as follows:

SEC. 32. READING PAPERS.

Where papers are laid before the House or referred to a committee, every Member has a right to have them once read at the table before he can be compelled to vote on them; but it is a great though common error to suppose that he has a right, toties quoties, to have acts, journals, accounts, or papers on the table read independently of the will of the House. The delay and interruption which this might be made to produce evince the impossibility of the existence of such a right. There is, indeed, so manifest a propriety of permitting every Member to have as much information as possible on every question on which he is to vote that when he desires the reading, if it be seen that it is really for information and not for delay, the Speaker directs it to be read without putting a question, if no one objects; but if objected to a question must be put. (2 Hats., 117, 118.) (Note.—See Senate Rule XI.)

I simply call the Chair's attention to the rule.

Mr. GALLINGER. I have only to add—and I do it in all good faith—that I trust the Senator from Montana will not insist upon his objection.

Mr. WALSH. Mr. President, I have already addressed an inquiry to the Senator from New Hampshire [Mr. GALLINGER], and I shall be glad to tender the same question also to include the Senator from Michigan [Mr. TOWNSEND] in my inquiry, and ask if they think they really desire this report to be read for their enlightenment?

Mr. GALLINGER. If I were in the place of the Senator from Michigan I would say to the Senator from Montana that it is not his privilege to interrogate me as to why I want a report read. That would be my reply.

Mr. WALSH. The Senator from New Hampshire is appealing to me not to make this objection, and I am saying to the Senator that if he really and sincerely desires the report read for his enlightenment I will take his word for it, and I shall withdraw the objection. I will say to the Senator from Michigan while I am on my feet that if he will rise in his place and say that he desires this report read for his enlightenment I will not object.

Mr. GALLINGER. Mr. President, I do not know whether the report would enlighten me or not. I have not read it; I have not had time to read it; I should like to hear it read; but

I am afraid it will not enlighten me much. That is my opinion, stated offhand; but possibly it might persuade me to vote for this bill. I do not know whether or not I shall vote for it; but I still insist, Mr. President, that there are certain rights that individual Senators can not be deprived of. The entire history of our legislation here is against the position the Senator from Montana takes, and he can find no precedent that will sustain him in that position. So I do appeal to him to let us go along in an orderly way.

Mr. REED. Mr. President, nothing is more apparent at this moment than that this is a mere attempt to consume the time of the Senate in order, if possible, by the consumption of time, to create a condition——

Mr. GALLINGER. That is what is being accomplished now.

Mr. REED. I did not understand the Senator's remark.

Mr. GALLINGER. I suggested that that is what is being accomplished now.

Mr. REED. Yes. Of course, when the wise and great Senator from New Hampshire rises there is no consumption of time, because there is nothing but a shower of intellectual blessings being poured on the earth.

Mr. GALLINGER. Mr. President, will the Senator permit me?

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from New Hampshire?

Mr. REED. I do.

Mr. GALLINGER. I have never made an observation of that kind concerning the Senator from Missouri.

Mr. REED. The Senator certainly made it at this moment, when he said that I was consuming time.

Mr. GALLINGER. No; I did not say that. I said that the objection made by the Senator from Montana, which has resulted in a controversy, has consumed time.

Mr. REED. I understood the Senator to mean to make the personal remark that I was consuming time.

Mr. GALLINGER. I did not.

Mr. REED. If he did not so mean the remark, I withdraw my remark.

Mr. GALLINGER. I am very glad the Senator does, because I do not claim to have the wonderful gift that the Senator accords to me, and I should be sorry to have it attached to my name in any form.

Mr. REED. The remark made by the Senator was certainly susceptible of the construction that I gave it. If the Senator did not mean that construction, I certainly desire to make no unpleasant remark regarding him.

Mr. GALLINGER. I disclaim having meant it in that way.

Mr. REED. So let the matter rest.

What I rose to say when I was interrupted was that it is perfectly manifest at this moment, and has been manifest for days, that there is a fixed purpose to consume time with the bill brought forward by the Senator from Michigan, to such an extent as to force the majority to permit the passage of that bill in order to take care of the necessary business of the session.

I understood the Senator from Michigan on yesterday, or the day before, to say that he had tested the disposition of the Senate in regard to his bill, and had found out that the disposition was not to pass the bill, and therefore that he did not intend to obstruct the public business by bringing it forward any further. I understood that to be the tenor of his remarks. I thought at the time it was a very proper and statesmanlike view to take.

Mr. TOWNSEND. Mr. President——

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

Mr. REED. I do.

Mr. TOWNSEND. I have not seen the RECORD, but I have a clear recollection of what I did say. I said at that time that "that evening" I did not propose further to use any obstructive tactics until I had had an opportunity to talk with other friends of the bill in reference to the matter; but I will say to the Senator that now I am asking for consideration of this report. It is the most information that we have on the subject; and, to start out with, it states it is one of the most important bills that can be brought up. I have asked that this report be read, and I propose that it shall be laid before the Senate and be printed in the RECORD in order that the thousands of people who read that RECORD may know at least what the reasons given by the Committee on Public Lands for the enactment of the bill are, and what are those given in opposition to it.

Mr. REED. Well, "the fool, though a wayfaring man," will have no difficulty in locating either the disposition or the purposes of the Senator from Michigan. It is part of the obstructive tactics which he now states he did not say he would abandon, but that he said he would abandon them temporarily until he had had time to consult. I assume he has had time to consult, and has concluded to renew them.

Mr. President, in a situation of this kind there is nothing to be gained by appealing to Senators along the line of generosity or along the line of getting on with the public business. The situation that is being rapidly developed is that there is being manifested a fixed purpose to obstruct the business of this session. Whether or not that is the purpose, that is the effect of what is being done. There are considerably less than 60 days left of this session. The appropriation bills and probably a revenue bill must be passed. There is much other important legislation. I hope the Senators upon the other side of the Chamber will not make it necessary for us to begin holding night sessions in the very near future—a thing that is always undesirable and always unpleasant, but will be made absolutely necessary in the very near future.

I think it might as well be understood that the majority do not intend to be coerced into taking up the Senator's bill until they think a proper time has come to take it up, and that every effort that is being made now to obstruct the business of the Senate in order to force the majority to accept that bill is much more likely to defeat the bill ultimately than if tactics of a different kind were being pursued. I do not say that to criticize the Senator. He has pursued his own course; but it is perfectly plain that we can not afford to spend much more time in this way if we are to get through with the business of the Senate that must be done at this session. Therefore, I am urging that we come to a plain understanding of the matter.

Time and again votes have been cast here that have indicated that the majority intend to take up and consider at this time the water-power bill, and that they do not intend to take up the retirement bill at this time. Now, why not get on with the water-power bill? Why make it necessary for us to begin, first, with having sessions starting at 10 o'clock in the morning and perhaps make it necessary to have sessions lasting all night?

I hope these tactics will not be pursued.

Mr. GRONNA. Mr. President, I find no fault with the criticism of the Senator from Missouri; but I want to remind the Senator from Missouri that during the last session of Congress we passed legislation which was very important, and which was perhaps more important to his section of the country than it is to mine. We passed here a bill appropriating $15,000,000 for the manufacture of nitrogen. That bill was amended so as to make it $20,000,000. Now, the Government of the United States is to invest $20,000,000 in the manufacture of nitrogen; and is it fair to say that we who are opposed to giving away the resources of the country are filibustering when we say that we want to discuss these measures? The Senator from Missouri realizes, of course, the importance and the value of water power in the manufacture of nitrogen.

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

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Missouri?

Mr. GRONNA. I yield.

Mr. REED. I have passed no criticism on any man for wanting to discuss the water-power bill. That is what I desire—that it shall be taken up and discussed; that the time of the Senate shall not be taken up with the useless reading of reports, but that we may have the benefit of full discussion; that we may have the views of the Senator who now has the floor and others, and vote.

Mr. GRONNA. Mr. President, I want to ask the Senator from Missouri—and I do it in all seriousness—whether he believes that a report written by the great Committee on Public Lands, and touching directly upon this question of water power, would be a useless report? It seems to me it would be a very important document to the Senate and would enlighten many of us.

Mr. REED. Of course I assume that the report is an able document. I have not read it; but every Senator here can take it and read it in his office or read it at night. Indeed, we all ought to have read it long ago. The reading of a document of this kind from the desk enlightens nobody. Nobody listens to it. Nobody pays any attention to it. The fact is that it could be read to-night by the Senator, and read much more effectively than he can listen to it. Now, of course, if the Senator is so set against the water-power bill that he wants to consume all the time possible, that is a different proposition. I have not assumed that he did. I do not assume it now.

Mr. GRONNA. Mr. President, I have not consumed any time either for or against the water-power bill. I do not say that I am against the water-power bill in all its provisions; but I want to say to the Senator from Missouri and to the Senate

that I am deeply interested in this kind of legislation, and that I am opposed to any provision that will take these great water powers and give them to individuals and then compel the Government of the United States to pay any price that may be asked.

Mr. MYERS. Mr. President, may I make a suggestion to the Senator?

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Montana?

Mr. GRONNA. Yes; I yield.

Mr. MYERS. I want to say to the Senator that this bill does not do anything of that kind. If the Senator will read it carefully, he will see that it gives nothing away.

Mr. GRONNA. Why, then, should we not have a right to ask for the reading of the report, and find out what the bill does contain?

Mr. MYERS. Mr. President, I am not arguing that matter. The Senator seemed to infer that this bill gave away something. I just wanted to enlighten him on that point.

Mr. SMITH of Michigan. Mr. President, if the Senator will permit me——

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

Mr. GRONNA. I yield.

Mr. SMITH of Michigan. Does not the bill give this power to municipalities without cost?

Mr. MYERS. It gives municipalities a preferential right.

Mr. SMITH of Michigan. It gives it to them without cost.

Mr. MYERS. It gives them a preferential right to a lease where they apply with others; and while it has been quite a long time since I read the bill, if the bill provides that it does give any rights to municipalities, it is giving them to the people, and not to individuals.

Mr. SMITH of Michigan. Undoubtedly; but the Senator said it is not giving away these rights. It is giving them to municipalities without charge.

Mr. MYERS. I said, I think, that it did not give away any rights to individuals.

Mr. SMITH of Michigan. If my friend from North Dakota will permit me, the contention is over the reading of these reports. The contemporaneous history of this legislation is the only record that is made here, taken down by the reporters, and published in the CONGRESSIONAL RECORD. It seems to me there could be no more appropriate place for the careful, deliberate, painstaking conclusions of the committee having the matter in charge than to have their views read before the Senate. I have listened to these reports with a great deal of interest and have often been convinced by them.

Mr. MYERS. I am not contending over that. I just wanted to make a statement on another phase of what the Senator from North Dakota said.

Mr. GRONNA. Mr. President, I do not refer to the passage of a bill appropriating $20,000,000 for the purpose of manufacturing nitrogen in any spirit of criticism. I am a member of the Committee on Agriculture and Forestry, and I favored that report. I signed that report myself. I was in favor of that legislation, and for that reason I think I have a right to ask for some enlightenment upon this bill; and I ask for the reading of the report.

Mr. WALSH. Mr. President, in view of the statement made by the Senator from North Dakota that he really wants the report read for his enlightenment, I withdraw my objection to the further reading of the report.

Mr. GRONNA. Mr. President, if the Senator from Montana thinks that I am the only Member of the Senate who would be enlightened by this report, perhaps it would be asking more than I am entitled to. I do not ask for it simply to enlighten me.

Mr. WALSH. By no means, Mr. President. If there is one Senator on this floor who wants the report read for his enlightenment, I do not intend that he shall be denied the opportunity.

Mr. GRONNA. I want to say to the Senator from Missouri that I not only want this report read, but I assure the Senator from Missouri that before this bill passes it will be discussed.

Mr. CLARK. Mr. President, I think this report ought to be read, although perhaps not for the sake of enlightening individual Senators, because some of us, at least, know very well what is in both the minority and the majority reports. As is said in the report itself, this is one of the most important questions that will come before this Congress, perhaps the most important of all to certain sections of this country. The committee, as a committee and as individual members of the committee, have given a tremendous amount of work and study to the consideration of this bill. That work and study and its results ought to be of record, because the discussion of this bill is no less important than the discussion of the land legislation 60 or 70 years ago, which provoked, perhaps, the most noted debate that was ever had in the Senate of the United States. I think the record ought to be made up. I think it should all appear in the RECORD, both the discussion and the reports of the committee, and it is well worth preserving. Unless it be read it can not well be preserved in the RECORD. It could, of course, be preserved by having it published in the RECORD by unanimous consent, but that does not appear to be the method of proceeding this afternoon.

Therefore it seems to me the report should be read, in view of the importance of the bill and in view of the importance of the questions involved. Those who have not considered this bill have little realization of the importance of the questions involved. The rights of the States, the rights of the municipalities, the power of the General Government over the States, the power of the General Government and the power of the States over the control of waters within the States—all these things are questions fundamental in their character. The reports of both the majority and the minority of the committee are exhaustive both upon the facts of the situation and upon the law and they ought to be preserved in the RECORD. It seems to me the quickest way to do it is to have it read into the RECORD as is proposed now.

The PRESIDING OFFICER. As the Chair understands the matter now before the Senate, the Senator from Montana having made the objection, and upon a subsequent colloquy between himself and the Senator from North Dakota having withdrawn the objection, the objection is not now before the Senate.

Mr. WALSH. Mr. President, before the reading of the report is proceeded with I trust I shall have the indulgence of the Senate until I say that I regret very much any effort thus early in the discussion of this bill to prejudice it in advance by any declaration of opposition to "giving away the great natural resources of the Government." I trust that we will take up this bill and consider it and at the proper time and place urge whatever objections we have to the bill as a whole or to any particular features of it.

The Senator from North Dakota will recall that when the Shields bill, so called, was before the Senate for consideration I voiced some very emphatic disapprobation of many important features of that bill and I think those features of it which have provoked much criticism since the last session of Congress. In my own estimation the criticism was deserved. Different people have different ideas about it. I recall very well that the Senator from North Dakota [Mr. GRONNA] voted with me upon most of the amendments that I suggested to that measure. That is my recollection about the matter at least.

Mr. GRONNA. Mr. President——

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from North Dakota?

Mr. WALSH. I do.

Mr. GRONNA. The Senator from Montana does not wish, I am sure, to put me in a false light. I voted against the Shields bill.

Mr. WALSH. Why, certainly.

Mr. GRONNA. And I think the Senator from Montana voted for it?

Mr. WALSH. The Senator from Montana has not asserted that the Senator from North Dakota voted for the Shields bill. The Senator from Montana who now has the floor declares now that he voiced, again and again, on the floor in the discussion of that bill his disapprobation of many features of the bill and suggested many amendments to the bill, the Senator from North Dakota, as my recollection is now, joining me in an effort to amend the bill to conform to our own ideas. So the ideas of the Senator from North Dakota and my own concerning water-power legislation were very much alike last summer.

The Senator will likewise remember that when the bill was up before the Senate upon its final passage I stated that I was opposed to the bill in that form, and that I voted for it only because I knew perfectly well that it never could pass the House in that form. The information that I gave to the Senate at that time proved to be entirely accurate.

Now, I trust the Senator will enter into the consideration of this measure in the same spirit and let us go to work and see if we can not frame a bill which will permit the development of these great resources and at the same time not give them away to those who desire to rob the public.

Mr. GRONNA. Mr. President, in order that the Senator from Montana and I may understand each other, I want to assure the Senator from Montana that I am not against water-power legislation. I believe something should be done to permit the development of water power; but I believe it should be done

with the utmost care, and I do not believe we should extend the leases through these long periods of time, because where these water powers are upon Government lands the Government can now control them; and I do not believe that the Congress of the United States has any right to throw away these valuable water powers.

Mr. WALSH. Let me inquire of the Senator if he understands that this bill does that?

Mr. GRONNA. I do not say that this bill does that, but I do say that the Government should at least reserve the right to operate some of these water powers for its own industries, because we have already said by legislation that the Government of the United States shall go into the business of manufacturing nitrogen, and we have appropriated $20,000,000 for that purpose; and every sensible man knows that we can not manufacture nitrogen without power, and that the cheapest power that we can get is water power.

The PRESIDING OFFICER. The report is now before the Senate.

Mr. TOWNSEND. Mr. President, before continuing the reading of the report I desire to state that I feel it is very important to read these reports. It has been confessed that this in one of the most important measures before Congress. It has been admitted by the committee that it has been very careful in its consideration of the measure, and it has set forth its views in these reports. The Senator from Missouri [Mr. REED] intimated that we had better proceed to the discussion rather than to read the reports, because nobody listened to the reports. I will ask the Senator how many listen to the discussion? Very seldom is there a majority in the Senate when a Senator is speaking. But this report can be read, and Senators will have an opportunity, if they wish, to listen to the views of the committee and those of the minority members who opposed the bill.

Furthermore, this is a bill which displaces the House bill, and substitutes a new measure for it; and the committee are setting forth their views for that substitution. I desire that those views shall be read, together with the opinion of those gentlemen who have been considered authority on the subject which the committee has quoted from, and the law on that subject which the committee thought was important enough to put into the record. On other occasions, when other bills have been up, Senators have insisted that the report should be read. Nobody objected to that. I am glad the Senator has withdrawn his objection now, and that we can proceed in an orderly manner with the reading of the report.

The Secretary resumed the reading of the report, as follows:

The principle is the same as that embodied in the bill as passed by the House at this session. The principle is in nowise changed, but the Senate committee has reconstructed it and made a good many changes which it is believed are distinctly for its betterment and improvement, and which are calculated to make it a more feasible and workable law.

Millions upon millions of available water horsepower are annually running to waste in this country for want of utilization on account of the lack of proper laws. This waste of power each year is gone, never to become available. Meantime, the people of our country are making great inroads upon the Nation's supply of coal which can never be replaced. The utilization of this wasted water power, which is inexhaustible and does not diminish by use, would add inestimably to the comforts of life and the promotion of the public welfare, would lower the cost of living, and would reserve for other uses and for future generations our supply of coal. This measure, if enacted into law, of course, would apply only to the public-land States of the Union.

Reliable authorities estimate about 61,000,000 water horsepower in the United States. The total available water power of all countries of Europe is 35,965,000 horsepower. The United States Geological Survey estimates that 44,049,000 horsepower, or 71 per cent of the total potential available horsepower in the United States, is contained in the principal public-land States, and of this amount less than 2,000,000 horsepower is now being utilized, which shows a frightful waste from neglect and lack of proper legislation.

Electricity is one of the great potent factors of the universe. Electrical development is probably making greater strides than any other branch of science or adjunct of civilization. Therefore, it is worthy of careful attention and sound legislation in the interest of the public. Three great fields in the development of this country await the magic touch of electrical power for wonderful results and untold benefits. They are:

1. The use of pumping plants for putting water on arid lands for irrigational purposes.
2. The electrification of railroads.
3. The production of fertilizers, explosives, and electrochemicals.

The use of electrical power in each is intensely needed. Such use would supply widespread wants, increase tremendously our agricultural products, lower the cost of living, facilitate transportation, and assist in the national defense and preparedness against foreign encroachments. The benefits of electrical development are too many and great to be mentioned in this report. It is sufficient to say that they are conceded by all and it is believed by the committee that this bill provides the best means for the encouragement thereof, where portions of the public domain are necessary therefor.

This measure, if enacted into law, would not only benefit the people as individuals but would add to the taxable assets of the various States. The right of occupancy of the public domain, together with improvements thereon, is taxable by the State. It is so held in Forbes *v.* Gracey (94 U. S., 762). Elder *v.* Wood (208 U. S., 226), and other decisions of the Supreme Court of the United States.

The question of the constitutional power of the United States to lease its lands for a limited period of time has been settled in the affirmative by the Supreme Court of the United States in United States *v.* Gratiot (14 Pet., 526), Light *v.* United States (220 U. S., 523), and other cases. On this subject a subcommittee of the Senate Committee on the Judiciary of the Sixty-second Congress, by resolution of the Senate, made an extensive and valuable report, to which reference is here made, holding emphatically that the United States Government has undoubtedly such power and right, and the report is enriched with many citations and much reasoning.

Prior to February 15, 1901, there was no legislation at all on the subject of water-power sites on Government land. Prior to that time water-power sites went to patent unnoticed. About that time public sentiment began to be aroused as to the importance of water-power development on the public domain, and the act of February 15, 1901, known as the revocable-permit law, was enacted, and later there was enacted an amendment to the Agricultural appropriation bill of March 4, 1911, relating to rights of way over forest reservations. They but blazed the way for suitable legislation. They furnish but little encouragement to water-power development and have become unsuited to the demands of the times. What is needed now is legislation that will be safe for and attractive to capital and just to the people. Capital is entitled to a fair rate of interest, and the people are entitled to good service at a reasonable price.

The two acts above referred to are here set forth:

[Act of Feb. 15, 1901, the revocable-permit law, an act relating to rights of way through certain parks, reservations, and other public lands.]

"*Be it enacted, etc.*, That the Secretary of the Interior be, and hereby is, authorized and empowered, under general regulations to be fixed by him, to permit the use of rights of way through the public lands, forest and other reservations of the United States, and the Yosemite, Sequoia, and General Grant National Parks, Cal., for electrical plants, poles, and lines for the generation and distribution of electrical power, and for telephone and telegraph purposes, and for canals, ditches, pipes and pipe lines, flumes, tunnels, or other water conduits, and for water plants, dams, and reservoirs used to promote irrigation or mining or quarrying, or the manufacturing or cutting of timber or lumber, or the supplying of water for domestic, public, or any other beneficial uses to the extent of the ground occupied by such canals, ditches, flumes, tunnels, reservoirs, or other water conduits or water plants, or electrical or other works permitted hereunder, and not to exceed 50 feet on each side of the marginal limits thereof, or not to exceed 50 feet on each side of the center line of such pipes and pipe lines, electrical, telegraph, and telephone lines and poles, by any citizen, association, or corporation of the United States, where it is intended by such to exercise the use permitted hereunder or any one or more of the purposes herein named: *Provided*, That such permits shall be allowed within or through any of said parks or any forest, military, Indian, or other reservation only upon the approval of the chief officer of the department under whose supervision such park or reservation falls and upon a finding by him that the same is not incompatible with the public interest: *Provided further*, That all permits given hereunder for telegraph and telephone purposes shall be subject to the provision of title 65 of the Revised Statutes of the United States, and amendments thereto, regulating rights of way for telegraph companies over the public domain: *And provided further*, That any permission given by the Secretary of the Interior under the provisions of this act may be revoked by him or his successor in his discretion, and shall not be held to confer any right, or easement, or interest in, to, or over any public land, reservation, or park.

"Approved, February 15, 1901."

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[Act of Mar. 4, 1911 (36 Stat., 1253), being an amendment to the Agricultural appropriation bill.]

"That the head of the department having jurisdiction over the lands be, and he hereby is, authorized and empowered, under general regulations to be fixed by him, to grant an easement for rights of way, for a period not exceeding 50 years from the date of the issuance of such grant, over, across, and upon the public lands, national forests, and reservations of the United States for electrical poles and lines for the transmission and distribution of electrical power, and for poles and lines for telephone and telegraph purposes, to the extent of 20 feet on each side of the center line of such electrical, telephone, and telegraph lines and poles, to any citizen, association, or corporation of the United States, where it is intended by such to exercise the right of way herein granted for any one or more of the purposes herein named: *Provided*, That such right of way shall be allowed within or through any national park, national forest, military, Indian, or any other reservation only upon the approval of the chief officer of the department under whose supervision or control such reservation falls, and upon a finding by him that the same is not incompatible with the public interest: *Provided*, That all or any part of such right of way may be forfeited and annulled by declaration of the head of the department having jurisdiction over the lands for nonuse for a period of two years or for abandonment.

"That any citizen, association, or corporation of the United States to whom there has heretofore been issued a permit for any of the purposes specified herein under any existing law, may obtain the benefit of this act upon the same terms and conditions as shall be required of citizens, associations, or corporations hereafter making application under the provisions of this statute."

A feature of this bill which recognizes both State and Federal jurisdiction within the proper sphere of each is that which provides that all interstate business in connection with this subject shall be under the control and supervision of the Interstate Commerce Commission and leaving to the respective States the regulation of intrastate business.

Brief comment will be made by way of calling attention to the principal provisions of the bill in the various sections thereof.

The first section provides for the leasing of lands. The term of lease is made 50 years, unless the applicant may desire a shorter lease and the Secretary of the Interior may see fit to grant it. After exhaustive hearings, at which were heard the views of capitalists, representatives of bondholders, water-power investors, utility experts, representatives of the Government, and others, it is believed by the committee that a lease of 50 years is most suitable to the needs of legislation and is fair to all. The principal water-power investors heard agreed that it would be fairly satisfactory to them, and it is believed that it is in accord with the interests of the public. There must be some stated tenure of title. It takes time to establish on a paying basis plants for the generation of hydroelectrical power, and thereafter the investor is entitled to sufficient time in which to recoup his losses and average a

fair profit on his investment from the beginning. It is believed that 50 years is a sufficient time in any reasonable case in which to do so. This section further provides that the applicant for a lease must first comply with the requirements of the laws of the State or Territory providing for the appropriation of water to develop and generate electrical energy, thus recognizing the exclusive right of the State to the control of the water.

Section 2 provides for diligent work upon and continuous operation of the plant, and section 3 places the control of service and charges for service in interstate transmission and business in the Interstate Commerce Commission.

Section 5 contains the recapture clause, and provides that at the expiration of a lease, upon not less than three years' notice, the United States may take over all the properties of the plant which are dependent in whole or in part for their usefulness on the continuance of the lease, which may have been acquired under the provisions of the act, or may take over, upon mutual agreement with the lessee, any severable and complete unit of any system, upon paying compensation therefor, as set forth in the section. This is intended to preserve to the people the right of taking over and owning plants, if they may see fit.

Section 6 provides for renewing the lease, at the expiration of its life, upon the same or different terms, to the same or another lessee, and for continuous operation. It gives the original lessee a preferential right.

Section 7 provides, upon certain conditions, for the making by the lessee of contracts to supply power beyond the life of the lease, in certain cases, but not for more than 25 years, in any event, beyond the life of the lease.

Section 8 provides for the payment of compensation by the lessee for the use of the land leased. It may be graduated according to the profitableness of the lease of the land. It provides that 50 per cent of all revenue received from leases shall be by the Secretary of the Treasury paid each year directly to the State in which the plant may be located, to be the property of the State and with which it may do as it may please. The remaining 50 per cent must be paid into and used for the reclamation fund for reclamation projects in the arid States. Thus, all of the money derived, the entire proceeds, without any reservation, must go to the States. The Federal Government is to retain no profit or revenue for the use of its lands.

Section 9 provides for surface entries, in such manner as not to interfere with the development of power projects, on public lands reserved as water-power sites or for purposes in connection with water-power development or electrical transmission.

Section 10 provides for Government inspection of books and accounts of lessees, necessary statements, and reports.

Section 11 provides methods and means by which the lease may be forfeited, when proper that it should be.

Section 12 provides for necessary and proper rules and regulations by the Secretary of the Interior, and section 13 expressly recognizes and concedes the sovereign right of the State to the control, appropriation, use, and distribution of water within its borders.

Section 14 protects and keeps valid existing permits and provides that permittees may come under the provisions of this act, if they may so elect.

Section 15 provides that this act shall not apply to navigation dams or structures under the jurisdiction of the Secretary of War or Chief of Engineers, or lands acquired or withdrawn for the sole purposes of permitting navigation.

Section 16 provides that in instances where only 10 per cent, or less, of lands actually necessary and required for the construction, maintenance, and operation of dams, conduits, reservoirs, power houses, transmission lines, and other works for the development, generation, transmission, and utilization of power in any plant or project are lands of the United States, and such public lands are to be used only for overflowage, reservoir, or transmission purposes, and not in whole or any part as a dam site or the site of a power house nor for the erection of buildings or the operation of machinery, the Secretary of the Interior may, in his discretion, lease such public lands for not more than 50 years, at such price and upon such terms as he may deem just, and free from all or any of the other terms and requirements of this act, as he may see fit. This is intended to exempt from the workings and requirements of this act, as the Secretary of the Interior may elect and if he may see fit, projects where only a negligible and inconsequential percentage of the land required may be public land. It is thought that in some instances great and beneficial projects may be established and put into operation where only a trifle of public land will be used for overflowage or transmission, where water may back up over a few acres of Government land or a transmission line may merely run across a corner of a section of Government land, and that in such cases it might not always be wise or just to subject the project to all of the requirements, substantial and minor, of this act. In such cases, the Secretary of the Interior may use his discretion in bringing such a project under all or any of the provisions of this act. There might be cases where it would hardly be fair to require the lessee to pay for the use of a trifling area of public land in accordance with the amount of his profits and subject him to an inspection of his books and accounts. In that event the Secretary could lease a small area of public land for 50 years, at a flat rental. It is wholly discretionary with the Secretary of the Interior.

Mr. SMITH of Michigan. This report does not quite harmonize with the reported bill. The report says that these leases should be made at a flat rental. Is it left to the Secretary of the Interior to determine that amount?

Mr. MYERS. I explained an apparent discrepancy between the report and the bill to the Senator's colleague the junior Senator from Michigan [Mr. TOWNSEND] a while ago.

Mr. SMITH of Michigan. Unfortunately, I have not had an opportunity to confer with my colleague.

Mr. MYERS. I explained that discrepancy. It is owing, I will say, to the committee having brought in some subsequent amendments to its own report after the report was made.

Mr. SMITH of Michigan. I appreciate the suggestion of the Senator, and that may have been a very good reason for not reading the report. It is the best reason I have heard advanced.

Mr. MYERS. If the Senator will permit me, I am not objecting to the reading of the report.

Mr. SMITH of Michigan. I understand.

Mr. MYERS. I am merely answering the question the Senator asked.

Mr. WADSWORTH. May I interrupt the reading to ask the Senator from Montana to be kind enough to explain that part of the report which refers to section 8 of the bill? I refer to the language on page 9 of the report, which states:

> Section 8 provides for the payment of compensation by the lessee for the use of the land leased. It may be graduated according to the profitableness of the lease of the land.

How is the profitableness of the leasing of the land to be determined in advance?

Mr. MYERS. By the amount of horsepower developed. He would have to provide that if a certain amount of horsepower were developed the charge would be so much; if so much more horsepower were developed, it would be so much more—a sliding scale.

Mr. SMITH of Michigan. If the Senator will permit me, the basis shall be the value of the land.

Mr. MYERS. Yes.

Mr. SMITH of Michigan. Not the value of the power developed.

Mr. MYERS. As determined by how much the land in conjunction with the water flowing past it may yield in horsepower. Some land with water flowing by might yield very little horsepower and therefore a very small charge would be made. Other land with water flowing by might yield a very large amount of horsepower and therefore more should be charged. I think that was the idea of the committee.

Mr. WADSWORTH. I desire to assure the Senator from Montana that my question was asked in all seriousness, because I find myself suddenly connected with water-power legislation with respect to problems existing in the State of New York.

Mr. MYERS. I never doubted at all the seriousness of the Senator's question.

Mr. WADSWORTH. The point I wanted to make is this: Does the committee in its report on the bill request the Secretary of the Interior to fix the annual rental based upon the amount of water power which can be generated at the site or does it ask the Secretary of the Interior to take into consideration the facilities for disposing of and selling that water power after its development as a proper element in fixing the value of the rent? The horsepower may be much more valuable in one portion of the country than in another.

Mr. MYERS. The language is "shall be based on the value of the land, to be determined by the amount of horsepower to be developed." I think the idea of the committee, as I recollect the discussion in the committee meetings, was to grade it according to the amount of power developed; if so much were developed, so much to be charged; if more was developed, then more to be charged. There would have to be a sliding scale of charges.

Mr. WADSWORTH. No matter what the market for the horsepower may be?

Mr. MYERS. This is the idea. I do not see what the market has to do with it. If the party engaged in the business, the leaseholder, develops a thousand horsepower he is to pay so much. If he develops 2,000 or 5,000 horsepower he is to pay so much more. He is to pay according to the amount of horsepower that he develops. He does not have to develop it unless he finds a market for it.

Mr. WADSWORTH. I simply desire to point out what I believe to be an economic fallacy in reaching the value by that method. Suppose the Government owned a block in the center of the city of New York and an equal area of land on a western prairie, would we pass a law in Congress fixing the rental value of those two tracts of land according to the cubic contents of the houses that might be erected upon them?

Mr. MYERS. No, sir; but according to the profitableness of the area, how much profit the leaseholder was making out of it.

Mr. WADSWORTH. That is the very point I raise. The suggestion of the committee is not based upon the profit to be derived from the generation of horsepower, but simply on the number of horsepower generated.

Mr. MYERS. It is presumed that the leaseholder would not develop a power and sell it unless he were making profit out of it. If he does, it is his own fault.

Mr. WADSWORTH. That is to be determined after he has completed the construction and developed the power.

Mr. MYERS. He takes that risk. If he wants to develop a thousand horsepower, he understands in advance that he has to pay so much, and he is not presumed to develop it unless he knows he has a profitable market for it. He is supposed to be a man of ordinary intelligence and to understand his own business.

If he develops 5,000 horsepower, it is assumed that by developing it he knows where he is going to dispose of it and do it profitably, and he must pay so much more. That, I am sure, was the idea of the committee, as I remember the discussions in the committee.

Mr. WADSWORTH. I simply desire to call attention to the fact that, of course, there will be of necessity varying degrees of profit in the sale of electric power.

Mr. MYERS. That is undeniable.

Mr. WADSWORTH. No matter what the varying degrees of profit to the corporation, the Government will receive no different compensation.

Mr. MYERS. Yes; a man does not have to develop power unless he is going to make a profit out of it. If he makes a profit out of it he pays, whether he does or not, according to the amount of horsepower developed.

Mr. WADSWORTH. The Government, as I understand, can not exceed in any event a charge of 25 cents per developed horsepower per year.

Mr. MYERS. That is true. That limitation was put in because the committee felt that the consumer would have to pay the cost in the end, and we wanted to make it as light on the consumer as possible.

Mr. SMOOT. I will say to the Senator from New York that in many cases power generated under the provisions of this bill, if it ever becomes law, will be sold at $22 per horsepower per year, and there are many other cases where it will be sold for $72 per horsepower per year. The bill, as the Senator says, makes no difference whatever in the charge of two contracts that may be entered into, one at $22 per horsepower per year and the other at $72 per horsepower per year.

Mr. WADSWORTH. May I ask the Senator from Utah if he would regard it as at all practicable—and in asking the question I confess myself an amateur on the subject—to fix the compensation coming to the Government on a percentage basis, a percentage of the profits on the price charged by the corporation for the horsepower?

Mr. SMOOT. Mr. President, as no doubt the Senator knows, I am opposed to the bill. What ought to be done, I think, is to allow the States themselves to control the distribution and the charge of power through the public-utility corporations of the State, and yet keep control of it in a way by the Government, after the plan provided for in my bill, which I intend to offer as a substitute for the bill under consideration. The pending bill affects waters that rise in a State, that never flow out of a State, and which unquestionably belong to the State; and yet under this bill they are to be controlled and a charge is to be made for every horsepower developed by the Government. Therefore, I say to the Senator very frankly that I am opposed to the bill in its present form.

Mr. WALSH. Mr. President, I should like to say to the Senator from New York [Mr. WADSWORTH] that the limitation of 25 cents per horsepower does not meet my approval, and I trust that he will not get an unfavorable opinion of the general principles of the bill until after we see whether or not we can remove that limitation. I should be very glad to join the Senator in removing it.

Likewise, I wish the Senator would not really definitely make up his mind about the basis upon which the compensation to the Government should come until we take the judgment of the Senate concerning that matter, for I likewise agree with the Senator that the value of the land as determined by the profitableness of the enterprise is rather an obscure basis, to say the least. All these things, I am very sure, will receive earnest attention as we proceed with the consideration of the bill. I am very sure that the general ideas advanced by the Senator from Utah [Mr. SMOOT] will also be considered at some length; in other words, I should not like to have anyone understand that, so far as I am concerned, I am endeavoring to put the bill through as it came from the Committee on Public Lands.

Mr. SMOOT. Mr. President, I want to ask the Senator from Montana a question as to that. Am I mistaken in my recollection that the Senator, in giving his views upon this bill before the Public Lands Committee, made the statement that he thought there ought to be a limitation upon the price charged, and suggested that he would not oppose a proposition limiting the price charged to 25 cents per horsepower?

Mr. WALSH. The Senator from Utah is certainly mistaken. I have no recollection of ever having appeared before the committee on this bill. I am sure he will find no statement of that kind from me.

Mr. SMOOT. Perhaps the Senator did not appear on this bill, but I think he appeared before the committee on a similar bill at another session of Congress.

Mr. WALSH. I have no recollection of ever having appeared on the water-power bill; I am sure about that.

Mr. SMOOT. Then, was it on the land-leasing bill that the Senator appeared?

Mr. WALSH. I did make a long statement on the nonmineral land-leasing bill.

Mr. SMOOT. Of course, I take the Senator's word for it.

Now, I desire to say to the Senator from New York, in this same connection, that I believe the Public Lands Committee were almost a unit, if not a unit, in taking the position that whatever was charged for the horsepower created would be passed on to the ultimate consumer, particularly when it was more than 25 cents per horsepower. They also took the position that the Government should not impose a burdensome tax upon the development of western industries, either in the development of oil or in the development of electric power.

I wish also to say that I have heard representatives of the Interior Department state time and again that they thought that the only charge that should be made was one that would pay the expenses to which the Government would be put in administering the law. I think that that is the policy that ought to be followed. I do not see why the people of the West should be burdened by a greater charge than that by the Government, if any charge is made at all. I do not see why they should be compelled to pay not only for the administration of the law by the Government but also a profit upon the water used that actually belongs to the States. I will admit that the 25 cents per horsepower charge seems insignificant, but——

Mr. WADSWORTH. I did not make that criticism.

Mr. SMOOT. But I want to say that a 25 cents per horsepower charge will more than pay for the administration of the law; and that is all that the Government of the United States ought to impose upon the people of the West, even if this mistaken policy is finally adopted.

Mr. WADSWORTH. Mr. President, let me say to the Senator from Utah, and likewise to the Senator from Montana, that I do not criticize the figure, 25 cents per horsepower; I do not know whether it is cheap or expensive. I have not the slightest idea, for I am not informed on the subject; but the method of fixing a tax here, a flat rate, based entirely on the horsepower generated, is not an equal distribution of taxation. The tax should bear some relation to the value of the product which is being taxed. This method bears none.

Mr. SMOOT. Of course, the comparison made by the Senator of the value of land in the heart of a city——

Mr. WADSWORTH. I used an exaggerated case.

Mr. SMOOT. That comparison does not apply to this bill, for 99¾ per cent—I think that is the estimate of the department—of the horsepower that will be created under this bill will be created in the Rocky Mountain States; and I think 76 per cent of that 99¾ per cent will be created in forest reserves. The Government lands that will be used, if this bill becomes a law, are next to worthless; in fact, if it were not for the water owned by the State flowing by the lands, many of them could not be sold for 10 cents an acre. They are not grazing lands; they are simply mountainous lands that are of no earthly use whatever unless for a power site.

Further, I desire to say to the Senator that I believe that we are trying to do indirectly what the Constitution of the United States says that we can not do directly. Therefore I am opposed to this kind of legislation. I believe the bill has been improved by the amendments reported by the Senate Committee on Public Lands. I suppose that other Senators will take an opposite view, and I believe that the Senator from North Dakota [Mr. GRONNA] was echoing the sentiments of not only Mr. Pinchot, the leader of the conservation movement, but of hundreds of other people in the United States, when he said that we were giving away these great resources to private parties and corporations to develop them.

Mr. GRONNA. Mr. President, I desire to assure the Senator from Utah that I am one of the Senators who do not have any conversations with Gifford Pinchot. I want to assure the Senator also that I know something about the water powers. I have lived on the frontier all my life, and know that they have been given away. I will say further to the Senator from Utah that I believe he believes that it would be poor business for the Government of the United States to invest $30,000,000 in a nitrate plant and then not have water power to run its own mills.

Mr. SMOOT. Mr. President, of course the Senator knows I voted against that proposal, and the Senator knows that I am opposed to any kind of legislation of that kind. I have made this statement simply because I do not believe that many Senators understand the full import of this bill, its far-reaching effect, and what it means to the growth and development of the

Western States, but before this discussion ends and before the bill is voted upon there will be enough said in this Chamber to convince Senators of what the effect of it really will be on the Western States. The difficulty, however, is that we can not get Senators in the Chamber to listen.

Mr. THOMAS. And, Mr. President, the discussion will not be confined to the other side of the Chamber either.

Mr. SMOOT. And, as the Senator from Colorado well says, the discussion will not be confined to this side of the Chamber. At this time I do not wish to say more upon this subject.

Mr. MYERS. Mr. President, I feel this way about this measure, that, if a majority of Senators do not want this bill, let them defeat it. All I want is a fair discussion of it and a vote on it in order that the sense of the Senate may be had.

Now, I desire to have the attention of the Senator from New York [Mr. WADSWORTH] for a moment. I should like to ask him a question. Suppose a lease-holding corporation should produce a large amount of horsepower on land owned by the Government and from water owned by a State, and through improvidence and injudicious contracts should sell its electrical power at too low a price, or through extravagant management, paying large salaries to its officials and perhaps erecting fine, large office buildings, and making other expenditures which are not justified, should derive no profit out of any of the horsepower developed, does the Senator think, under those circumstances, they should pay no rental for the land and for the benefits they have received from the Government?

Mr. WADSWORTH. I think the Senator from Montana misunderstood my suggestion. It was merely a suggestion that came to my mind at the moment.

Mr. MYERS. The Senator said they ought to pay on the profits of the business, as I understood him.

Mr. WADSWORTH. No; I did not mean that. I meant to suggest whether it would be practicable to arrange a method of paying compensation, if we are to have compensation, based upon the price charged by the company to its consumers.

Mr. MYERS. It might be practicable, but the committee thought best to establish the basis provided in the bill.

Mr. WADSWORTH. The Senator has said that in some cases the horsepower may be put at a price to the consumer of something like $72 and in other cases at about $22, and it struck me that it would be a more equitable and scientific method of taxation to charge them in accordance with the value of their product rather than a flat rate. I do not say, Mr. President, that 25 cents is too low or too high; I do not know as to that.

Mr. MYERS. Much may be said on each side, but the question is to be determined by the Senate when we get down to that point. I adhere to the committee's view, but, of course, others have different views, and it is a matter to be thrashed out in the Senate and decided as the Senate may think best.

Mr. WALSH. Mr. President, I should like to say to the Senator from New York that that is altogether permissible under the bill. The lessee makes his contract with the Secretary of the Interior, and the Secretary of the Interior fixes the compensation that he shall pay, although unfortunately there is a 25-cent limitation in the bill now; but if that limitation is taken off the Secretary of the Interior can fix the rate. Now, it is altogether permissible under this kind of an act for the Secretary to provide that if the lessee will furnish the power at so much per horsepower, his payment to the Government shall be one figure, and if he charges consumers a higher price, his payment to the Government will be a higher one. It will be entirely permissible to regulate the matter as the circumstances will permit under the bill when the limitation is taken off.

Mr. WADSWORTH. It was the inclusion of the limitation that induced me to ask the question.

The PRESIDING OFFICER. Will the Senator from Montana permit the present occupant of the chair to ask him, Does this bill provide specifically for 25 cents per horsepower arbitrarily as a minimum, or simply as an arbitrary rate?

Mr. WALSH. As the maximum.

The PRESIDING OFFICER. Does the Senator from Montana think, as a legal matter, that we could prescribe the rate without regard to an investigation one way or the other as to the reasonableness or justice of the rate?

Mr. WALSH. I think so, because we are merely giving the right to occupy Government land, and we can prescribe whatever terms we see fit upon which that land may be occupied. We say the Secretary can ask whatever terms he cares to ask for the right to occupy these lands, but he must not take more than 25 cents per horsepower developed.

The PRESIDING OFFICER. The Senator assumes the position that the landlord has the right to say for what price he will rent, and if the person who wishes to obtain the land does not wish to pay the price, that ends it.

Mr. WALSH. He does not need to take it.

The PRESIDING OFFICER. He occupies no place whatever as the agent of the public on that basis of the regulation of rates for public service.

Mr. WALSH. No. I may say to the Presiding Officer that after the lessee gets the right to occupy the public land, makes his development, and then goes into the business of selling and delivering electrical power, of course then his charges are subject to public regulation.

The PRESIDING OFFICER. The Chair thanks the Senator.

Mr. OLIVER. Mr. President, I should like to ask the Senator in charge of the bill—I see the hour is getting very late—whether it is his intention to hold the Senate longer in session this afternoon?

Mr. MYERS. I have not consulted with other Senators, but I have not thought of asking for a night session. That had not occurred to me, but I suppose we might run until 6 o'clock.

Mr. SMOOT. Mr. President, I want to ask the Chair if the reading of the report has been concluded?

The PRESIDING OFFICER. The Chair is informed that it has not been concluded. Is it the pleasure of the Senate to have it concluded?

Mr. MYERS. I ask that the reading of the report be concluded.

The PRESIDING OFFICER. The Secretary will continue the reading of the report.

The Secretary resumed the reading of the report, as follows:

Sections 17 and 18 confer upon the States of Colorado and New Mexico and any citizen or citizens thereof, respectively, the right to institute litigation to determine certain important and disputed questions. These questions are matters of importance to the people of those States. It is desirable that some method be provided for lawful adjudication thereof. These sections relate to the use of the waters of a flowing stream, interstate in its character, and it is believed they are pertinent and germane to the subject of this act. It is believed by the committee to be proper and just to incorporate them in this bill.

Section 19 provides, upon certain terms and conditions, for the enlargement of the works of any project or the extension of its service and for subjecting it to other purposes in connection with the use of water. It is believed to be properly safeguarded.

Senate bill 1060, Sixty-fourth Congress, similar to this in principle, was referred to the honorable Secretary of the Interior for a report thereon to the Committee on Public Lands, and the report thereon of the Secretary is as follows:

"DEPARTMENT OF THE INTERIOR,
"*Washington, December 23, 1915.*

"MY DEAR SENATOR: I am in receipt, with your request for report thereupon, of S. 1060, a bill 'To provide for the development of water power and the use of public lands in relation thereto, and for other purposes.'

"The measure is similar in form to that favorably reported by the Senate Committee on Public Lands, Sixty-third Congress, second session, and in many respects similar to H. R. 16673, passed by the House of Representatives during the last session of Congress, and reintroduced in the present session as H. R. 408. In substance, the bill proposes to substitute a definite 50-year tenure to use of public lands and national forests suitable for water-power development and transmission for the revocable permit authorized by existing law. The right is reserved in the United States to, at the end of the 50-year period and upon not less than three years' notice, take over the properties upon compensating the permittee, or renewal may be made to the original permittee, or permit issued to another. The permits to be irrevocable except upon breach of conditions, and any forfeiture to be through appropriate proceedings in a court of competent jurisdiction after notice in writing to the permittee."

Mr. TOWNSEND. Mr. President, where is the Secretary reading?

The PRESIDING OFFICER. The Chair is informed that the Secretary is reading a letter from the Secretary of the Interior found on the bottom of page 10.

The Secretary resumed the reading of the report, as follows:

The regulation and control of service and of charges to consumers is left to the State where the plant is located, and assumed by the United States where the plant is located in a Territory, or where it involves an interstate use of the power.

Mr. WALSH. I ask unanimous consent that the reading of the remainder of the Secretary's letter be dispensed with.

Mr. TOWNSEND. I want that letter read, Mr. President. I want the whole report in here. I am following it carefully.

Mr. SMITH of Michigan. So am I.

The PRESIDING OFFICER. Senators will please address their remarks to the Chair.

The Secretary resumed the reading of the report, as follows:

Where the development is in a State which has not provided a commission or other authority for control of such matters, the right of control is retained by the United States until such time as the State may provide therefor.

The bill provides that nothing therein shall be construed as affecting or interfering with the law and regulations of the States relating to the appropriation, use, or distribution of water.

Individuals holding revocable permits under the present law are given the option to exchange the same for a 50-year tenure under this bill.

It seems that Congress has always adhered to the policy of retaining control of water-power resources in the people, though permitting their development and use through private enterprise. See acts of Congress of May 14, 1896 (29 Stat., 120), and February 15, 1901 (31 Stat., 790). The present measure follows the same policy and substitutes for the present revocable permit a certain tenure which it is believed will secure the capital necessary for the development of these resources. As stated in previous reports, an urgent demand for some such legislation exists throughout the country, and investigations made during the past summer support that view.

The failure to utilize the water-power resources is an economic waste. Saving of coal, oil, gas, and timber can be effected by the development and use of hydroelectrical power and arid lands which can not be reached by gravity water can be irrigated through pumping systems operated by electricity; nitrates in the atmosphere for the fertilization of farm lands, for the manufacture of ammunition, and for other vital uses can be made available by cheap power. Capital which will not be invested under existing laws would be utilized for power development under a law giving definite and certain tenure. It is apparent that the public interest requires the enactment of such a law as soon as possible.

I have not gone into detail with respect to the various features of the bill, because they were thoroughly discussed before the House of Representatives and before your committee during the past session. I am inclined to the view that sections 17, 18, and 19 should be omitted from the bill. The purpose sought to be accomplished by section 17 may be attained by an amendment to section 8, like that recommended by the House Committee on the Public Lands with respect to section 8 of H. R. 408. Sections 18 and 19 have no direct relation to water-power development and would better be the subject of separate legislation if same be deemed necessary. As already stated, I believe that the proposed legislation is necessary and vital, and recommend that the bill, with such modifications as are thought advisable in the public interest be enacted.

Cordially,

FRANKLIN K. LANE.

Hon. HENRY L. MYERS,
Chairman Committee on Public Lands,
United States Senate.

Mr. TOWNSEND. Mr. President, I want to ask the Senator from Montana if that recommendation of the Secretary of the Interior has been followed in the bill that has been finally reported to the Senate?

Mr. MYERS. That letter of recommendation was written in regard to the bill as introduced in the House of Representatives. Of course, since then considerable changes have been made in the bill in the House, and further changes have been recommended by the Senate committee, so that the bill now in print and on the desks is, of course, not in all details the same bill as the one to which the letter refers.

Mr. TOWNSEND. I am referring now especially to sections 17, 18, and 19 of the House bill, about which the report was made.

Mr. MYERS. Oh, of course, extensive changes have been made since that letter was written.

Mr. TOWNSEND. Can the Senator answer me as to whether the ideas expressed in the last paragraph of the Secretary's letter have been complied with?

Mr. MYERS. I have not a copy of the report before me. I will ask to have a copy of the report brought to me. I was listening to it, but I do not recall——

Mr. WALSH. I might say, on behalf of my colleague, that the letter just read refers to an entirely different bill, Senate bill 1060, not the bill before the Senate.

Mr. TOWNSEND. Can the Senator tell me whether there are any provisions in this bill corresponding to the sections 17, 18, and 19 to which the Secretary objects?

Mr. WALSH. I have not Senate bill 1060 before me, and I have not any recollection as to what those sections do refer to.

The Secretary resumed the reading of the report, as follows:

This bill, House bill 408, was referred to the House Committee on the Public Lands to the honorable Secretary of the Interior for his opinion thereof, and his response thereto is here given, as follows:

DEPARTMENT OF THE INTERIOR,
Washington, December 30, 1915.

MY DEAR MR. FERRIS: I am in receipt of your request for report upon H. R. 408, a bill to provide for the development of water power and the use of public lands in relation thereto, and for other purposes.

The measure is, with the exception of a few amendments designed to meet objections raised, similar to H. R. 16673, Sixty-third Congress, second session, recommended by this department and by your committee and passed by the House of Representatives August 24, 1914. All of the reasons presented in support of the bill as it was considered by the Sixty-third Congress are, I believe, applicable to the present measure. The purpose and effect of the several sections of the measure may be briefly stated as follows:

Section 1 authorizes the Secretary of the Interior to lease to qualified persons or corporations, including municipalities or irrigation districts, public lands or property of the United States, except in national parks or military reservations, for a period of not exceeding 50 years for the development, generation, or transmission of hydroelectric power. Provision is made therein for a preliminary permit to protect applicants while securing necessary data and information prerequisite to application for a lease.

Section 2 is designed to insure diligence on the part of the lessee in the reasonable development and continuous operation of the project, and in the interest of consumers authorizes the Secretary of the Interior to prevent the lessee from delivering more than 50 per cent of the output to one consumer where there is a present demand from others.

Section 3 provides for the control of service and of charges for service and of the issuance of stock and bonds where the lessee is doing business in a territory of an interstate character. It also gives the Secretary of the Interior discretion in permitting combination of plants and lines in particular cases, but prohibits any arrangement in restraint of trade or for increase of prices.

Section 4 forbids the sale or delivery of power to a distributing company except upon the written consent of the Secretary of the Interior, although provision is made for emergency sales for limited periods. The lessee is given the right to mortgage the leasehold, but successors in interest, under judicial or foreclosure sales or otherwise, are required to take subject to all conditions imposed upon the original lessee.

Section 5, sometimes designated as the recapture provision, is designed to permit the United States to act for the best interests of the public in the light of conditions found to exist at the termination of any 50-year period. After due notice and at the expiration of the lease the United States has the right to take over all properties dependent for their usefulness on the continuance of the lease, paying to the lessee the actual cost of rights of way, water rights, lands, and interests purchased and used by the lessee and the reasonable value of all other property taken over, including structures and fixtures, values to be determined upon by mutual agreement, or, if that be impracticable, by proceedings in the United States courts. It is further provided that the reasonable value mentioned shall not include franchise values, good will, or intangible elements.

Section 6 provides that if the United States does not take over the property or renew the lease to the original lessee, it may be leased to a third party, upon his payment for the plant in the manner provided by section 5.

Section 7 permits the sale of power or energy under contracts extending beyond the life of the lease, subject, however, to approval of the Secretary of the Interior.

Section 8 deals with the collection of charges or rentals and the disposal of the proceeds. Where the power is generated and developed, in whole or in part upon lands belonging to the United States, charges may be measured by the power so developed and disposed of, and where public lands are used only for transmission lines, charges under said section may be based upon mileage of lands occupied. The proceeds are devoted to the reclamation of arid lands in the Western States and upon repayment of the amount so advanced for reclamation, 50 per cent thereof is to be paid to the States within the boundaries of which the power or energy was generated and developed. Leases may be given municipal corporations solely for municipal uses without charge; also leases to individuals for domestic, mining, or irrigation use for power developments, not exceeding 25 horsepower.

Section 9 provides that, in States which have no commission or body authorized to regulate service and rates or stock and bond issues, the Secretary of the Interior may exercise supervision, but only until the State has made provision for control or regulation of the specific matter involved.

Section 10 is designed to permit agricultural or other use, under the public-land laws, of areas withdrawn for water-power development and transmission, subject, however, to the right of the United States or its lessees to occupy and use any part of such lands reasonably necessary for power development or transmission.

Section 11 gives the authority to examine books and accounts of lessees, and requires them to make reports covering the various phases of their business.

Section 12 provides that leases may be forfeited and canceled only by appropriate proceedings in the United States court for the district in which the property is situated, in cases where the lessee, after proper notice, has failed to comply with the law or the conditions recited in the lease.

Section 13 authorizes the Secretary of the Interior to make necessary rules and regulations.

Section 14 provides that each lease shall be conditioned upon the acceptance by the lessee of terms and conditions of the law and the lease, and further provides that nothing in the law shall be construed as interfering with the laws of any State or of the Territory of Alaska relating to the control, appropriation, or distribution of water.

Section 15 repeals all provisions of law in conflict with the provisions of this bill and makes provisions for certain specific cases; also stipulating that nothing in this bill shall be held as preventing the granting of rights of way for irrigation under existing laws and granting in connection therewith a lease under this bill for such electrical power or energy as may be developed or transmitted as incident or subsidiary to the purpose of irrigation.

Section 16 is designed to make it clear that the measure does not apply to navigation dams or structures under the jurisdiction of the Secretary of War or to lands purchased or held in connection with such structures.

It has never been the policy of Congress to pass title to lands valuable for water power permanently to private holders. The first act upon the subject, May 14, 1896 (29 Stat., 120), as well as the existing law of February 15, 1901 (31 Stat., 790), simply authorized the granting of a temporary permit, the latter act expressly providing "That any permission given by the Secretary of the Interior under the provisions of this act may be revoked by him or his successors in his discretion, and shall not be held to confer any right or easement or interest in, to, or over any public land, reservation, or park." It will thus be seen that Congress from the very beginning wisely determined upon and adhered to the policy of retaining control of these valuable resources in the people, though permitting their development and use through private enterprise. The present measure follows the same policy, but substitutes for the present revocable permit a certain tenure, which it is believed will secure the capital essential for the proper development of these valuable sites as rapidly as the public interest may require.

It has been the constant complaint of those who are or might be interested in this line of development that it is impossible to finance large and expensive undertakings upon the basis of a permit revocable in the discretion of the Secretary of the Interior or his successor. It has further been asserted that it is impracticable to obtain capital and improve large power developments unless the terms and conditions under which the development is to be made and operated are known in advance. This measure, as already indicated, meets both of these objections, giving a fixed and certain tenure and providing for the setting out of the terms and conditions in the original lease or permit, no forfeiture of lease to be had except for breach of conditions, and then only through proceedings in the courts.

This measure also contains provisions in the interest of the consumer and of the public generally, looking not only to the present, but to the

future. Where the States have made or shall hereafter make provision for the control of service and of charges for service, and of the issuance of stocks and bonds, that matter is left wholly to them in intrastate development and use. Where development and use occur in a State which has not made such provision, the Federal Government retains control only until the State shall do so. Where the development and use is interstate, or wholly within a Territory, control of these matters is retained by the Federal Government. Of even more vital importance is the provision which permits of the taking over of the property at the end of the 50-year leasehold.

VOCATIONAL EDUCATION.

Mr. SMITH of Georgia. Mr. President, I desire to ask that the amendment of the House on Senate bill 703, the vocational education bill, be laid before the Senate for the purpose of asking that the Senate disagree to the House amendment and request a conference with the House.

The PRESIDING OFFICER. The Senate having heard the request of the Senator from Georgia, are there any observations? [A pause.] The Chair lays the amendment of the House before the Senate.

Mr. TOWNSEND. Mr. President, is there objection to the bill, or any provision of it?

Mr. SMITH of Georgia. Not at all. It is another bill.

Mr. MYERS. I desire to ask if that would have the effect of displacing the unfinished business?

The PRESIDING OFFICER. The Chair answers no. It is merely to appoint a committee of conference, as a matter of course.

Mr. SMITH of Georgia. I just want to get a committee of conference appointed; that is all.

Mr. TOWNSEND. I think I have no objection to that. I want to accommodate the Senator from Georgia.

Mr. SMITH of Georgia. I will wait until to-morrow morning.

Mr. GALLINGER. It is the duty of the Presiding Officer, upon the request of a Senator, to lay down a message from the House.

The PRESIDING OFFICER. The Chair lays before the Senate the amendment of the House of Representatives to the bill (S. 703) to provide for the promotion of vocational education; to provide for cooperation with the States in the promotion of such education in agriculture and the trades and industries; to provide for cooperation with the States in the preparation of teachers of vocational subjects; and to appropriate money and regulate its expenditure.

Mr. SMITH of Georgia. I move that the Senate disagree to the amendment of the House and request a conference with the House on the disagreeing votes of the two Houses thereon, the conferees on the part of the Senate to be appointed by the Chair.

The motion was agreed to, and the Presiding Officer appointed Mr. SMITH of Georgia, Mr. SWANSON, and Mr. PAGE conferees on the part of the Senate.

Mr. SMITH of Georgia. I desire to ask for a print of 500 copies of the House substitute for the vocational education bill. The Senator from Vermont [Mr. PAGE] has called my attention to the fact that there is quite a demand for it, and at his instance, as well as my own, I ask that 500 copies be printed.

Mr. GALLINGER. I think that ought to be done.

The PRESIDING OFFICER. The Senate has heard the request of the Senator from Georgia with respect to the printing of the House substitute. The Chair hears no objection, and it is granted.

WATER-POWER DEVELOPMENT.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 408) to provide for the development of water power and the use of public lands in relation thereto, and for other purposes.

The Secretary resumed the reading of the report, and read as follows:

As has been said many times before, the use of hydroelectric power is just beginning and no one can predict the possibilities and demands of the future. It is vitally important, therefore, that Congress shall adhere to its previous policy and not permit these large and valuable resources of the public lands to pass from the control of the people forever. This measure, while affording tenure to the original developer for a generous and definite period, leave Congress free to act as the then existing conditions shall dictate at the end of the several 50-year periods.

I stated in my reports to your committee dated April 29 and May 23, 1914, that an urgent demand for legislation like that contained in H. R. 408 exists throughout the country. Further investigations during the past summer have confirmed that view, the sentiment among water-power engineers and promoters and among bankers accustomed to financing such enterprises being almost unanimously in favor of some such legislation.

As already set out before your committee, the failure to utilize the water-power resources is an economic waste. Coal, oil, gas, and timber which could be conserved for the future or for use in localities where power is not available are now being consumed in places where inexhaustible water power could be developed. Lands which would produce abundant crops under irrigation lie arid and unproductive because of the failure to develop hydroelectric power, which would pump water to them. The nitrates in the atmosphere, a source of wealth and a means of providing for the rejuvenation of exhausted soils, and of providing an available supply of necessary materials for munitions of war, continue unused because of the lack of cheap and extensive power development. Available capital lies idle because it will not be hazarded upon the revocable permit law. All of these conditions and many others which might be set out justify and call for the enactment of such legislation as you propose.

I therefore recommend that H. R. 408 be enacted at the earliest possible moment.

Cordially, FRANKLIN K. LANE.

Hon. SCOTT FERRIS,
Chairman Committee on the Public Lands,
House of Representatives.

Mr. TOWNSEND. Mr. President, I do not think we ought to proceed further without a quorum. If the Senate desires to adjourn at this point, I will not call for a quorum.

Mr. MARTINE of New Jersey. I trust we will adjourn.

Mr. MYERS. Will the Senator from Michigan yield to me for a moment?

Mr. TOWNSEND. Certainly.

Mr. MYERS. The reading of the reports having been called for, it seems to me that they ought to be finished to-night, so that to-morrow we may take up the discussion of the bill and get to a vote on the amendments.

Mr. THOMAS. It is now nearly 6 o'clock, and I think we should adjourn at that hour.

Mr. MYERS. Let me ask the Senator from Michigan a question. If we adjourn now, will the Senator from Michigan withdraw his request for the further reading of the report?

Mr. TOWNSEND. No.

Mr. MYERS. The Senator sees that practically no Senators have been listening to the reading, and all the reports can be printed in the CONGRESSIONAL RECORD.

Mr. TOWNSEND. It would be exactly the same situation when we get to a discussion of the bill. There will not be any more Senators here when the debate is going on than there is at the reading of the report. I do not think anybody can give us any more light on the subject than the report gives us, and I think the reading ought to be completed.

Mr. MYERS. Of course, debate has got to go on if Senators wish to talk; but it does seem to me, in view of what has transpired this afternoon, when we have seen the reading of these reports listened to by very few Senators, there being only a few present, and very few of those who were present paying any attention to the reading, if we adjourn the Senator ought to be willing to withdraw his request for the reading of the report and let us adjourn until to-morrow and then take up the discussion of the bill and amendments.

Mr. TOWNSEND. Does the Senator from Montana decline to make a motion to adjourn?

Mr. THOMAS. If he does, I will make it.

Mr. MYERS. I will say, before answering that, that I think we ought to finish the reading of the reports to-night, with the understanding that when they are finished we will adjourn. Those who do not wish to listen to the reports may go away, and those who want to listen may stay and listen.

Mr. THOMAS. I wish to remind the Senator from Montana that the hour of 6 o'clock has arrived, and it is very plain we can do no further business to-day. I move that the Senate adjourn.

Mr. WALSH. On that I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a second to the demand? [After a pause.] Only four Senators have seconded the demand.

Mr. THOMAS. I ask for a vote on the motion. If the Senator from Montana wants to suggest the absence of a quorum, of course, he can do so.

Mr. WALSH. When the Senator from Colorado addresses me in that way he makes a very strong appeal. I do not want to do it, but, of course, the obstructive character of the proceedings are obvious to everyone.

The PRESIDING OFFICER. The Chair will have to ask the Senator to withdraw the motion, otherwise the Chair will have to rule that the whole debate is out of order.

Mr. THOMAS. I will not withdraw it.

The PRESIDING OFFICER. As the Chair understands the parliamentary status, the yeas and nays were not ordered.

Mr. WALSH. I asked for the yeas and nays, and I understood that there were 20 Senators in the Chamber and 4 raised their hands. So I have a constitutional right for the yeas and nays.

The PRESIDING OFFICER. The Chair having confused the matter, the Chair now asks if the demand for the yeas and nays is supported. [After a pause.] The Chair counts five as supporting the demand. Does the Senator from Montana differ from the Chair? The Chair recognizes on the other side 18 Senators present on the floor. More than one-fifth of

the Senators present supporting the demand, the roll will be called on the motion of the Senator from Colorado that the Senate adjourn.

The Secretary proceeded to call the roll.

Mr. SAULSBURY (when his name was called). I have a general pair with the junior Senator from Rhode Island [Mr. COLT], and therefore withhold my vote. I desire to be counted for a quorum.

Mr. STONE (when his name was called). I have a general pair with the Senator from Wyoming [Mr. CLARK], and withhold my vote.

Mr. WALSH (when his name was called). I am paired with the Senator from Rhode Island [Mr. LIPPITT]. I transfer that pair to the Senator from Oklahoma [Mr. GORE] and vote "nay."

The roll call was concluded.

Mr. CHAMBERLAIN. I transfer my pair with the junior Senator from Pennsylvania [Mr. OLIVER] to the senior Senator from Texas [Mr. CULBERSON] and vote "nay."

Mr. JOHNSON of Maine. I inquire if the junior Senator from North Dakota [Mr. GRONNA] has voted?

The PRESIDING OFFICER. The Chair is informed that he has not.

Mr. JOHNSON of Maine. I have a pair with that Senator, and therefore withhold my vote.

Mr. MYERS. Has the Senator from Connecticut [Mr. MCLEAN] voted?

The PRESIDING OFFICER. The Chair is informed that he has not.

Mr. MYERS. I have a pair with that Senator, which I transfer to the Senator from New Jersey [Mr. HUGHES] and vote "nay."

Mr. SAULSBURY. I transfer my pair to the Senator from Arizona [Mr. ASHURST] and vote "nay."

Mr. JOHNSON of Maine. I transfer my pair with the junior Senator from North Dakota [Mr. GRONNA] to the Senator from Nebraska [Mr. HITCHCOCK] and vote. I vote "nay."

Mr. JAMES. I transfer the general pair I have with the Senator from Massachusetts [Mr. WEEKS] to the Senator from Maryland [Mr. LEE] and vote "nay."

Mr. WILLIAMS. I have a general pair with the senior Senator from Pennsylvania [Mr. PENROSE]. I transfer that pair to the Senator from Alabama [Mr. BANKHEAD] and vote "yea."

Mr. SMITH of Michigan. It has not been the custom here to observe pairs on a motion to adjourn, but this seems to be an exception. I am paired with the junior Senator from Missouri [Mr. REED], and take the liberty of transferring the pair to the senior Senator from California [Mr. WORKS]. I vote "yea."

Mr. SMITH of South Carolina. I have a general pair with the Senator from South Dakota [Mr. STERLING]. I transfer that pair to the Senator from Virginia [Mr. MARTIN] and vote "nay."

Mr. SHAFROTH. I transfer my pair with the Senator from North Dakota [Mr. MCCUMBER] to the Senator from Ohio [Mr. POMERENE] and vote "yea."

Mr. STONE. I transfer my pair with the Senator from Wyoming [Mr. CLARK] to the Senator from Tennessee [Mr. SHIELDS] and vote "nay."

Mr. GALLINGER (after having voted in the affirmative). Assuming that pairs did not count on motions to adjourn, I voted; but as others have transferred their pairs, I transfer my pair to the junior Senator from Maine [Mr. FERNALD] and allow my vote to stand.

Mr. CHILTON (after having voted in the negative). I had assumed that there was no need of making a transfer of pairs, but I now prefer to make one. I transfer my pair with the Senator from New Mexico [Mr. FALL] to the Senator from Kansas [Mr. THOMPSON] and allow my vote to stand.

Mr. SMITH of Georgia (after having voted in the negative). I should have made a transfer of my pair before voting. I transfer my pair with the senior Senator from Massachusetts [Mr. LODGE] to the junior Senator from Louisiana [Mr. BROUSSARD], and let my vote stand.

Mr. GALLINGER. I have been requested to announce the following pairs:

The Senator from Idaho [Mr. BRADY] with the Senator from Mississippi [Mr. VARDAMAN];

The Senator from New Mexico [Mr. CATRON] with the Senator from Oklahoma [Mr. OWEN];

The Senator from Indiana [Mr. WATSON] with the Senator from Louisiana [Mr. RANSDELL];

The Senator from West Virginia [Mr. GOFF] with the Senator from South Carolina [Mr. TILLMAN];

The Senator from Rhode Island [Mr. LIPPITT] with the Senator from Montana [Mr. WALSH];

The Senator from Pennsylvania [Mr. PENROSE] with the Senator from Mississippi [Mr. WILLIAMS];

The Senator from Wyoming [Mr. WARREN] with the Senator from North Carolina [Mr. OVERMAN]; and

The Senator from Massachusetts [Mr. WEEKS] with the Senator from Kentucky [Mr. JAMES].

The result was announced—yeas 14, nays 20, as follows:

YEAS—14.

Brandegee	Martine, N. J.	Smith, Ariz.	Wadsworth
Cummins	Page	Smith, Mich.	Williams
Gallinger	Poindexter	Thomas	
Jones	Shafroth	Townsend	

NAYS—20.

Chamberlain	Johnson, Me.	Phelan	Smith, Ga.
Chilton	Lea, Tenn.	Pittman	Smith, S. C.
Fletcher	Lewis	Robinson	Stone
Hollis	Myers	Saulsbury	Swanson
James	Newlands	Sheppard	Walsh

NOT VOTING—62.

Ashurst	Fernald	Lippitt	Shields
Bankhead	Goff	Lodge	Simmons
Beckham	Gore	McCumber	Smith, Md.
Borah	Gronna	McLean	Smoot
Brady	Harding	Martin, Va.	Sterling
Broussard	Hardwick	Nelson	Sutherland
Bryan	Hitchcock	Norris	Thompson
Catron	Hughes	O'Gorman	Tillman
Clapp	Husting	Oliver	Underwood
Clark	Johnson, S. Dak.	Overman	Vardaman
Colt	Kenyon	Owen	Warren
Culberson	Kern	Penrose	Watson
Curtis	Kirby	Pomerene	Weeks
Dillingham	La Follette	Ransdell	Works
du Pont	Lane	Reed	
Fall	Lee, Md.	Sherman	

So the Senate refused to adjourn.

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

Mr. GALLINGER. That is what I rose to do.

The PRESIDING OFFICER. The Chair will have to hold that the record discloses the absence of a quorum. He is now also fortified by the suggestion of the absence of a quorum, and the Chair will order a roll call.

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

Chamberlain	Jones	Pittman	Smith, S. C.
Chilton	Lea, Tenn.	Robinson	Stone
Cummins	Lewis	Saulsbury	Swanson
Fletcher	Myers	Shafroth	Thomas
Gallinger	Newlands	Sheppard	Townsend
Hollis	Page	Smith, Ariz.	Walsh
Johnson, Me.	Phelan	Smith, Ga.	Williams

The PRESIDING OFFICER. The roll call discloses the presence of 28 Senators.

Mr. MYERS. I ask that the names of the absent Senators be called.

Mr. THOMAS. I move that the Senate adjourn.

The PRESIDING OFFICER. Pardon the Chair. The Senator from Montana was on his feet. For what purpose does the Senator from Montana rise?

Mr. MYERS. I ask that the names of the absentees be called.

Mr. THOMAS. I have moved that the Senate adjourn.

The PRESIDING OFFICER. A motion to adjourn takes precedence.

Mr. WALSH. Mr. President, a point of order.

The PRESIDING OFFICER. There is a point of order made by the Senator from Montana. He will state it.

Mr. WALSH. No business has been transacted since the last motion to adjourn.

Mr. THOMAS. A motion to adjourn is always in order.

The PRESIDING OFFICER. The Chair is compelled to decide that a roll call is business, a ruling the Chair has never been able to agree with.

Mr. WALSH. I am rather surprised at that ruling of the Chair. I have no recollection about it, because if that is the case, all a filibusterer needs to do is to make motions to adjourn.

Mr. STONE. I would not like to have that ruling go without protest.

Mr. WALSH. Certainly not. I trust the Chair will withdraw his ruling.

The PRESIDING OFFICER. The Chair merely announced that he had heard such a ruling from the Chair, but inasmuch as Senators wished to be heard the Chair was willing to have them heard.

Mr. BORAH. Mr. President——

The PRESIDING OFFICER. The Chair will inform the Senator from Idaho that the call for a quorum is not now considered, and it will be decided by a motion to adjourn, which is now pending.

Mr. BORAH. I thought there was a call for a quorum.

Mr. THOMAS. Mr. President, a parliamentary inquiry. Is not a motion to adjourn always in order?

Mr. SWANSON and others. No.

Mr. THOMAS. My question is addressed to the Chair.

The PRESIDING OFFICER. There is at present a motion to adjourn. Upon that a point of order has been made. That point of order is pending before the Chair. If the Senator from Montana desires to be heard, the Chair is entertaining his desires in that respect. If he is seeking to fortify the Chair or himself by precedents, the Chair calls the attention of the Senator from Montana, as a mere matter of information, to the fact that in connection with the shipping bill he will discover that a ruling was made against the present occupant of the chair. The present occupant of the chair protested then.

Mr. WALSH. I find a precedent, doubtless the one referred to by the Chair. I will read the precedent. It is as follows:

The river and harbor bill being under consideration——

Mr. ROBINSON. Mr. President, I make the point of order that the Senate is not in order.

The PRESIDING OFFICER. A point of order is made by the Senator from Arkansas that the Senate is not in order. The point of order is sustained. The Senate will be in order consistent with its general orderly procedure.

Mr. WALSH. The precedent is as follows:

The river and harbor bill being under consideration,

Mr. CLAPP suggested the absence of a quorum.

Mr. RANSDELL. I make the point of order that there has been no business transacted since we had the last quorum called.

Mr. CLAPP. I understand that there has been a motion to adjourn, and that the motion was acted on.

The PRESIDING OFFICER (Mr. ROBINSON). If the Chair remembers correctly, since the last roll call there has been a motion to adjourn, and if the Chair recalls the precedents correctly, that constitutes intervening business in the meaning of the rule. (See CONGRESSIONAL RECORD, pp. 15355, 15361.)

That is the only precedent that I find; but I am very sure the Senate can not indorse any such precedent as that, and I think the Senator from New Hampshire, who is usually very careful about these matters, would not care to have a precedent of that character established, because it would be simply a matter of a Senator standing up here, making a motion to adjourn, suggesting the absence of a quorum, and continuing that procedure indefinitely. Right in the midst of all our business a Senator might make a motion to adjourn. The motion is lost, a full quorum voting; then a quorum call is made; the call discloses that a quorum is present, and then the same Senator can get up and make a motion to adjourn. The motion is lost. He then again suggests the absence of a quorum, when the roll must be called, and he can simply continue to make quorum calls and motions to adjourn indefinitely. I submit that that is not good sense and it is not reasonable. I scarcely think the Senator from Colorado would care to have that kind of a rule crystallized into a definite practice of the Senate.

Mr. THOMAS. May I ask the Senator a question?

Mr. WALSH. Certainly.

Mr. THOMAS. If the point of order of the Senator is well taken is it not a fact that we must stay here now until we get a quorum before we can adjourn, even though it keeps us here until 12 o'clock to-morrow?

Mr. WALSH. That is my understanding.

Mr. THOMAS. I should dislike very much to see that understanding become the rule of the Senate. If, as a matter of fact, on a motion to adjourn when the roll call discloses no quorum, and then when the absence of a quorum is suggested the roll call still discloses no quorum, we are powerless even to adjourn until we obtain a quorum, it certainly puts the Senate in a more helpless condition than I ever supposed it was, and my opinion of it in that respect has not been very high.

Mr. WALSH. Let me suggest to the Senator——

Mr. THOMAS. If the Senator will pardon me, my reading of the precedent is that the motion to adjourn is the only business which can be transacted in the absence of a quorum except measures to obtain a quorum. I do not think the Senator will make very much progress with the bill if we have to stay here and wait for a voting quorum at this hour of the evening and attempt to go ahead with this matter in that way. I do not think so, although I may be mistaken.

Mr. WALSH. I want to say to the Senator from Colorado that I think he is mistaken in that. The Senate is not helpless at all. It has the power to compel the attendance of absent Senators and to get a quorum here.

So far as the present status of the measure under consideration is concerned we have progressed about one-third with the reading of the voluminous report and views of the minority, and it will take us three days at the present rate of progress to get through reading the entire document. Now, I ask my associates here whether we had better go on and finish the reading of the report and let those who want to go home go home, or whether we had better allow this kind of thing to go on?

The PRESIDING OFFICER. The Chair is indulging the discussion upon the theory that the debate is taking place on the point of order, and not on the motion to adjourn.

Mr. THOMAS. Mr. President, I do not care to address the Senate unless I am in order, but I do not think that anything is before the Senate, not even the point of order. I think that we must either adjourn or attempt to secure a quorum, and I believe we can adjourn; but if the Senate thinks to the contrary, let us go ahead and see if we can get a quorum.

Mr. SAULSBURY. Mr. President, I desire to say that, in my judgment, which may not be worth very much, a motion to adjourn is in order at this time. The absence of a quorum was developed on the roll call, no matter what roll call that was, and then the point of no quorum was suggested, which was entirely unnecessary, because it was the duty of the Chair to order the roll to be called. Certainly, when a call discloses no quorum, a motion to adjourn is then in order, no matter on what question the absence of a quorum may have been disclosed. I think that is clearly the rule of the Senate.

Mr. STONE. Does the Senator hold that on a roll call on a motion to adjourn, which discloses the absence of a quorum, immediately, without any intervening business, another motion to adjourn can be made?

Mr. SAULSBURY. Under the circumstances that have existed in the Senate on this motion, I think a motion to adjourn may be made.

Mr. STONE. I do not know about the circumstances here being any different from those which occur frequently. The point is, that when a motion to adjourn is made and it develops the lack of a quorum, immediately another motion——

Mr. SAULSBURY. No; the Senator misunderstood me. Not under all circumstances, but certainly less than a quorum can adjourn at any time. A roll call on that question would be conclusive, and should be announced by the Chair; but under these circumstances there was a motion to adjourn after the absence of a quorum had been disclosed.

Mr. STONE. Mr. President, it seems to me that if it were possible to pile one motion to adjourn right on top of another ad infinitum we never could get a quorum. A Senator could keep moving to adjourn and could conduct a filibuster without limit as to time. I think some business ought to intervene. There was something here that might be called business. There was a motion, as I recall, to call the roll.

Mr. WILLIAMS. Of absentees.

Mr. STONE. Well, to call the roll; and after the Presiding Officer had said there were so many votes "aye" and so many "no," which disclosed the lack of a quorum, some Senator said that he demanded a roll call with a view of producing a quorum, and the roll was called. Still no quorum was developed. If that is intervening business, possibly the motion to adjourn could be repeated.

We have been over this thing so often that I do not care to debate it again now; but I do wish that the Senator in charge of this bill, in view of this situation and not having given notice of the intention to protract the session unduly or beyond what is customary, would consent to request of the Senate that all further calls be dispensed with and that he would make a motion to adjourn.

Mr. MYERS. Mr. President, if the motion of the Senator from Colorado [Mr. THOMAS] to adjourn is not in order, a motion by me to adjourn would not be in order.

Mr. GALLINGER. Mr. President, a motion to adjourn is not debatable; and I trust the Chair will rule on the matter.

The PRESIDING OFFICER. The point presented by the Senator from New Hampshire, that the motion to adjourn is not debatable, is conceded; but the Chair calls attention to the fact that there was a point of order against his ruling, and that the proceedings have been on the discussion of the point of order. If the point of order is abandoned, then the question before the Senate is the motion to adjourn; but the junior Senator from Montana [Mr. WALSH] desired to present to the Chair some precedents to offset that which the Chair had called to his attention, and the Chair is waiting for that order of business.

Mr. GALLINGER. Did the Chair make a ruling?

The PRESIDING OFFICER. The Chair called the attention of the Senator from Montana to the fact that there had been a ruling, which held that the call of the roll in the meantime was intervening business; and the Senator from Montana desired to bring to the Chair's attention that such a ruling really did not

apply under the present circumstances, and it was upon that that the Chair was waiting for the Senator from Montana to be heard.

Mr. GALLINGER. The Chair did not, then, in his own person make a ruling?

The PRESIDING OFFICER. The Chair announced practically that he was bound by the precedent and stated the precedent, and then waited for any dissent that the Senate might indicate to that position. The Senator from Montana desired to be heard, and the Chair is waiting for him.

Mr. WALSH. Mr. President, considering that it would be extremely unfortunate if any such precedent were established here, and yielding to the suggestion of the Senator from Missouri [Mr. STONE], I ask unanimous consent that the Senate now adjourn.

The PRESIDING OFFICER. Does the Senator make that motion?

Mr. WALSH. No; I ask unanimous consent.

The PRESIDING OFFICER. The Senator from Montana asks unanimous consent that the Senate now adjourn.

Mr. THOMAS. I do not care how we accomplish the purpose so long as we adjourn.

The PRESIDING OFFICER. Is there objection? The Chair hears none.

Thereupon (at 6 o'clock and 30 minutes p. m.) the Senate adjourned until to-morrow, Friday, January 12, 1917, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES.

THURSDAY, *January 11, 1917.*

The House met at 11 o'clock a. m.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

Our Father in Heaven, we pray for increased faith and confidence in the overruling of Thy providence in the affairs of men that we may meet the conditions of life with a full determination to overcome all barriers and press toward the mark of the high calling of God in Christ Jesus, assured that every well-directed effort conscientiously pursued shall bring to us the "Well done, good and faithful servant, enter thou into the joy of thy Lord"; and all praise be Thine now and evermore. Amen.

The Journal of the proceedings of yesterday was read and approved.

EXTENSION OF REMARKS.

Mr. MILLER of Delaware. Mr. Speaker——

The SPEAKER. For what purpose does the gentleman from Delaware rise?

Mr. MILLER of Delaware. Mr. Speaker, I rise for the purpose of asking unanimous consent to insert some remarks in the RECORD on the work of the Children's Bureau.

The SPEAKER. The gentleman from Delaware asks unanimous consent to extend his remarks by inserting some matter touching the Children's Bureau. Is there objection? [After a pause.] The Chair hears none.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Waldorf, its enrolling clerk, announced that the Senate had passed with amendments bill of the following title, in which the concurrence of the House of Representatives was requested:

H. R. 19300. An act making appropriations for the Diplomatic and Consular Service for the fiscal year ending June 30, 1918.

The message also announced that the Senate had passed without amendment bills of the following titles:

H. R. 1093. An act for the relief of James Anderson; and

H. R. 10007. An act for the relief of William H. Woods.

The message also announced that the Senate had passed bill and joint resolution of the following titles, in which the concurrence of the House of Representatives was requested:

S. 6807. An act fixing and establishing a boundary line between the property of the United States of America on Salmon Bay, State of Washington, and the property of the Betterton-Morgan Co. (Inc.), a corporation, giving authority and providing for the conveyance of property in connection therewith, and for other purposes; and

S. J. Res. 194. Joint resolution providing for the filling of a vacancy which will occur March 1, 1917, in the Board of Regents of the Smithsonian Institution, of the class other than Members of Congress.

POST OFFICE APPROPRIATION BILL.

Mr. MOON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 19410) making appropriations for the service of the Post Office Department for the fiscal year ending June 30, 1918, and for other purposes.

Mr. STEENERSON. Mr. Speaker, I hope the gentleman will withhold his motion for a minute to see whether, pending that motion, we can make some agreement as to time.

Mr. MOON. Well, I offered an agreement day before yesterday as to time—three hours to a side.

Mr. STEENERSON. It is perfectly satisfactory.

Mr. MOON. I then agreed to yield one hour of my three hours to your folks in opposition to the bill, but it was not agreed to. I am still willing to grant anything reasonable.

Mr. STEENERSON. Of course, I did not understand that that amount yielded was to be used by my side. I want half the time.

Mr. MOON. I yielded one hour of my time to opposition to the bill day before yesterday. I am ready to agree to any reasonable time necessary.

Mr. STEENERSON. I had Members on the Republican side opposed to the same item, and I did not see——

Mr. MOON. I did not intend that all the time I proposed to yield should be used by Democrats any more than Republicans, but the men opposed to the bill.

Mr. STEENERSON. However that may be, that is not an important item, in my estimation. There are other items I would like in general debate to discuss; in fact, I would like to discuss the whole bill.

Mr. MOON. I agree with the gentleman that that is not an important item at all, and in view of the existing law there is really nothing in that discussion.

Mr. STEENERSON. No; there is nothing in it.

Mr. MANN. Well, is there any objection in agreeing that the gentleman from Minnesota shall have control of three hours?

Mr. MOON. Suppose we make it four hours—two hours to a side?

Mr. STEENERSON. Make it two hours and a half to a side.

Mr. MOON. Well, I am willing to do that.

The SPEAKER. Has anybody a request to make or not?

Mr. MOON. Mr. Speaker, in view of the suggestion from the gentleman from Minnesota, I ask unanimous consent that general debate be limited to five hours—two and a half hours to a side—half of the time to be controlled by the chairman of the committee and the other half by the gentleman from Minnesota [Mr. STEENERSON].

The SPEAKER. That is for the whole bill?

Mr. MOON. Yes.

Mr. COX. Mr. Speaker, reserving the right to object, I would like to know if I can get some time out of that two and a half hours?

Mr. MOON. If the gentleman wants to object to the agreement, he can get a whole hour; that is more than I can give him.

Mr. COX. I do not want to object to the agreement, but I think I have a right to make that inquiry. I am a member of the committee.

Mr. MOON. Any member of the committee of the House can get my time; I do not care to take a minute. The gentleman can have every minute. I want to get this bill through with as little debate as possible.

Mr. COX. I did not want to insult the gentleman, and I am simply trying to preserve my rights.

Mr. MOON. I will yield the gentleman all the time I can, but I can not tell how much time now. If there is nobody else wants to speak, I will yield him the two hours and a half.

Mr. COX. I do not want two hours and a half. I do not want to exceed one hour at the most. If I can get that, I am perfectly well satisfied.

Mr. MOON. I will not agree to any particular time if I am to control the time in debate. If you give me the two hours and a half, all right; if not, then the debate is unlimited.

The SPEAKER. The gentleman from Tennessee asks unanimous consent that general debate shall not exceed five hours, half the time to be controlled by himself and half by the gentleman from Minnesota [Mr. STEENERSON]. Is there objection? [After a pause.] The Chair hears none. The question is on agreeing to the motion to go into the Committee of the Whole House on the state of the Union.

The question was taken, and 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 further con-

sideration of the bill H. R. 19410, the Post Office appropriation bill, with Mr. CRISP in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 19410, the title of which the Clerk will report.

The Clerk read as follows:

A bill (H. R. 19410) making appropriation for the service of the Post Office Department for the fiscal year ending June 30, 1918, and for other purposes.

The CHAIRMAN. By order of the House general debate on this bill is limited to five hours, two and a half hours to be controlled by the chairman of the committee and two and a half hours by the gentleman from Minnesota [Mr. STEENERSON]. Does the gentleman from Tennessee desire to use any time?

Mr. MOON. How much time does the gentleman from Indiana want?

Mr. COX. Wait a little.

Mr. MOON. I am ready to go to the bill under the five-minute rule, unless somebody wants to go on with a speech.

Mr. COX. Can not the gentleman wait until the other side——

Mr. MOON. If the gentleman from Minnesota wishes to use time, I have no objection.

Mr. STEENERSON. I was engaged, and I did not listen to what the gentleman said.

Mr. MOON. I said that the chairman of the committee would yield time to the gentleman from Indiana, if he wanted it. The gentleman from Indiana prefers that the gentleman from Minnesota go ahead and use some time, if he desires it.

Mr. STEENERSON. Of course it is customary for the majority to use the time, but I am ready to use some of it in view of the fact that a discussion of the pneumatic tubes occurred day before yesterday, and I will yield 20 minutes to the gentleman from Pennsylvania [Mr. MOORE].

The CHAIRMAN. The gentleman from Pennsylvania [Mr. MOORE] is recognized for 20 minutes.

Mr. MOORE of Pennsylvania. Mr. Chairman, the decision of the Committee on the Post Office and Post Roads to rule out the pneumatic-tube service in the United States, with the exception of certain portions of it in the city of New York, has aroused tremendous opposition on the part of the business interests of the country. I assume that the Postal Department was established in the interest of the people and that the wishes of the people ought to be respected with reference to the continuance of any part of it that has proved efficient and worth while and that has tended to develop and increase the service. The pneumatic tube was established originally in Philadelphia in 1893. A tube with a 5-inch cylinder was installed between what is known as the Bourse substation and the main post office. This was during the administration of Postmaster General Wanamaker; and while no rental was at first charged during the experimental stages, subsequently a rental of $3,000 per annum was agreed upon, and I believe that was afterwards raised to $4,000. For 23 years the Government encouraged the operation of the tubes, and the service was extended from this less than a mile of underground service in Philadelphia until it was introduced in at least six of the large cities of the United States. So far as Philadelphia, which I am discussing in particular, was concerned, the service was extended until under the streets in congested districts we had about 10 miles of underground service. By reason of the development of the service, the cost of construction and operation, and the necessary consultations and adjustments that must have been had as between the department and the operators of the tubes, terms were finally agreed upon by which an annual rental of $17,000 per mile was agreed upon in the contracts. That $17,000 per mile is what is being paid now, and it is what the Government objects to paying—that is to say it is what the present administration objects to paying—for until the present administration there has been no disposition to abolish the pneumatic-tube service. The present administration has opposed the service, and methods have been employed by it which some business men regard as somewhat reprehensible, since the effort seems to be to get rid of those whom the Government induced to go into the pneumatic-tube business. This is supported by the reports of various commissions that have been appointed from time to time by authority of law for the purpose of looking into, investigating, and reporting upon the pneumatic-tube service as it has developed. Most of these commissions, in fact all of them, reported favorably to the operation of the tubes.

Mr. COX. Will the gentleman yield?

Mr. MOORE of Pennsylvania. I will.

Mr. COX. Now, I am sure the gentleman wants to be right in his statement. He does not want to accuse this administration of being the sole administration that opposed it. Does not the gentleman know that in 1901 there was a postal commission appointed to investigate the pneumatic-tube proposition, composed of Edward O. Wolcott, W. B. Allison, Thomas S. Martin, E. F. Loud, W. H. Moody, T. C. Catchings, and William H. Fleming, and after exhaustive investigation and hearings for weeks and months they reported against the further establishment of these tubes. And that was under a Republican administration.

Mr. MOORE of Pennsylvania. I answer the gentleman by quoting from an official report, or so much as I am able to quote in my time, showing, as I contend, that Congress and the Government have encouraged the use of these tubes from the beginning, and that will answer the gentleman's question with regard to the commissions which from time to time have been appointed. I will quote a commission which was headed by the Hon. HOKE SMITH, of Georgia, in favor of the pneumatic tubes.

Mr. COX. That was gotten up for a different purpose. It was a congressional committee gotten up for the sole purpose of seeing whether the Government should buy these tubes.

Mr. MOORE of Pennsylvania. And it reported favorably. I will quote from this official report, which I think will fully justify the statement that I have made that the Government from the beginning has encouraged the operation and the increased use of these pneumatic tubes. They were established in 1893, as I have indicated. It was a voluntary proposition originally, but it was encouraged by the Postmaster General of the United States. That Postmaster General is now a private citizen, but he still stands for the operation of the tubes in large cities, believing, as a business man, that they are of tremendous service to the country particularly with regard to the movement of mails in congested districts.

I have not the time to quote all the laws justifying the tube service, but in 1901 the Postmaster General made a report to Congress as directed—and I do not know whether this is the report the gentleman refers to or not—giving the results of an investigation of the pneumatic-tube service by local postal officials, this being revised by a general committee of postal officials, and this was officially passed upon by a commission of seven experts outside of the Postal Service, representative men of high engineering ability. They presented a number of conclusions, amongst which the following was most important:

They found the new method of mail transportation to be a valuable and mechanically successfully system, practically adapted in an admirable manner to the purposes of the Post Office Department and of great advantage to the business interests of the country in facilitating mail transmission.

I can not take time now to read the further conclusions of this commission. That was in 1901. Whether the gentleman is in error about his statement or not I do not know, but there was a commission that reported in 1901 that was wholly in favor of the pneumatic tube as a commercial proposition and as a distinct advantage to the Postal Service.

In 1902 the Post Office appropriation bill, approved April 21, provided for the transmission of mail by a pneumatic tube or other similar device, $500,000. I will not go further into that, for want of time, but that was a bid for a continuance of the service, coming from and with the authority of the Government itself. In 1903, during the fiscal year, the pneumatic-tube service was resumed in Boston, New York, and Philadelphia, extended so that on June 30, 1903, there was an aggregate in the three cities in operation of 12,495 miles. The Government approved of the extension and connived at it, whether it directly authorized it, in the opinion of the gentleman, or not.

The appropriation bill of 1904 carried an appropriation for the transmission of mail by pneumatic tube and other similar devices of $500,000. In 1905, on October 4, a commission of three expert postal officials, appointed by a Postmaster General's order of November 15, 1904, to carefully investigate the needs and advisability of extending the pneumatic-tube service, submitted a report, and they recommended an extension of the pneumatic-tube service so that it might be used at Baltimore, Boston, Brooklyn, Chicago, Cincinnati, Kansas City, New York, Philadelphia, Pittsburgh, St. Louis, and San Francisco. Here was a commission of the Government, authorized in due form, which recommended an extension of the service from the cities which already enjoyed it to other cities.

It did not recommend Government ownership and control of the service, or Government construction; but it did recommend that the Government advertise for proposals to induce men who had money saved up to invest their money in this pneumatic-tube business. It did go out and seek for men who had the means to come in and employ their capital for the benefit of the Government of the United States, and it did induce them—and it did, in every year thereafter up to the present administration, continue to induce them—to enter into the business of

constructing pneumatic tubes for the benefit and advantage of the Government of the United States.

I can not go very extensively into this, but the quotations are numerous from the laws themselves, from 1893 and 1894 down to the present time, justifying the extension of the pneumatic-tube service at the instance of Government officials and of the Congress itself. Now, we of this House are put in the peculiar position to-day of repudiating the acts of Congress with respect to the construction of pneumatic tubes. We are put in the position of doing what unfortunately has been the habit, the legislative habit, of some of the States of this Union, of inviting the saving funds or the capitalists of the country to invest their savings in the construction of railroads and other great public works in States other than the State of the origin of the money, and then by a law passed within the State closing the lion's mouth on the cash in hand and telling the investor to look to the heavens for relief. We are put in the position to-day of confiscating the proceeds of the men and the women who have been induced by the advertisement of the United States, by the influence of the departments of the United States, and by act of Congress itself, to invest their money in good faith in what is substantially a Government enterprise.

I started to say that this opposition had not begun, certainly had not taken such form as to mean confiscation, until the advent of the present administration in the Post Office Department.

Now, I hope that no one will assume that I am personal in this matter, because I have a high personal regard for the Postmaster General. But I question whether the Postmaster General of the United States, good citizen that he is and splendid fellow, but a clever politician withal, would have permitted this green-backed book, entitled "Pneumatic Tube Service," to have gotten out of his possession, so that it might have been read by the business men in the great cities of the United States prior to November 7 last, when the contents of it might have affected the election of a President. I question whether he would have permitted that document, made up by a special committee of his own choosing, employees of his own department, charged apparently to bring in a report in consonance with the wishes of the department—I question whether he would have let that get out of his hands. He had a chance to let it out if he wanted the public to have it, because the report was handed to him October 13, 1916.

What are the facts with respect to this report, this pneumatic-tube service report, which was not in the hands even of the Committee on the Post Office and Post Roads until a few days before the people got wise to the fact that the pneumatic tubes were to be abolished if the Postmaster General had his way? The report, I say, was not even in the hands of the committee until two or three days before the committee decided to give hearings to the people who wanted to protest against a sudden destruction of public property and the confiscation of private rights.

I personally sought a copy of this report, because the people of my city were anxious to know what this commission had reported. It was known by rumor that the commission of the Postmaster General had reported, but no man outside of the department had knowledge of what that report contained, at least not to the extent that it got to the ears of the public in any way. I say I undertook to get a copy of that report, and was able to obtain it only by the favor of a member or members of the committee, one or more, let us say, who kindly permitted me to look it over a day or two before it was decided that the public might be heard in opposition to it. It was declared to the committee that no man interested in the continuance of the pneumatic-tube service was able to obtain a copy of that report, in volume more than 200 pages of fine print, until the hearings were on and the committee was actually sitting upon the protests.

I sent to the Postmaster General's Office on December 13 for a copy of that report. The hearings had begun on December 11. The committee was in actual session and was hearing witnesses. But on December 14 my messenger reported that the chief clerk's office in the Post Office Department said that the report was then in the hands of the First Assistant Postmaster General, although it had originated in the office of the Second Assistant Postmaster General, and this was two days after the hearings had begun. My assistant went to the office of the First Assistant Postmaster General, where the information was that the office had but one copy for its own files; that it was printed for the use of members of the House committee and not as a document, and the only way possible to obtain it would be by borrowing it from a member of the committee. The public had little or no opportunity of confuting that report.

Here is the report, printed at Government expense, more than 200 pages of it, recommending the destruction of many millions of dollars' worth of capital actually invested, and it was not to be had, because there was only one copy of it in the office of the First Assistant Postmaster General two days after the hearings had begun. My assistant called at the office of the Second Assistant Postmaster General, where the information was that they had no copies, and the last report of the kind to their knowledge was Senate Document No. 15, dated October 24, 1904, which they gave to my assistant, and that was the report of the commission headed by the Hon. HOKE SMITH, which reported wholly in favor of the retention of the tubes. That report was the one of which everyone had knowledge, and it was wholly favorable, and it was the last official information upon which the proponents of the tube had to rely. Then inquiry was made of the sales department, superintendent of documents room, Government Printing Office, and the reply was that it had no knowledge of the report. Then my assistant went to the superintendent of work of the Government Printing Office, whose subordinates, after searching, found one copy which, they stated, was the last available copy, and they said they would "be glad to give it to Mr. MOORE." That copy was received.

Mr. COX. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman from Pennsylvania yield to the gentleman from Indiana?

Mr. MOORE of Pennsylvania. I will, if the gentleman will give me time.

Mr. COX. I have no time to give.

Mr. MOORE of Pennsylvania. There was some criticism of the report before the committee. The chairman was frank about it. He indicated that the report could be had at the Postmaster General's office. I have indicated how difficult it was to obtain a copy; and yet, as a Member of Congress, I was seeking a report contemplating the destruction of a vast business, which, taken along with the committee hearings then going on, seemed to be in the nature of a decree of execution.

But the Postmaster General came along all right after the hearings. On the 19th of December, five or six days after the hearings were closed, every Member of Congress, I assume, received a very civil and courteous letter from the Postmaster General transmitting a copy of the report.

Now, if that is fair play, I hope there will be no more of it. If this is the method by which men inveigled into investing their money in an enterprise for the public good are to have their money swallowed up by the sudden decree by one or more officials of the Government, perhaps Congress ought to be fully advised so that hereafter Congress will not pass laws inviting men to go into a reputable business to help the Government and then deliberately close the door against the investment they have made.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. MOORE of Pennsylvania. Will the gentleman from Minnesota yield me 10 minutes more?

Mr. STEENERSON. I will yield the gentleman 5 minutes more, and that is the absolute limit.

Mr. MOORE of Pennsylvania. The question of economy has been raised. The service at Philadelphia costs about $170,000 a year. More than a million dollars is actually invested in this enterprise, employing many men and involving the machinery and overhead that would do credit to any great engineering establishment. In one fell swoop that business is to be taken away. These tubes are to be closed. That plant is to be destroyed; the men are to be discharged; and that is economy!

Well, while we are complaining that the pneumatic tubes may have increased in rental charges from $3,000 per annum in 1893 to $17,000 per annum per mile now, let us not forget another interesting fact. This very Post Office bill proposes an increase in the number of rural letter carriers, even beyond the estimate of the department, so that instead of appropriating $49,000,000 for the Rural Letter Carrier Service this year, which is the estimate of the department, the Congress shall appropriate $4,000,000 more, or $53,000,000 for that service.

Oh, my friends, if there is anything extravagant in giving this great service to the cities and the country—and I can prove, if I had time, that the country is most interested in getting mail swiftly—if we are complaining of an increased rental to $17,000 per mile per annum in the city tube service, what are we to say of the increase of the Free Rural Delivery Service from $40,000 per annum in 1897, four years after the pneumatic-tube service was installed at $3,000 per mile—from $40,000 per annum to $53,000,000? It looks as if this committee or this department was saving at the spigot and wasting at the bunghole.

Mr. SMITH of Michigan. The traffic is greatly increased.

Mr. MOORE of Pennsylvania. The testimony of the business men of my city, handicapped as they were for information about what they were to meet, handicapped as to the contents of this report—the testimony of these gentlemen was that the abandonment of these tubes would be a positive step backward; that it would increase the congestion of traffic in the highways of the great cities, lessen the ability of the carriers to get the mail to the business men and from the business men to their customers in the country, and that generally, so far as the congestion centers are concerned, it would increase the danger of loss of life and limb.

The business of the pneumatic-tube cities, as I am informed, as the result of the findings of the Hughes Commission, constitutes 25 per cent of the total revenue of the Post Office Department from all classes of mail; 74.86 per cent of all this revenue from the six cities referred to, amounting to $56,000,000, is letter mail; and the tubes handle 70 per cent, or $39,200,000 worth of that letter mail. The tubes advance beyond the ordinary method of carriage 21.7 of all letter mail handled, or $8,500,000 worth of mail.

Now, apart from the question of confiscation, which a failure to continue these tubes must raise, is the question of the ability of the farmer to communicate with the merchant of the city with respect to things he has to sell, and that is a——

The CHAIRMAN. The time of the gentleman from Pennsylvania has again expired.

Mr. MOORE of Pennsylvania. Mr. Chairman, under the five-minute rule I shall hope to refer to some of the testimony before the Post Office and Post Roads Committee by business men who were called very suddenly to protect what they believed to be the public interest in these underground tubes. The committee hearings cover nearly 400 pages and, while printed, are of course very difficult to absorb at this time. Since some of the gentlemen proposing the destruction of the tubes seem to regard them as beneficial only to the city in which they happen to be, I submit this very brief abstract from the statement of Mr. A. B. Clemmer, secretary of the Commercial Exchange of Philadelphia. The chairman of the committee having questioned Mr. Clemmer about the size of the tubes, that gentleman said:

COMMERCIAL EXCHANGE VIEW.

I am more particularly concerned about the business end of it, which I represent. As I said before, the grain members of our exchange did a business of upward of $100,000,000 last year.

However, the leading banks in Philadelphia, and the steamship lines, railroad companies, and provision merchants are also members of our exchange, and if we should figure their business in the total amount or volume of business done it would, of course, necessarily run into hundreds of millions of dollars instead of $100,000,000 worth of business which the grain men did. I want to say that, as far as the grain men are located in the Bourse Building, the members of the commercial exchange who did a business of upward of $100,000,000 last year, 75 per cent or possibly 80 per cent of that business was done through the tube—as far as the Postal Service was concerned.

* * * * * * *

I know the mail matter of the grain merchants is principally first-class mail matter. A great deal of the business done by the grain merchants is done in the States of Pennsylvania, New Jersey, Maryland, and extending into New England, as well as New York State; and I am here to plead for the interests of the business men of Philadelphia as well as of those States and the farmers therein.

A great deal of our grain is brought, a good portion of it at least, from the States of Delaware and Maryland, and the method in which that is done I would like to explain briefly: Our market closes at 2.15 p. m. daily, except Saturday. Immediately after the close of the market the grain buyer figures to find out how much he can pay for grain up until the opening of the next day's market. As soon as he has figured the prices he is able to pay he gets up a postal-card bid, and he is obliged to get that to Broad Street Station by 3 o'clock. The train reaching the most important grain-selling sections of those States leaves at 3 o'clock from Broad Street Station, and it is absolutely necessary to get the postal bids to Broad Street Station by 3 o'clock in order to meet that train; that is the last train to those sections leaving that day. Most of those sections have only two local trains, one in the morning and one in the afternoon. It is absolutely necessary that the farmer in any of those States receive the bids either that evening or not later than the first thing next morning in order that he may send in his acceptance of the bid by wire next morning to the Philadelphia buyer on or before 10.30 o'clock, the opening of the market, because the bid is not good any longer than that, owing to the possible changes in the market.

The CHAIRMAN. What market is that you are referring to? Is it the general city market or the exchange market?

Mr. CLEMMER. The Philadelphia Exchange market. Now, if the afternoon train should not get that mail, so that it would have to go next morning, it would reach the farmer in Delaware or Maryland entirely too late to be of any use, for the next morning's train will get down there about noon.

The CHAIRMAN. Is there anything to prevent you from getting this mail to the station by automobile?

Mr. CLEMMER. Well, you will notice that the time between the closing of the market, 2.15 in the afternoon, and the departure of the train, at 3 o'clock, is very short.

The CHAIRMAN. Well, is there any difficulty in Philadelphia due to the streets being congested, as in other places?

Mr. CLEMMER. There certainly is. If you will notice, the merchant, in the first place, has to have a little time to figure up his prices after the market closes. We have only three-quarters of an hour, 45 minutes, between the closing of the market and the time of the departure of the train for the merchant to make up his prices, get his postal card printed, and those postal cards to the substation in the Bourse Building, and have it transmitted from there to Broad Street Station. All that has got to be done in 45 minutes.

The CHAIRMAN. Would it not be satisfactory to you if an arrangement was made by the Government by which you would get a better service than you now get, and at less cost to the Government?

Mr. CLEMMER. We want the best service we can possibly get. But we are perfectly satisfied now.

EFFECT ON THE CLEARING HOUSE.

This testimony was supplemented by Mr. J. Allen Thompson, representing the Philadelphia Clearing House Association, who showed the relationship of the country banks throughout the United States to the pneumatic-tube service in a great city. This statement, in part, was as follows:

Mr. THOMPSON. Mr. Chairman and gentlemen of the committee, in speaking for the clearing house association in Philadelphia, the great inconvenience and loss to the business interests of the city caused by the discontinuance of the pneumatic-tube service, without the substitution of some like service, can best be appreciated by some figures which I will give you.

The clearing house is the pulse of the business of the city. As the clearings increase or decrease the trade increases or decreases. The Philadelphia Clearing House has never enacted the rule of exchange on country items—that is, checks coming from Maine, from San Francisco, or from Canada, down to the Gulf. These banks are cleared through the Philadelphia Clearing House at par, in consequence of which we handle more items—that is, the city of Philadelphia handles more items of country checks than any city in the Union, with one exception.

Mr. COX. Without any charge?

Mr. THOMPSON. Without any charge. The increase in the business of Philadelphia in the last few years I will give you by reports from the clearing-house association.

In 1914 the clearings for the year were upward of $7,000,000,000, or $26,000,000 daily; in 1915 upward of $8,000,000,000, or $29,000,000 daily. In 11 months in 1916 it amounted to $11,000,000,000; that is an increase of $4,000,000,000 between 1914 and 11 months in 1916.

The clearing house is composed, or the members are composed, of 28 banks and 7 trust companies. The total reserve from these is $828,000,000, but the banks that I will speak of most particularly are those right around the Bourse Station. We have there 12 banks, and the report of the comptroller of November 17, 1915, shows a capital of upward of $14,000,000, a surplus of $30,000,000, and deposits of $352,000,000. I am taking the banks only, not the trust companies, because the banks are the ones that handle the items throughout the country.

Mr. MADDEN. The trust companies are not in the clearing house?

Mr. THOMPSON. Some of them are in the clearing house, but they dump most of that into the national banks. The average number of these cash items forwarded each day from these 12 banks is 181,399, or a total of fifty-four million four hundred and some odd thousand per annum, and amount in money value to $7,618,733,284, upon which a postage amounting to $109,458 annually is paid. The value of the tube service to the banking interests using this station is a saving of from 30 to 35 minutes. By experience we learn, when we want to send a letter to New York, to get it off on a train which leaves at 11 o'clock—the closing hour at the Bourse Station is an hour before the train leaves.

Mr. MADDEN. The ordinary movement?

Mr. THOMPSON. The ordinary movement; yes, sir.

Mr. MOORE. Just explain where the Bourse Station is. That is the central business station and the eastern terminus of the pneumatic tube?

Mr. THOMPSON. Yes.

Mr. MADDEN. The Bourse Station is the exchange?

Mr. THOMPSON. That is right over on Fourth Street, between Market and Chestnut.

Mr. MOORE. It is in a very central business section?

Mr. THOMPSON. Yes, sir. These banks I am speaking of are all, with few exceptions, within not over five minutes of that station. Most of them are within three minutes of the station. Now, when we have endeavored to forward letters by special delivery to New York by that train which leaves at 11 o'clock we have sent them over to the Bourse Station and they have not arrived at their destination. This was some years ago, and we made an investigation and we found that our envelopes were too large for the tube.

Mr. MADDEN. What is the size of the tube?

Mr. THOMPSON. I do not know. I know nothing about the tube system. I only know the result, and I handle the mail in the bank, and every complaint is turned over to me.

The CHAIRMAN. You adjusted the envelope to the tube?

Mr. THOMPSON. We adjusted the envelope to the tube.

The CHAIRMAN. It is about a 6 or 8 inch tube?

Mrfi THOMPSON. I am only giving you the evidence as I have run up against it myself in transmitting mail. There were several of these instances I have mentioned where the mail did not get through in time. On investigation I found it was on account of the envelopes being too large to fit the tubes. Since then we have made the envelopes fit the tubes, and they have had very little trouble.

The delay in the delivery of this mail to the New York banks would cost the different banks and different people throughout the country a great many thousands of dollars in loss of interest, so that it is a matter of great importance that these letters are got through to their destination.

We are so situated that unless the tube is used they are sent by wagon, and the wagons close, as I understand it, on the hour or half hour, and we are receiving items all day for every section of the country, and we have to know the time that a letter should leave Philadelphia to arrive in Chicago at the opening of the clearing house, in St. Louis, and for all the large cities through the country. We have to know that; and, secondly, we hold our letter until the very last minute, until everything can be put into it to be sent to these cities. For the lack of some like device, then, we are delayed. If we miss the half past 9, half past 10, or half past 11 item, we lose the mail.

There is also another case that I had very strongly brought before me, and that is the trains leaving the North Philadelphia Station. The North Philadelphia Station is some 36 squares away from the central banking district. There I had occasion to want to send some

letters, and called at the post office. They said it closed at the Bourse at 3 o'clock Well, it was 10 minutes after 3, and there was only one thing to do, to send one of our messengers up there, taking an hour and a half to go up and costing 15 cents in car fare; but if we had been advised and if we had known, as we have since learned, that the tube would have taken it, we could have delivered it at the post office in the Bourse Station at 4 o'clock. The train leaves at 4.37. We dispatched the man about 10 minutes after 3, as there was no other way of getting it there.

Now, the other banking houses in the city are located around the main station, and of that I can not say so much, except that they are forwarding a proportionate amount of mail all day long.

Mr. MOORE. With the indulgence of the committee, before you close, since you have given some very staggering figures about the business done by the Philadelphia Clearing House, I would like you to explain where that business originates. It is not all Philadelphia or Pennsylvania business? Where does it come from?

Mr. THOMPSON. From Maine; San Francisco, Cal.; and from Canada to the Lakes.

Mr. MOORE. You are dealing with all the cities of the Union?

Mr. THOMPSON. We are dealing with all the cities of the Union; yes.

Mr. MOORE. What proportion of outside business is there—about what percentage of the business is outside business?

Mr. THOMPSON. A little more than half, I think.

Mr. MOORE. Outside of Pennsylvania?

Mr. THOMPSON. In other words, the local business is only about half of that done.

Mr. MOORE. We are buying from the other cities, and the interchange of money is practically an interchange of State interests?

Mr. THOMPSON. That is right, sir.

Mr. MOORE. Centralizing in Philadelphia?

Mr. THOMPSON. Centralizing in Philadelphia for distribution on account of the clearing house in Philadelphia not having enacted the rule of charging exchange.

Mr. MOORE. You do not make a charge for the exchange?

Mr. THOMPSON. No, sir.

CONGESTION ON THE STREETS.

In addition to these statements were others from representatives of all the great trade bodies of Philadelphia, earnestly protesting against the backward move of substituting overhead for underground service. Capt. Mills, chief of the traffic squad of the Philadelphia Department of Public Safety, gave some interesting and convincing statements with regard to the increase of auto mail cars. I append a part of his statement:

Mr. MILLS. Mr. Chairman and members of the committee, as commander of the traffic division of the department of public safety I was requested to come here by the director to protest against the removal of these tubes, in so far as Philadelphia is concerned, solely from the standpoint of traffic congestion.

The merits of the pneumatic-tube service I know nothing about, I am here, as I said before, solely on account of traffic congestion and, what is more important, danger to pedestrians who use the streets.

A motor vehicle or horse-drawn vehicle traveling from the Bourse Station to the Broad Street Station, from which two points tubes are now in operation, would be compelled to pass through 12 lanes of vehicles crossing at right angles, running from 325 on one street to 1,750 per hour on another street. They would be compelled to pass through eight lanes of pedestrians running from 3,000 to 8,000 per hour.

A vehicle traveling from the Central Station to the Southwark Station or the Philadelphia Hill Station, from which points tubes are also in operation, would be compelled to pass through the most congested portions of our city, through quarters which have a population in a half square mile of as high as 40,000 people, and where through the summer months the streets are literally teeming with children.

The department is constantly in receipt of complaints due to the reckless manner in which vehicles under control of the Government, carrying mail, are operated. During the past year in the city of Philadelphia there were 115 persons killed by motor vehicles; there were 38 collisions in which vehicles in the control of the mail service were concerned; there were 28 persons injured by vehicles while under the control of the mail service.

We estimate that there are about 9,000 vehicles—automobile vehicles—using the streets of Philadelphia. If they were operated with the same degree of recklessness as the postal vehicles were operated last year we would have had injured in the city of Philadelphia 12,600 people.

In regard to the collisions, if the same number of collisions occurred in the percentage with other vehicles there would be 22,500 collisions in the city of Philadelphia. A mail vehicle in the city of Philadelphia, on a percentage basis, is three hundred and twenty-two times more dangerous than any other vehicle operated on the city streets.

Mr. MADDEN. Why?

Mr. MILLS. I don't know why. In justice to the postal authorities, I want to say they are making every effort to remedy that condition.

Mr. STEENERSON. Is it because they run too fast?

Mr. MILLS. Not exactly; also the postal department has maintained in the city of Philadelphia a schedule which causes the vehicle running over that schedule to be operated at as high rate of speed as 52.2 miles per hour in the city streets. That is your own schedule.

Mr. MOORE. Captain, while you are on that, won't you describe the condition as between the Bourse, at Fifth Street, and the central post office, which is at Ninth and Market Streets, and indicate just what would happen if we should remove the pneumatic-tube service from those two points and substitute surface cars—vehicular conveyances?

Mr. MILLS. A vehicle traveling from the Bourse would have to cross Fourth Street, where the traffic runs about 180 per hour; it would have to cross Fifth Street, where the traffic is between 300 and 350 per hour; it would have to cross Sixth Street, where the traffic increases to 500 per hour; it would have to cross Seventh Street, where the traffic increases to 650 per hour; it would have to cross Eighth Street, where the traffic jumps to 1,000 vehicles per hour; and it would have to cross Ninth Street at the post office, where it decreases to 800 per hour.

Pedestrian traffic at Fourth Street averages about 1,500 an hour; at Fifth Street, about 1,600 an hour, and continues up to Eighth Street, where it averages 5,000 per hour. Those are persons crossing from one side of the street to the other, where this vehicle would have to pass through.

PHILADELPHIA CITIZENS MAKE AN INVESTIGATION ON THEIR OWN ACCOUNT AND REPORT IN FAVOR OF THE TUBES.

After the Committee on the Post Office and Post Roads had concluded its hearings and the Philadelphia committees had obtained copies of the report of the Postmaster General's commission, they organized an inspection of their own, to which public attention was drawn. Under date of January 5, 1917, they completed and published the result of their inspection and tests. They take positive issue with the Postmaster General's commission, both as to the facts reported upon and as to the conclusions. I ask a careful reading of this report, since it comes from a public-spirited body which knows what it is talking about. The report is as follows:

REPORT OF TEST OF PNEUMATIC-TUBE MAIL SERVICE IN PHILADELPHIA, MADE DECEMBER 27, 1916, BY JOINT COMMITTEE OF PHILADELPHIA TRADE BODIES.

[Joint committee composed of representatives of the following organizations: Philadelphia Bourse, Philadelphia Board of Trade, Philadelphia Chamber of Commerce, Philadelphia Maritime Exchange, Commercial Exchange of Philadelphia, Grocers' and Importers' Exchange, Philadelphia Drug Exchange, Master Builders' Exchange, Manufacturers' Club, United Business Men's Association, Hotel Men's Association of Philadelphia, and Philadelphia Clearing House Association.]

PHILADELPHIA, *January 5, 1917.*

A number of members of the committee appeared before the Committee on the Post Office and Post Roads of the House of Representatives at the hearings held in Washington on December 11 and 12, 1916. All testified that they considered the pneumatic-tube mail service a very valuable factor in the rapid handling of first-class mail in Philadelphia, and that the business interests were unanimously opposed to its abolition, and the substitution therefor of mail vehicles traveling through the streets. Numerous cases were cited by various witnesses of the practical use of the tubes in forwarding important business mail to catch certain afternoon mail trains which could not be done satisfactorily if at all by mail vehicles traversing the streets, no matter how propelled.

The witnesses were confronted by statements, quoted by the chairman of the congressional committee, from a report on the pneumatic-tube mail service made by a special committee of postal experts appointed by the Postmaster General July 17, 1915, which committee investigated the service at all of the cities where pneumatic tubes are in use and made report thereon under date of October 13, 1916.

Some of the statements, previously referred to as contained in the report and alleged to be facts, were of a character that if substantiated would justify various deductions and conclusions arrived at by the committee of postal experts. Representatives of the tube companies in attendance at the hearings vigorously disputed the correctness of the statements and of the deductions based thereon.

The particular allegations made by the committee of postal experts which seemed to your committee to be of prime importance in their relation to the efficiency of the tubes were:

First. "The capacity of each tube container is limited to about 5 pounds of letter mail * * *."

The representatives of the tube company claimed a maximum capacity of about 15 pounds, but that in actual daily practice about 10 pounds was the customary load.

Second. "The rapidity of dispatch of tube containers is limited to intervals of about 15 seconds, so that only about 20 pounds of letter mail can be dispatched each minute * * *."

The representatives of the tube company claimed that as a matter of daily practice tube containers were being dispatched at intervals of 7, 8, and 9 seconds at different stations and were transmitting approximately 60 pounds of letter mail per minute.

(NOTE.—Twenty pounds of letter mail means approximately 1,000 pieces per minute; 60 pounds of letter mail means approximately 3,000 pieces per minute.)

The report of the postal experts contained a number of other statements setting forth the disadvantages of the tubes, but none that seemed to your committee of comparable importance.

In order that your committee might be able to speak from actual observation and make a report to you based upon a study of the handling of the mails at several of the offices, permission was sought and very courteously granted by Mr. John A. Thornton, postmaster at Philadelphia, for an inspection by the committee of the methods of handling the mails, inbound and outbound, and by various means of conveyance, at the central post office, at two of the substations, and at the Pennsylvania Railroad terminal.

Pursuant to the arrangements made with the postmaster, a meeting of the committee was called at the central post office for 2 o'clock on the afternoon of December 27. Representatives of the following organizations were in attendance: Ernest L. Tustin, representing Philadelphia Board of Trade; A. B Clemmer and Robert Morris, representing Commercial Exchange of Philadelphia; E. R. Sharwood, representing Philadelphia Maritime Exchange; Charles Elmer Smith, representing Master Builders' Exchange; William C. Halpen, jr., representing Grocers' and Importers' Exchange; William B. Riley, representing Chamber of Commerce; George E. Bartol and Alexander D. Chiquoine, jr., representing Philadelphia Bourse.

In view of the fact that the Post Office appropriation bill is pending in Congress, it was thought desirable to have the Members of Congress from the Philadelphia districts accompany the committee on its tour of inspection. Invitations were sent to all Members of Congress from Philadelphia, and the following Members accepted the invitation and accompanied the party: Hon. J. HAMPTON MOORE, representing third district, Philadelphia; Hon. GEORGE W. EDMONDS, representing fourth district, Philadelphia; Hon. GEORGE P. DARROW, representing sixth district, Philadelphia.

After a visit to the postmaster, Hon. John A. Thornton, we proceeded to the main floor of the central post office. The postmaster had appointed to accompany us Mr. T. P. Johnson, superintendent of mails, and Mr. John J. Morrissey, assistant superintendent of mails. The Pneumatic Transit Co. had appointed to accompany us Mr. Kenneth E. Stuart, chief engineer of the company, and Robert Ball, superintendent of the company. The committee was thus provided with experts competent to give full information and explain all particulars of the handling of the mails by different methods.

Careful observation was made by the committee of the time consumed in the dispatch of containers through the pneumatic tubes, both by the line to the Philadelphia Bourse and the line to Broad Street Station,

Pennsylvania Railroad. The former line is a 6-inch line of old pattern, being the first line that was installed in Philadelphia some 23 years ago. The committee observed a large number of containers transmitted by this line at intervals of 5 seconds, which would indicate that this service, if required, could readily transmit 12 containers or carriers per minute. The latter line (to Broad Street Station) is of more modern construction and is an 8-inch line. Quite a large number of containers were dispatched by this line in the presence of the committee at intervals of 5⅝ seconds, indicating that if necessary this service could be maintained at the rate of 11 containers or carriers per minute. Your committee also observed the rapidity of operation of the 8-inch tube, which runs to North Philadelphia Station (directly opposite the Pennsylvation Railroad Station, known as North Philadelphia). This line is not a continuous line but passes through three substations on its way.

Having completed our observations at the central post office, after an inspection lasting more than half an hour, we proceeded to Fairhill Station, located at Hutchinson Street and Lehigh Avenue. This station is one of the relay stations on the North Philadelphia Station line previously referred to, and the committee timed the arrival and departure of containers which were in transit from the central post office to North Philadelphia. A number of containers or carriers were received and dispatched on this line at intervals of 9 seconds, indicating that in practice 6⅔ carriers per minute were being transmitted.

The committee, having spent about 20 minutes at Fairhill Station, proceeded to North Philadelphia Station to observe particularly the arrival and dispatch of the very important mail which leaves North Philadelphia Station by Pennsylvania Railroad at 4.31 p. m. on the "Broadway Limited," due in Chicago at 9.45 a. m. the following day.

The carriers containing this mail commenced to arrive shortly after 4 o'clock. There were 34 carriers in all, 32 of which arrived consecutively. Carefu' observation was made with stopwatch, the first 10 carriers arriving in 83 seconds; the balance of the 32 mentioned came at an equal rate of speed, indicating the interval of transmission to be 8.3 seconds, or a trifle over 7 containers or carriers per minute. The last two carriers, containing bank mail, followed after quite an interval, but in time to catch the mail pouches before closing. The pouches close at 4.15 p. m. Four carriers were selected by the committee at random as they arrived and contents weighed. Weight of contents of each follows: 8 pounds, 8 pounds, 9 pounds, 10 pounds, an aggregate weight of 35 pounds of letter mail, or 8¾ pounds per carrier.

Assuming the above weight to be a fair average of the capability of the tube and that the carriers were approximately loaded to equal capacities, the 32 containers held 280 pounds of mail, or 14,000 pieces.

According to the statements of alleged facts in the report of the committee of postal experts, these 32 carriers could not have contained over 8,000 pieces. The 32 carriers, however, arrived in a trifle less than 4½ minutes, or, as previously stated, at intervals of 8.3 seconds. According to the report of the committee of postal experts this would be impossible, and they could have arrived, according to their statements of facts, at the rate of only 4 per minute, so that in the 4½ minutes but 18 carriers would have arrived, and the carriers would have contained only 5 pounds of letter mail each, or a total of 90 pounds, equal to 4,500 pieces of letter mail. Your committee found, as a matter of fact, as above stated, that instead of arriving at the rate of 4 carriers per minute the containers arrived at the rate of over 7 carriers per minute, and instead of containing only 4,500 pieces of letter mail actually delivered 14,000 (all estimates of number of pieces are based upon an average of 50 pieces first-class letter mail per pound).

The committee, having spent about 25 minutes at North Philadelphia Station, proceeded to the sub post office under the Pennsylvania Railroad, Broad Street Station. No special timing of tube service was made at this station, but the committee observed that the tubes were in active use and that the rapidity of arrival and departure of carriers seemed to be the same as had been observed at the other stations. The committee further inspected the so-called Terminal Station under the Pennsylvania Railroad structure, where the circular mail, second-class matter, and parcel-post packages arriving from out of town are handled. About 25 minutes were devoted to these two features of this substation.

Your committee also looked at the plant required for the operation of the tubes at the Fairhill Station and at the Broad Street Substation. It was found that quite a large area was required for the blowers or compressors used, but that this space was in the cellars of the respective stations and would not be used ordinarily for the business of the respective post offices. The space occupied for the receiving and delivery of mail by pneumatic tubes did not seem at all large in proportion to the volume of mail handled and the value of the service.

It would be impracticable in this report to go into a number of minor details which were inquired about by various members of the committee, but the final conclusions of your committee are that the primary and most important statements of alleged facts made by the special committee of postal experts, and numbered 1 and 2 in their report of the limitations and disadvantages of pneumatic tubes, were thoroughly and completely disproven by the actual observations of the committee, and are so far from being a truthful statement of the facts as to cause us to regard almost all of the other statements in the report and the deductions and inferences founded thereon with extreme suspicion.

The statement of the committee of postal experts that the tubes are unable to carry special-delivery parcels we consider wholly irrelevant. The tubes are not intended to carry parcels, but first-class important mail.

The criticism as to the loss of time attendant upon relaying containers at way stations on lines between two important terminals infers that the time lost is of serious consequence. Your committee timed the operation of relaying mail at the Fairhill Station and found that it amounted to from 3 to 5 seconds, which would make a total loss of time in transmitting a container from the central office to the substation at North Philadelphia, passing through Station S, Station O, and Fairhill Station, of 9 to 15 seconds, which seems immaterial. This is not cumulative loss of time, but an aggregate applying to a complete transmission regardless of how many containers might be contained in it. In other words, the total loss of time on the transmission of the 32 containers previously referred to from the central post office to North Philadelphia Station would have been only 9 to 15 seconds.

The committee of postal experts criticize what they describe as the inflexibility of the tubes. Your committee feels that the inflexibility applies only to the diameter of the tubes, and that a tube open at both ends is capable of use limited only by the ability of the clerks to feed container into the tube and of the clerks at the other end to remove them; in other words, a continuous service at high speed can be maintained, dependent only upon the supply of matter.

To summarize our views, we believe, based upon years of satisfactory experience and recent observation—

First. That the pneumatic-tube service is an extremely valuable method for the rapid handling of first-class mail matter, and that our business interests unanimously desire the continuance of this service.

Second. That no known method of surface transportation can give to the business interests equally rapid or satisfactory service.

Third. That regardless of what speed may be possible by automobiles, physical conditions of congestion place limitations upon speed and that the congestion in the streets of Philadelphia is likely to increase rather than to diminish, and we deprecate strongly a proposal to place a considerable number of additional rapidly moving mail vehicles upon our highways, which will necessarily have to reach the central post office, which is located in one of the most densely congested districts.

Fourth. We strongly oppose the suggestion of economy to be practiced upon the best patrons of one of the best-paying post offices in the United States.

Respectfully submitted.

George E. Bartol, representing Philadelphia Bourse; Ernest L. Tustin, representing Philadelphia Board of Trade; William B. Riley, representing Philadelphia Chamber of Commerce; A. B. Clemmer; Robert Morris, representing Commercial Exchange of Philadelphia; E. R. Sharwood, representing Philadelphia Maritime Exchange; W. C. Halpen, jr., representing Grocers' and Importers Exchange; Charles Elmer Smith, representing Master Builders' Exchange; A. D. Chiquoine, jr., representing Philadelphia Bourse.

Mr. STEENERSON. Mr. Chairman, I yield 10 minutes to the gentleman from Pennsylvania [Mr. VARE].

Mr. VARE. Mr. Chairman, I am opposed to the proposal of the Post Office Department to do away with the pneumatic mail tubes for three reasons:

First, because it strikes at the very roots of the efficiency of the postal service, affecting the business interests of Philadelphia and the convenience of all the citizens of that city.

Second, because the proposal is confiscatory, destroying the property of those who invested their money in the tubes which were constructed at the behest of the Federal Government.

Third, because I believe that the Government should be responsive to the will of the people, and in this instance there is a clear attempt to override the definitely expressed wishes of the people of Philadelphia and other cities.

Mr. MOON. Will the gentleman allow me to ask him a question?

Mr. VARE. I have very little time.

Mr. MOON. I will give the gentleman more time; I have plenty of it. Is there any provision in the bill which does away with the pneumatic-tube service anywhere?

Mr. VARE. You fail to appropriate the money for the system.

Mr. MOON. Does not the gentleman know that the section which has been carried in the bill all the time is carried now in exactly the same language?

Mr. VARE. But the appropriation is not there.

Mr. MOON. That is all; the appropriation is not carried. We have appropriated $456,000 for pneumatic-tube service and the old appropriation has been $976,000. Assuming that the House agrees to raise the old appropriation of $976,000, then tell me how it is possible under the law for Philadelphia to get one cent of that money? I will say in explanation of that question that the law provides that the pneumatic-tube contract shall not be extended until a commission of three or more men appointed by the Postmaster General shall have made a thorough and complete investigation and reported favorably upon the extension at a particular place. Now, outside of the merits of the proposition in Philadelphia the report is adverse to Philadelphia.

Mr. VARE. My colleague and I have construed the intention of the law quite differently from that of the statement of the gentleman from Tennessee.

The objections which have been made to the continuance of the tubes might almost be described as frivolous. Even if it were true that the capacity of each tube container is limited to about 5 pounds and the rapidity of dispatch of each container is limited to intervals of about 15 seconds there would be no justification for discontinuing the tubes. But these figures, as shown by the report of the House Committee on the Post Office and Post Roads, are incorrect.

The minority members of the committee, at practical tests of the tubes, have demonstrated that the tubes have an average capacity of from 39 to 51 pounds of letters, or, to be more exact, 1,950 to 2,550 letters per minute instead of the "limit of capacity" of 20 pounds per minute, as stated by the departmental committee which advocates the abolishment of the tubes.

Five previous governmental committees which investigated the tubes sustained their reputation for efficiency and speed and economy. What is the influence back of this move to discredit the tubes? What is the powerful influence which persists in causing investigations to be made after the efficiency of the tubes has been established by experience and the judgment of the business men of the country? Did not the four previous in-

vestigations settle the question? Why should they keep on until they found a committee that would decide against the tubes?

The present mayor of the city of Philadelphia, Thomas B. Smith, was for a long time postmaster of the city. He was rated as one of the most efficient postmasters in the whole country. He is a business man, and he put business methods into the post office at Philadelphia. He knew the value of the tubes, both from the standpoint of good service and economy. He recently telegraphed me as follows:

As mayor of Philadelphia and a former postmaster, I urge you to enter protest before the Committee on the Post Office and Post Roads against the discontinuance of the pneumatic-tube service in Philadelphia. Motor-truck service in connection with the tube would give improved service, and we need it. Anything else means a step backward and a severe blow to our business interests.

THOMAS B. SMITH,
Mayor of Philadelphia.

The whole effort of the times is toward utilizing the undersurface means of transportation. Millions of dollars were spent to tunnel the Hudson River to provide quick transit. Hundreds of millions have been spent on subways in all the large cities to relieve surface congestion. Even the telephone and telegraph companies are spending millions for underground wires.

The streets of all the large cities are becoming congested. At certain times in the day the streets of Philadelphia in the center of the city are heavily congested. The increased use of automobiles is adding to this congestion.

The tendency of the Post Office Department should be to extend the mail tubes and put them into more general use. Any underground system whereby 2,000 letters can be dispatched every minute is worth far more to the business of the country than the Government is paying for it.

The annual appropriation hitherto has been $976,000. The majority members of the Committee on the Post Office and Post Roads would cut this down to $449,500, which would be expended for the maintenance of half the service now operative in New York, with the tubes in Philadelphia, Boston, Chicago, St. Louis, and Brooklyn done away with altogether.

It would be more modern, more businesslike, and more economical if the Post Office Department were to double the appropriation hitherto made and extend the system in all the large cities where there is congestion. It would help the farmers as well as the city business man. It would give him quicker crop reports and quicker information as to the condition of the markets.

The Post Office Department, significantly enough, has boasted that it has turned a surplus of $12,000,000 back into the Treasury in the past four years. If the public has received any advantage from this alleged saving, I have seen no evidence of it. It is admitted that there is an enormous deficit in prospect in the general revenues; the people are being heavily taxed in all sorts of obnoxious ways. Yet despite all the extra taxes they are paying they are being made to suffer the greatest inconvenience in the one governmental service that is closest to the householder and business man, the Postal Service.

This effort that is being made to kill the pneumatic-tube service is merely a symptom of the growing disregard for efficiency. It is no secret that postal efficiency generally has been declining. Letters no longer reach their destination promptly. Tests have been made in Philadelphia recently which show that where the pneumatic tubes are not used the letters are delayed in reaching their destination.

Instead of approving the proposal of the Post Office Department to abolish the tubes, Congress should give explicit instructions in the appropriation bill for the extension of the tubes and the use of them to their fullest capacity. In no other way, I believe, can the prejudice of the department be overcome.

It is something more than a coincidence that all the business men of the country are in favor of the continuation of the tubes. Sentiment in Philadelphia is unanimous for their retention and extension. Presumably business men know something about business. Presumably they would not recommend anything that would retard good postal service, which is vital to the welfare of the city and its commercial interests.

The reduced appropriation, as I have said, strikes at the roots of postal efficiency; it is confiscatory, as it destroys an investment invited by the Government; it is a violation of popular government because it overrides the plainly expressed sentiment of the large cities which now enjoy and profit by the pneumatic-tube service.

Every commercial organization in Philadelphia has asked that the tubes be continued. There has not been a dissenting voice raised except from the Post Office Department. The case in favor of the tubes has been made out completely and emphatically. I would feel recreant in my duty were I to fail to record myself in strong opposition to this impairment of the postal facilities. [Applause.]

I yield back the remainder of my time.

The CHAIRMAN. The gentleman used 9 minutes and yields back 1 minute.

Mr. STEENERSON. I yield 15 minutes to the gentleman from Missouri [Mr. DYER].

Mr. DYER. Mr. Chairman, the city of St. Louis has commercially within a radius of 10 miles something more than a million of people. Its streets in the downtown section are crowded during all the business hours. It is practically impossible for automobiles to traverse those streets without great delay. At every street crossing practically there is a traffic policeman whose duty it is to stop vehicles going in one direction or the other.

The central station of the St. Louis post office is located in the business and financial center, at Eighth and Olive Streets. The main post office for the city is located at Eighteenth and Walnut Streets, more than a mile away from the business and financial center. In order that mail may be collected from the business section during the closing hours of the business day and put upon the fast mail trains going out to the East and West it must be sent through the pneumatic tubes. That mail could not possibly be collected and placed upon those trains by automobile service. Tests have been made, and demonstrations of that fact are positive. Likewise mail coming in from the East and the West on the fast mail trains, arriving in the morning hours, could not possibly be placed in the business and financial section of the city so as to be delivered to those needing this mail, in the early morning hours, by automobile service.

St. Louis is peculiarly situated in this respect, because of the location of its central post office and of its main post office, and not one person in the city of St. Louis, post-office official of anyone else, has come forward in these hearings and investigations with any statement to the effect that we could do without the pneumatic-tube service without the greatest possible detriment and harm. We have had sent here petitions from practically every business man, commercial house, and bank in that city protesting against the taking away of that efficient service.

Among them are such splendid, high class, and efficient concerns as the following:

The Brown Shoe Co., J. Hahn Bakery Co., St. Louis Basket & Box Co., Busch-Sulzer Bros., Diesel Engine Co., William J. Lemp Brewing Co., Fred Medart Manufacturing Co., Medart Patent Pulley Co., Manewal Bread Co., Manufacturers' Association of St. Louis, Pawly Jail Building Co., Pioneer Cooperage Co., St. Louis Lightning Rod Co., F. E. Schoenberg Manufacturing Co., St. Louis Architectural Iron Co., Monsanto Chemical Works, South Side Trust Co., Manufacturers' Railway Co., the St. Louis & O. Fallow Coal Co., Standard Furniture Manufacturing Co., Brueckmann-Cooperage Co., Henry D. M. Doerner Plumbing Co., Edele-Mertz Hardware Co., George Ganter Cigar Co., the Kaltwasser Carpet Co., G. Umbach Furniture Co., Wacker-Helderle Undertaking & Livery Co., Lafayette-South Side Bank of St. Louis, Freund Block Clothing Co., Miller Lightning Rod Co., George J. Fritz Foundry & Machine Co., Loy-Lange Box Co., Shultz Belting Co., American Car & Foundry Co., Missouri Cotton Yarn Manufacturing Co., Western Blow Pipe & Sheet Metal Co., Frazer Lubricator Co., Western Mineral Water Co., Laclede Coal Co., M. Goettler Hat Co., Ph. Burg Grocer Co., Wisconsin Creamery Co., French Market F. & D. Co., Joe. Lowenstein Jewelry Co., Anstedt Shoe Co., William Sicher & Sons Dry Goods Co., St. Louis Star Packing Co., Emil Wachter & Son Hardware Co., Blank Drug Co., Adolph Meyer L. & U. Co., South Side Laundry Co., Model Baby Shoe Co., Shapleigh Hardware Co., German-American Bank, Buxton & Skinner Printing & Stationery Co., International Bank of St. Louis, Mississippi Valley Trust Co., Little & Hays Investment Co., I. M. Simon & Co., State National Bank of St. Louis, Goodyear Rubber Co., Day Rubber Co., Skinner & Kennedy Stationery Co., Shallcross Printing & Stationery Co., St. Louis Union Bank, Whitaker & Co., Alexander H. Brown & Co., B. Nugent & Bro. Dry Goods Co., American Trust Co., Anheuser-Busch Brewing Co., Mermod Jaccard King Jewelry Co., Western Advertising Co., the Atlas Portland Cement Co., Adjustment Bureau, Southwestern Bell Telephone System, Donk Bros. Coal & Coke Co., Geller, Ward & Hasner Hardware Co., Profrock-Litton Furniture Co., Bentzen Commission Co., Simmons Hardware Co., the Scudders-Gale Grocer Co., Graham Paper Co., Pittsburgh Plate Glass Co., Wheeling Corrugating Co., William H. Lee Co., W. A. Bruckheiser, James N. Forbes Tea & Coffee Co., Niehoff-Schulze Grocer Co., Fairbanks, Morse & Co., Krenning-Schlapp Grocery Co., Libby-McNeill & Libby, Charles A. Sweet Provision Co., George M. Reed, Western Elec-

tric Co., Jones W. W. & Paper Co., Gettys Brokerage Co., Rosen-Reichardt Brokerage Co., Washington University, Beck Drayage Co., Samuel Cupples Woodenware Co., Liebowits Rubin Brokerage Co., Leon Israel & Bros., the Goodard Grocer Co., Meyer-Schmid Grocer Co., Adam Roth Grocery Co., G. H. Wetterau & Sons Grocer Co., Fulton Bag & Cotton Mills, Mesker Bros. Iron Co., Meyer Bros. Coffee & Spice Co., O. H. Peckham Factory, National Candy Co., Frank J. Rosier, Hanley & Kinsella Coffee & Spice Co., Louis Maull Cheese & Fish Co., Cole Bros. Lightning Rod Co., the Hayner Distilling Co., Wesco Supply Co., C. F. Blanke Teas & Coffee Co., Philip Ruxton (Inc.), the National Cash Register Co., National Printing & Engraving Co., J. C. Chenoweth D. & C. Co., Ely & Walker Dry Goods Co., Rosenthal Sloan Millinery Co., Marx & Haas Clothing Co., Roberts Johnson & Fand Shoe Co., White Branch-Shelton Hat Co., Sigmund Glaser & Co., Vinsonhaler Shoe Co., James Clark Leather Co., Marquette Cloak & Suit Co., the Butterick Publishing Co., Morisse Lace & Embroidery Co., King Brinsmade Mercantile Co., Belding Bros. & Co., Harris-Polk Hat Co., Mexican-American Hat Co., H. Seligman Novelty Co., Joseph Berlinger Ribbon Co., Langsdord Bros., Adams Eng. Co., J. A. Ruhl Clothing Co., Watson Glasgow Hat Co.

I also call your attention to a letter received from the mayor of the city of St. Louis, as follows:

ST. LOUIS, *January 3, 1917.*

Hon. L. C. DYER, M. C.,
Washington, D. C.

DEAR SIR: As mayor of the city of St. Louis, I am writing you to-day upon the subject of pneumatic mail tubes, which, I understand, the Postmaster General is trying to have discontinued in all cities except New York.

I can not impress upon you too strongly that this is a backward step and absolutely contrary to the march of progress. Our city streets are congested so badly with traffic that it has been necessary to provide a number of one-way streets; that is, to allow traffic to move in one direction on these thoroughfares in order to regulate said traffic with any degree of safety.

There is hardly a comparison between the tube and auto service. The tube runs swiftly beneath the surface, while the autos move along the heavily congested streets, endangering life and limb in their efforts to make time. It would be a crime to burden our streets with any more traffic than is necessary.

I will consider it a personal favor if you will vote to retain the service in St. Louis, and, if the opportunity presents itself, to urge that the lines be extended to other points in our business districts.

Sincerely, yours,

HENRY W. KIEL, *Mayor.*

Mr. Chairman, if the people of St. Louis unanimously want this service and are willing to pay for it, as they are paying for it, why should it be taken away and the great Postal Department, which has been advancing with civilization and with the progress of the people, take a backward step, and deny to the people of St. Louis the facilities that they now enjoy, and that they so sorely need?

Mr. Chairman, we have only 2 miles of pneumatic-tube service in St. Louis. We have petitioned the Post Office Department, and our petition has been indorsed not only by two former postmasters but by the present postmaster, asking for the extension of this service. They have joined in the petitions time and time again asking for an extension of this service, so as to take in three other stations.

Mr. Chairman, the people of the great cities need rapid transit in the collection and distribution of their mail. The service there is different from what it is in other sections of the country. The country sections do not appreciate or understand the importance and the necessity of the pneumatic tubes for the great cities. The people of the great cities pay for this service. The city of St. Louis, through the post office, has paid to this Government during the last fiscal year postal receipts of $5,533,074. Those are the receipts of the city post office of St. Louis for the last fiscal year. Deducting all possible expenses that can be charged against these receipts, including the pneumatic-tube service, and everything else that can in any way be charged up, we find it amounts to only $2,184,122, showing a balance of nearly $3,350,000 to the credit of the Government from the operations of the St. Louis post office. If the people pay that enormous amount to the Government, as they do; if they pay other taxes, including the income tax and the corporation tax, amounting to millions of dollars, are not the people of that great city entitled at least to this small consideration? Here is an item that costs at the present price that we are paying for this pneumatic-tube mail service something less than $34,000, and, when our post office takes in over $5,000,000 annually, can not our business men have this small consideration which they are unanimously asking for?

In all these hearings there is not one protest. There is not one word in the hearings before this commission from any business man, from any citizen of St. Louis, including the postmaster himself, which pretends that this service can be done away with without harm and without retarding the city's progress. The present postmaster himself stated that this service is greatly beneficial. He says that St. Louis is peculiarly situated with reference to the needs of the pneumatic-tube service. Here is a letter from the present postmaster of the city of St. Louis, who says, in part:

The service conditions in St. Louis differ from those of any other city in the country, in that the main post office is located at Eighteenth and Walnut Streets, while the business of the financial section is conducted in the Federal building at Eighth and Olive Streets, nearly a mile away. The tube is a great convenience just on this account, as it permits of continuous and speedy connection between the executive division and the financial section impossible of substitution by transportation of any other character.

That is the statement in the report of the committee that made this investigation from the postmaster of the city of St. Louis, and his recommendations have been the same as those of the postmasters of St. Louis for the last 20 years. Therefore, Mr. Chairman, in view of those facts, in view of that unanimous decision, in view of the unanimous recommendation of the people of St. Louis, including its three Representatives in this House, I think we should not be asked to go back and take up the old way of doing things, but that we should be permitted to go forward with civilization with the rapidity which commerce and mail demand, if we are to do the enormous business that is increasing in our great city year by year. I trust that this appropriation for the continuance of this service will be allowed by the Congress, and that if there is a charge of too great an amount for the service rendered it will be determined what the correct amount is and a just and fair amount fixed, but that Congress will not ask the people of these great cities to take a backward step in the work they are doing for the whole country. The cities must prosper as well as the country. We have voted for legislation for the farmer. I, as a Representative of a city district, have voted for all the good roads and other legislation that has been deemed to be of interest to the farming sections. I know that the cities can not prosper unless the farmers prosper, and I also know that the farmers can not prosper unless the cities do. They are dependent upon the cities and the cities are dependent upon the farmers. They must work together for the progress and development of our great country and its resources, to the end that the greatest possible success and prosperity may come to us all. [Applause.]

Mr. STEENERSON. Mr. Chairman, I yield four minutes to the gentleman from New York [Mr. HICKS].

Mr. HICKS. Mr. Chairman, I do not care to speak for the great city of New York, because I represent only 18 election districts in that great city, my own district of Long Island being practically a country and suburban one. But because of the fact that many of my constituents, probably half of them, are engaged in active business in the great metropolis of New York, and due also to the reason, beyond dispute, that whatever affects the heart of the Nation's business activities affects, in some degree, every citizen in every district in every State of the Union, I feel it incumbent upon me to rise here and protest against any action on the part of the Post Office Department which might restrict or deprive our great city of the pneumatic-tube service which has rendered such great benefit during the years it has been in operation. I view the matter not in the narrow light of sectional advantage but in that broad spirit of nationalism which spells advancement and benefit to all parts of the country.

New York is your city as well as ours; you have contributed to her greatness and are affected by her barometer of trade. The postal facilities of the city are nearly as important to you as to us, for the great bulk of the mail handled in the New York post office is interstate in its nature. The advantages of the tube system in New York are felt throughout the entire postal service of the Nation, for it makes possible later and more expeditious transmission of foreign and domestic mail, interstate as well as intrastate, both incoming and outgoing.

The pneumatic-tube service is a physical expression of the evolution of the times. It means speed in the transmission of the mail; and rapidity in the transmission of commercial communications means success to the man who possesses it and failure to the man who has it not. I desire to recount an experience which was related to me by a personal friend in reference to transit upon the streets of New York about three weeks ago. My friend in an automobile endeavored to go from Eighty-eighth Street to Forty-second Street upon Broadway. On account of the congestion of traffic at that time—and it is not an unusual condition—1 hour and 15 minutes were consumed in making the short trip. Mail wagons, while certain traffic concessions are made them, are also subject to delay caused by the congestion of our streets.

It has been contended here that the pneumatic-tube service, if abandoned, would only mean an increase of 1½ per cent, perhaps, in the number of automobiles now used upon the streets to carry the mail at present transported through the tubes. Whether it is 1½ per cent or 10 per cent, any increase in the traffic upon the streets of New York is a direct disadvantage to our people and a direct danger to every man, woman, and child who uses those streets. Every effort to-day should be made to take away from the streets all of the transportation that we possibly can, and we should not increase it by even 1 per cent.

I understand that the pneumatic-tube system of the greater city consists of approximately 27 miles of double 8-inch tubing, and that there are transmitted daily through the medium of this service about 80,000 containers carrying some 5,000,000 pieces of first-class mail. Let me here quote from Mr. Morgan, the postmaster of New York:

Each carrier has a capacity of about 450 ordinary-size letters, or about 250 large-size letters. These carriers are dispatched at the rate of six and four per minute, respectively. The tubes are operated from 4 a. m. to 11 p. m. The carriers travel at the rate of 30 miles per hour. The contract price is $17,000 per mile annually.

On the question of the price paid for the service, Mr. Chairman, I do not propose to enter. It was a competitive bid.

Let me quote again from Mr. Morgan:

It is the opinion of this office that the continuance of the entire existing system of the pneumatic tubes in this city is justified because of the rapid service which it provides for the transmission of mail of the first class. If the tube service was replaced by wagon service it would, I believe, be far from satisfactory, and would result in overwhelming complaint from the public and adverse criticism of the service.

New York is located in what may be termed the snow belt, and while our winters are not severe, it frequently happens that transit on our streets is seriously disorganized by snow and ice. This means that during these periods the schedules of the screened-wagon service have to be rearranged to meet the conditions. In order to make connections with the railroads a "headway"—in some cases as much as 30 minutes—has to be made, thereby curtailing the time of mailing letters by just that much. I understand that in March, last year, mail wagons missed 150 connections with mail trains. The pneumatic-tube service is not handicapped by the weather.

From testimony of Mr. Morgan from 60 to 70 per cent of the total mail handled in New York is carried in the tubes, and 85 per cent of the first-class matter is transmitted in the same way.

Mr. Chairman, in view of all the testimony that has been presented by the great business organizations of New York, supported by the statement of its able postmaster, we plead for a rapid and delay-free transmission of our mails. Upon it depends the prosperity of business and the convenience of commerce. The necessity of trade warrants it, and the security and safety of our citizens upon the streets demands that the pneumatic-tube system shall not be supplanted by surface transportation.

Mr. STAFFORD. Mr. Chairman, will the gentleman yield?

Mr. HICKS. Certainly, I yield to the gentleman from Wisconsin.

Mr. STAFFORD. As I understand the recommendation of the Postmaster General, it is not his purpose to discontinue the pneumatic-tube service, certainly not south of Forty-second Street, and not even north of it.

Mr. BENNET. Will my colleague yield to me?

Mr. HICKS. Yes; with pleasure.

Mr. BENNET. The Postmaster General is keeping the word of promise to the ear and breaking it to the hope. He has put out an advertisement under which no man can bid, and when the bids are opened there will not be a single bid for the pneumatic-tube service.

Mr. STAFFORD. Why not?

Mr. BENNET. Because no sane man would bid on a proposition involving millions, where the Postmaster General can step in at his whim at any time on six months' notice and discontinue it.

Mr. HICKS. That is the point.

Mr. STAFFORD. Certainly it is not the plan to discontinue the service in New York City.

Mr. HICKS. I do not want to say that it is the plan to discontinue the entire service. I contend that no portion of it should be discontinued.

Mr. STAFFORD. Does the gentleman wish to advocate some proposal here that we should direct the Postmaster General as to the method of administering the Postal Service so far as the pneumatic tube is concerned?

Mr. HICKS. No; but I do not think that this Congress or the Post Office Department should countenance any such unbusinesslike method as asking for contracts for a pneumatic-tube service which by reason of the restrictions will prevent reliable concerns from making contracts.

Mr. STAFFORD. We should leave it to the Postmaster General to determine the means of carrying out the contracts.

Mr. STEENERSON. Mr. Chairman, I yield to the gentleman from Washington [Mr. HUMPHREY].

Mr. HUMPHREY of Washington. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection?

There was no objection.

The CHAIRMAN. Does the gentleman from Tennessee [Mr. MOON] desire to use any of his time now?

Mr. MOON. Mr. Chairman, I had not intended to discuss this bill except some of the new features which are subject to a point of order, and I desire to give notice now if any gentleman wants to make the point of order upon any such features of this bill that the point will be conceded at once, and that the committee will resort to the rule to put that section in order, or will resort to the introduction of a new bill covering those sections or perhaps will adopt a more efficacious method of letting the Senate exercise its prerogative of doing all the legislating for the Congress of the United States.

Mr. MOORE of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. MOON. Yes.

Mr. MOORE of Pennsylvania. I understand the gentleman is giving notice that a rule will be brought in to pass certain provisions that are subject to the point of order?

Mr. MOON. A rule has already been introduced. What action the Committee on Rules will take upon that I am not able to say.

Mr. MOORE of Pennsylvania. Does the gentleman invite Members to say whether they will make the point of order?

Mr. MOON. No; I am just warning gentlemen that if they make points of order on these questions that will save the Government money and will advance the facilities of the Post Office Department, they must do it at their own peril. If they want to get into the RECORD to show their knowledge of the law and what constitutes a violation of the rules under the present bill, the question is for them and not for the committee.

Mr. MOORE of Pennsylvania. I thought the gentleman suggested that Members were expected to give notice now. I will say to the gentleman that unless there is a rule points of order will be made against one or two of the paragraphs of the bill.

Mr. MOON. I am aware that during the progress of this bill it will be, now as it has been heretofore, that somebody will have objections and probably make points of order. If it was not in the House of Representatives and a violation of the rules, I would say a good deal more about those points of order that will be made upon measures that will save this Government money and prevent the corporations from plundering it.

Mr. MOORE of Pennsylvania. Still, in spite of that statement, points of order will be made against one or two paragraphs of the bill.

Mr. MOON. I do not care if the gentleman makes it against all. I am telling the gentleman what course the committee will pursue in the event they are made. We may let you assume the responsibility and not ask a rule; we may offer a new bill on these questions, or, as I said, we may let you continue to abrogate your powers and submit subserviently to the Senate.

Mr. MOORE of Pennsylvania. I rose merely because I thought the gentleman invited the membership to comment on the subject.

Mr. MOON. I did not. I was addressing the House. I was not inviting anybody to take up my time. [Laughter and applause.] Mr. Chairman, this is the largest bill that has yet been introduced to pay the expense of any department of the Government in the history of the United States. The last bill carried a sum of $322,937,679. The estimates of the Post Office Department for this year were $325,355,820. This committee has recommended appropriations to the amount of $329,353,120.

Mr. MEEKER. Mr. Chairman, will the gentleman permit a question?

Mr. MOON. Yes.

Mr. MEEKER. This, of course, is the largest appropriation bill that has been provided, but in proportion to the receipts of the department is it larger than others?

Mr. MOON. I will explain that as I go along; of course not. I am not referring to it as the largest appropriation bill to demonstrate that the appropriation ought to be any less. My judgment is that the appropriations will continue annually to be larger and larger according to the necessities of the Government for postal facilities. I said on the floor of this House 15 years ago that I believed in 20 years this appropriation bill would amount to five hundred millions of money. I believe now if

you give the American people the facilities to which they are entitled that this bill to-day, which carries in round numbers $329,000,000, will carry perhaps over $500,000,000 in 10 years more. I may say in that connection, Mr. Chairman, that while the bill is an enormous measure in its figures yet it does not cost the National Treasury 1 cent. The Post Office Department earns every dollar of the appropriation and in the last fiscal year it not only earned the appropriation of the $322,000,000 and more, but it earned a surplus of $5,700,000, which they paid into the National Treasury and for which the Postmatser General holds the receipt of the Secretary of the Treasury of the United States.

Now, on account of the diversion occasioned by the gentleman I want to say that there has been question as to the reality of that surplus. It has been questioned whether it is a genuine surplus or not when all the bills payable and all the bills receivable from that department were accounted for for the fiscal year. I ask leave to place in the RECORD here as Appendix A a statement of the grants of money from the Treasury of the United States for the Post Office Department and the return of money, so as to show that for the last nearly four fiscal years now the Government of the United States has earned the vast sum of money that has been used for the Postal Service and the large surplus of which I have spoken in addition. Also, a statement as Appendix B, showing Treasury statement of deficits from 1905 to 1917. I will attempt to demonstrate later on in this debate that if the membership of this House is consistent and has the courage to stand up against the demands of the employees of a nation, if it has the courage to strike down the insidious and infamous subsidies in the law that, with the legislation accomplished in reference to the railroad situation in the last bill, the Treasury of the United States will be enriched by the earning of this department more than twenty millions of money as a surplus. But I shall speak of that a moment later.

The CHAIRMAN. Is there objection to the insertion of the statements indicated? [After a pause.] The Chair hears none.

The statements follow:

APPENDIX A.

The Post Office Department paid into the Treasury as surplus revenues of the fiscal years 1913, 1914, and 1916 (no surplus reported for 1915), on dates and in amounts, as follows:

June 30, 1914 (fiscal year 1914), surplus revenues of Post Office Department for fiscal year 1913	$3, 800, 000. 00	
Mar. 29, 1915 (fiscal year 1915), surplus revenues of Post Office Department for fiscal year 1914	3, 500, 000. 00	
Aug. 21, 1916 (fiscal year 1917), surplus revenues of Post Office Department for fiscal year 1916	5, 200, 000. 00	
	12, 500, 000. 00	
Total payments from the Treasury, as above	12, 136, 592. 60	
		363, 407. 40

GRANTS FROM THE TREASURY TO POST OFFICE DEPARTMENT.

No grants were made to the Post Office Department from the Treasury for the fiscal year 1914.

	For the fiscal year 1915.	Month.	For the fiscal year 1916.
1915.		1916.	
Mar. 24	$1,000,000	Aug. 4	$500,000
Mar. 26	1,000,000	Aug. 5	500,000
Mar. 30	1,000,000	Aug. 6	500,000
June 22	500,000	Sept. 1	500,000
June 23	500,000	Sept. 2	500,000
June 24	500,000	Sept. 3	500,000
June 25	500,000	Sept. 21	500,000
June 26	500,000	Sept. 22	500,000
June 29	800,000	Sept. 23	500,000
		Sept. 24	500,000
		Sept. 27	500,000
Total	6,300,000		5,500,000

The only payments from the Treasury for the Post Office Department during the fiscal year 1915 were on account of deficiencies in postal revenues for prior years, as follows:

Fiscal year charged with deficiency.	Date of payment from Treasury.	Amount.
1909	March 2 and 4, 1915	$1, 205. 16
1910	March 2, 1915	262. 12
1911	March 2 and 4, 1915	2, 102. 97
1912	do	322, 671. 76
Certified claims of various prior years	do	14, 494. 01
		340, 736. 02
Less repayment into Treasury Feb. 25, 1915, on account of fiscal year 1908		4, 143. 42
Net payments as above during fiscal year 1915		336, 592. 60

WILSON-BURLESON ADMINISTRATION.

The audited surpluses for the fiscal years 1913, 1914, and 1916 were $14,716,350.03. From this should be deducted the audited deficiency of 1915—deficiency due to the European war—amounting to $11,333,308.97, thus showing a net surplus of $3,383,041.06 for the four-year period of the Wilson-Burleson administration. Of the total audited surpluses, $12,500,000 has already been paid into the Treasury for the general uses of the Government. The surplus of 1913 was the first actual postal surplus for 30 years—since 1883, in the time of Postmaster General Gresham. Postal surpluses have been shown in three of the four fiscal years of the Wilson-Burleson administration.

ROOSEVELT ADMINISTRATION.

The administration of President Roosevelt covered the fiscal years from 1905 to 1908, inclusive. There was no postal surplus in either one of the four years of that period; on the contrary, the audited deficiencies for that time amounted to the startling aggregate of $48,739,639.34, while the actual grants from the Treasury to the Post Office Department, less repayments, during this period reached the total of $48,255,975.14.

TAFT ADMINISTRATION.

The four years from 1909 to 1912, inclusive, covered the period of the Taft administration, during which time, as during that of his predecessor, Mr. Roosevelt, an audited deficiency was shown at the close of each fiscal year. The audited deficiencies in the four years of Mr. Taft's administration amounted to $24,927,657.40, while the grants from the Treasury to the Post Office Department, less repayments, aggregated $29,431,055.33.

The total audited deficiencies for the eight-year period of the Roosevelt and Taft administrations was $73,667,296.74, a yearly average deficiency of $9,208,412.09.

TAFT ADMINISTRATION.

Audited deficiencies, 1905, 1906, 1907, and 1908	$48, 739, 639. 34
Grants from Treasury, less repayments, during this period	48, 255, 975. 14

ROOSEVELT ADMINISTRATION.

Audited deficiencies, 1909, 1910, 1911, and 1912	$24, 927, 657. 40
Grants from Treasury, less repayments, during this period	29, 431, 055. 33
Total grants from Treasury under Taft and Roosevelt	77, 687, 060. 47

No surpluses during either one of the eight years of the Taft and Roosevelt administrations.

Audited surpluses, 1913, 1914, and 1916	$14, 716, 350. 03
Deduct audited deficiency, 1915	11, 333, 308. 97
Net surplus for the four-year period	3, 383, 041. 06
Of the audited surpluses there has been paid into the Treasury	12, 500, 000. 00

APPENDIX B.

TREASURY DEPARTMENT,
Washington, January 3, 1917.

MY DEAR CONGRESSMAN: Your communication of this date is received in which you request information showing the date and amount paid from the Treasury by warrants on account of deficiencies in the Post Office Department during the years 1905 to 1912, inclusive, and also a list of warrants showing repayments on account of such deficiencies.

In reply I have the honor to state that grants from the Treasury were made on account of deficiencies in the Post Office Department during said years as follows:

During the fiscal year 1905.

When made.	For fiscal year 1903.	For fiscal year 1904.	For fiscal year 1905.	Total.
1904.				
July 9		$1,000,000.00		
July 14		1,000,000.00		
Oct. 4			$1,000,000.00	
Oct. 10		1,000,000.00		
Oct. 13		1,000,000.00		
Oct. 21			2,000,000.00	
Nov. 5			2,000,000.00	
1905.				
Jan. 7			2,000,000.00	
Jan. 20			1,000,000.00	
Apr. 7			2,000,000.00	
Apr. 20			1,000,000.00	
June 30	$75,000.00			
Total	75,000.00	4,000,000.00	11,000,000,00	$15,075,000.00

Grants in fiscal year 1905 for 1903, 1904, and 1905	15,075,000.00
Mar. 25, 1905.—Deficiencies in postal revenues, 1902 and prior years	3,343.92
Certified claims of various fiscal years	3,344.53
	15,081,688.45
Less repayment into Treasury Mar. 28, 1905, on account of fiscal year 1900	16,431.45
Net amount of warrants issued to Post Office Department during fiscal year 1905	15,065,257.00

During the fiscal year 1906.

When made.	For fiscal year 1904.	For fiscal year 1905.	For fiscal year 1906.	Total.
1905.				
July 11	$850,000.00			
July 12		$1,000,000.00		
Aug. 1			$1,000,000.00	
Aug. 29			1,000,000.00	
Oct. 5		1,000,000.00		
Oct. 7		1,000,000.00		
Oct. 11			1,000,000.00	
Oct. 28			1,000,000.00	
Nov. 29			1,000,000.00	
1906.				
Jan. 8			1,000,000.00	
Jan. 25			1,000,000.00	
Apr. 21			2,000,000.00	
Total	850,000.00	3,000,000.00	9,000,000.00	$12,850,000.00
Less repayment into Treasury Sept. 30, 1905, on account of fiscal year 1901				176,705.61
Net amount of warrants issued to Post Office Department during fiscal year 1906				12,673,294.39

During the fiscal year 1907.

When made.	For fiscal year 1905.	For fiscal year 1906.	For fiscal year 1907.	Total.
1906.				
July 25			$1,000,000.00	
Sept. 1			1,000,000.00	
Oct. 4		$1,000,000.00		
Oct. 11			1,000,000.00	
Oct. 24			1,000,000.00	
Nov. 20			1,000,000.00	
1907.				
Jan. 8			$1,000,000.00	
June 3	$600,000.00			
Total	600,000.00	1,000,000.00	6,000,000.00	$7 600,000.00
July 17, 1906, deficiencies for 1903 and prior years				634.90
Feb. 18, 1907, deficiencies for 1905 and prior years				18,227.40
Mar. 13, 1907, deficiencies for 1904 and prior years				3,631.16
July 17, 1906, certified claims of various years				6,119.14
Mar. 13, 1907, certified claims of various years				2,581.43
				7,631,194.03
Less repayment into the Treasury Sept. 29, 1906, on account of fiscal year 1897				1,811.22
Net amount of warrants issued to Post Office Department during fiscal year 1907				7,629,382.81

During the fiscal year 1908.

When made.	For fiscal year 1903.	For fiscal year 1907.	For fiscal year 1908.	Total.
1907.				
Aug. 13			$1,000,000.00	
Sep. 24			1,000,000.00	
Oct. 7			2,000,000.00	
Oct. 25			1,000,000.00	
1908.				
Jan. 4			1,000,000.00	
Jan. 10			1,000,000.00	
Jan. 15			1,000,000.00	
Apr. 2			2,000,000.00	
Apr. 15			1,000,000.00	
June 15	$26,950.00			
June 24		$1,400,000.00		
Total	26,950.00	1,400,000.00	11,000,000.00	$12,426,950.00
Grants in fiscal year 1908 for 1908, 1907, and 1903				12,426,950.00
Apr. 7, 1908, deficiencies for 1905 and prior years				43.20
June 15, 1908, deficiencies for 1905 and prior years				5,445.50
June 24, 1908, deficiencies for 1906				600,000.00
Apr. 7, 1908, certified claims of various years				1,380.18
June 15, 1908, certified claims of various years				1,611.28
				13,035,430.16
Less repayments into Treasury:				
Oct. 23, 1907, account fiscal year 1901			$4.55	
Oct. 23, 1907, account fiscal year 1902			15,656.52	
Oct. 23, 1907, account fiscal year 1903			33,652.38	
June 30, 1908, account fiscal year 1903			70.02	
June 30, 1908, account fiscal year 1904			98,005.75	
				147,389.22
Net amount of warrants issued to Post Office Department during fiscal year 1908				12,888,040.94

During the fiscal year 1909.

When made.	For fiscal year 1909.	For fiscal year 1908.	Total.
1908			
July 10		$2,000,000.00	
July 16	$2,000,000.00		
Oct. 8	2,000,000.00		
Oct. 13		1,000,000.00	
Oct. 15		1,000,000.00	
Oct. 17		1,000,000.00	
Oct. 20	1,000,000.00		
Oct. 27	1,000,000.00		
1909			
Jan. 2	2,000,000.00		
Jan. 5	2,000,000.00		
Jan. 7	2,000,000.00		
Mar. 11	1,000,000.00		
Apr. 10	1,000,000.00		
June 16	500,000.00		
Total	14,500,000.00	5,000,000.00	$19,500,000.00
Grants in fiscal year 1909 for 1908 and 1909			19,500,000.00
Dec. 26, 1908, deficiencies for 1904 and prior years			35.50
Apr. 2, 1909, deficiencies for 1906 and prior years			53,040.89
June 17, 1909, deficiencies for 1906			656.13
Apr. 2, 1909, deficiencies for 1908 and prior years			2,840.83
Apr. 2, 1909, certified claims of various years			14,429.32
			19,571,002.67
Less repayment into the Treasury Dec. 31, on account of—			
Fiscal year 1905		$39,800.72	
Fiscal year 1906		30,139.58	
			69,940.30
Net amount of warrants issued to Post Office Department during fiscal year 1909			19,501,062.37

During the fiscal year 1910.

When made.	For fiscal year 1908.	For fiscal year 1909.	For fiscal year 1910.	Total.
1909.				
July 8			$1,500,000.00	
Aug. 9			2,000,000.00	
Aug. 20			1,000,000.00	
Sept. 8			2,000,000.00	
Sept. 11			1,000,000.00	
Do		$1,264,500.00		
Oct. 4	$131,369.95			
Oct. 6			2,000,000.00	
Dec. 8			1,000,000.00	
1910.				
Mar. 12	474,583.18			
Apr. 15		1,215,970.95		
Total	605,953.13	2,480,470.95	10,500,000.00	$13,586,424.08
Grants in fiscal year 1910 for 1908, 1909, and 1910				13,586,424.08
Sept. 3, 1909, deficiencies for 1907 and prior years				1,659.23
Oct. 4, 1909, deficiencies for 1907				1,742.19
Mar. 22, 1910, certified claims of various years				11,605.44
				13,601,430.94
Less repayments into Treasury on account of—				
Fiscal year 1907			$104,143.26	
Fiscal year 1907 and prior years			1,659.23	
Fiscal year 1910			5,000,000.00	
Certified claims			16.08	
				5,105,818.57
Net amount of warrants issued to Post Office Department during fiscal year 1910				8,495,612.37

During the fiscal year 1911.

When made.	For fiscal year 1909.	For fiscal year 1910.	For fiscal year 1911.	Total.
1910.				
Sept. 9			$1,000,000.00	
Sept. 30			1,000,000.00	
Oct. 11			1,000,000.00	
1911.				
May 4		$446,332.71		
May 5	$588,859.29			
Total	588,859.29	446,332.71	3,000,000.00	$4,035,192.00
Grants in fiscal year 1911 for 1909, 1910, and 1911				4,035,192.00
July 18, 1910, deficiencies for 1907 and prior years				1,194.98
Mar. 20, 1911, deficiencies for 1908 and prior years				78,857.45
Mar. 22, 1911, deficiencies for 1908 and prior years				5,052.06
				4,120,296.49
Less repayments into Treasury on account of—				
Fiscal year 1907 and prior years			$11.29	
Fiscal year 1908			80,280.46	
Fiscal year 1908 and prior years			1,173,764.03	
Fiscal year 1911			3,000,000.00	
Certified claims			25.00	
				4,254,080.78
Excess of repayments into the Treasury over amount of warrants issued to the Post Office Department during the fiscal year 1911				133,784.29

During the fiscal year 1912.

When made.	For fiscal year 1909.	For fiscal year 1910.	For fiscal year 1911.	For fiscal year 1912.	Total.
1911.					
July 25		$67,917.29			
Do	$1,953.31				
Oct. 17				$2,000,000.00	
Nov. 11		47,348.33			
Do	7,391.08				
Dec. 15				1,000,000.00	
1912.					
Feb. 5			$43,042.37		
Do	6,047.61				
May 1			394,494.89		
	15,392.00	115,265.62	437,537.26	3,000,000.00	$3,568,194.88
Grants in fiscal year 1912 for 1909, 1910, 1911, and 1912					3,568,194.88
Less repayments into Treasury on account of fiscal year 1912:					
Jan. 31, 1912				$1,000,000.00	
May 31, 1912				1,000,000.00	
					2,000,000.00
Net amount of warrants issued to Post Office Department during fiscal year 1912					1,568,194.88

The above statements for the years 1905 to 1912, inclusive, are summarized as follows:

Fiscal year.	Gross amounts paid from Treasury for postal deficiencies.	Repayments to Treasury on account of postal deficiencies.	Net payments from the Treasury on account of postal deficiencies.
1905	$15,081,688.45	$16,431.45	$15,065,257.00
1906	12,850,000.00	176,705.61	12,673,294.39
1907	7,631,194.03	1,811.22	7,629,382.81
1908	13,035,430.16	147,389.22	12,888,040.94
Total	48,598,312.64	342,337.50	48,255,975.14
1909	19,571,002.67	69,940.30	19,501,062.37
1910	13,601,430.94	5,105,818.57	8,495,612.37
1911	4,120,296.49	4,254,080.78	[1]133,784.29
1912	3,568,194.88	2,000,000.00	1,568,194.88
Total	40,860,924.98	11,429,839.65	29,431,085.33
Grand total	89,459,237.62	11,772,177.15	77,687,060.47

[1] Excess of repayments over payments from the Treasury during the fiscal year 1911.

Very truly, yours,

W. G. McAdoo,
Secretary.

Hon. John A. Moon,
Chairman Committee on the Post Office and Post Roads,
House of Representatives.

Appendix C.

Post Office Department,
Third Assistant Postmaster General,
Washington, January 6, 1917.

Hon. John A. Moon,
Chairman Committee on the Post Office and Post Roads,
House of Representatives, Washington, D. C.

My Dear Judge Moon: In response to your request for information with respect to the loss incident to the handling and transporting of mail matter of the second class, I have to say that the Hughes Commission, created in 1911 under a joint resolution of Congress to investigate the subject, found that the cost of handling and transporting such matter mailed at the cent-a-pound rate was approximately 5½ cents a pound, exclusive of certain expenses, principally for services in post offices, which, because of the limited information regarding them the commission did not assign. The department's estimate of the cost of handling this matter, including the expenses which the commission did not assign, was approximately 8.27 cents a pound. On the basis of the department's estimate, which includes the unassigned expenses, the loss incident to handling and transporting second-class matter during the fiscal years 1913 to 1916, inclusive, would be as follows:

Fiscal year.	Pounds mailed at cent-a-pound rate and free in county.	Estimated expense of handling and transporting.	Amount of postage received.	Estimated loss in handling and transporting.
1913	1,057,607,512	$87,464,141	$9,975,470	$77,488,670
1914	1,088,686,120	90,034,342	10,269,013	79,765,329
1915	1,109,285,785	91,737,934	10,471,442	81,266,492
1916	1,202,470,676	99,444,324	11,383,530	88,060,794

The estimated loss as above shown would no doubt be somewhat reduced because the cost of transporting free-in-county matter is somewhat less than the cost of transporting matter mailed at the cent-a-pound rate, and also on account of economies and improvements in the service, etc. These differences, however, are not believed to be of any considerable amount.

By direction of the Postmaster General.

Yours, very truly,

A. M. Dockery,
Third Assistant Postmaster General.

Mr. STEENERSON. Mr. Chairman, will the gentleman yield?

Mr. MOON. Yes.

Mr. STEENERSON. I expect to demonstrate before the general debate is over that instead of earning a surplus during the last four years the Post Office Department has run behind when they have paid all their bills, that they are in the hole now.

Mr. MOON. Well, if the gentleman will show that it is upon a tissue of the most damnable lies ever presented on earth. [Laughter.]

Mr. STEENERSON. I will show it upon the figures of the Treasury Department, presided over by a Democrat.

Mr. MOON. I have the figures, as I said a while ago, which show the fact, and this fact still remains, that the Post Office Department for its services of this fiscal year does not owe a dollar anywhere to the Treasury of the United States.

Mr. STEENERSON. I will show it owes $1,400,000 to the railroads for the increase of parcel post, according to Mr. Praeger, and $3,000,000 to the rural carriers on account of deferred salaries which have not been paid——

Mr. MOON. We will account for all.

Mr. STEENERSON (continuing). And they are in the hole. [Applause on the Republican side.]

Mr. MOON. Now, Mr. Chairman, the statement of the gentleman will be borne out by the facts if it is true. The facts as they appear from the Treasury Department and the Post Office Department show that that statement is not true. There is one thing——

Mr. STEENERSON rose.

Mr. MOON. I will not yield to the gentleman now. Here is one thing that any man who has common sense ought to know: If the balance of accounts is made between those two departments of Government and settled, and the Post Office Department pays in actual cash a surplus of $5,000,000 or more to the Treasury, with all the accounts balanced, with all the bills payable and all bills receivable accounted for, it shows that there is a surplus.

Now, of course, Mr. Chairman, if the Post Office Department were to be charged for the rent of public buildings of the country and expenses of that character, which has never been charged with a debt of that kind, then the department, perhaps, would be behind, though there should be taken into consideration the amount chargeable for penalties and franking privileges, which might balance off this charge.

Those two items have never been counted up.

Mr. Chairman, I did not intend to raise any disturbance about this question of surplus. It certainly ought to be a matter of gratification to any man who has a decent regard for the interest and welfare of his country that a surplus has been earned, if it has been earned, and if it has not been earned surely it ought to be acceptable to any gentleman to know wherein the statement is wrong. Any man can take figures and pad them. Any man can make assumptions, if he wants to do it, but when the accounts between two great departments are closed and the cash paid over to one or the other, that is a settlement that every man will acknowledge who has not too much partisanship to see the truth or too little inclination to observe the truth when he sees it.

Mr. STEENERSON. Will the gentleman yield?

Mr. MOON. No; not now.

Mr. Chairman, I should explain, perhaps, the reason why this bill carries a larger sum than the amount suggested in the expenditures by the department. We have made a little table in the report that shows the increases and decreases. I will not go over all of them, although there are about eight in all, but the main one is an increase of some $4,000,000. The Post Office Department recommended for the Rural Free Delivery Service $49,000,000. The last bill carried $53,000,000. The committee—a majority, at least, of the committee—thought that the same amount appropriated for the Rural Service last year, of $53,000,000, should be carried this year, notwithstanding the department thought it could save about $4,000,000. The reason for that was that there was no desire on the part of the committee to have a deficiency in this item. It was desired that that service be carried out completely and effectively. Fifty-three million dollars did it last year, with an unexpended balance. Now, it is not necessary, of course, if the department can administer this service for less money

than $53,000,000, that it use all of it, but it has been made available for that purpose.

Mr. MADDEN. Will the gentleman yield for a question?

Mr. MOON. Yes.

Mr. MADDEN. And it was suggested, was it not, Mr. Chairman, that if, in the management of the Rural Delivery Service, the department is able to save any part of the $4,000,000, which it was suggested should not be appropriated, that all such saving should be used for the extension of the Rural Delivery Service?

Mr. MOON. Yes; that was the idea that the committee had, and I am obliged to my friend for the suggestion in connection with the view I have expressed about the matter.

I am not making, as you will readily observe, a connected speech in any way upon this question. I am going to talk about these matters, as they may be suggested by the Members of the House or as they may occur to me, for a few moments.

Now, in this connection it may be perhaps proper for me to say something about the rural service. We are now paying on 43,000 routes, I believe, a maximum salary of $1,200 for a 24-mile horse-drawn vehicle route. Of course, in proportion to the length of the route, under the terms of the law there is a gradual scale of wages. This committee has not attempted in any way to change that provision carried in the last appropriation bill, the law of the land as it is now. That law remains untouched by this bill. But the committee saw the necessity of some economy in this service, and they felt that a great economy could be effected by the creation of routes upon which automobiles were to be used from 24 to 48 or 50 miles in length. We were aware of the feeling in the House on the question of the change of the routes to the automobile service in the United States. There is a great part of our country where the automobile can not be used for the whole year around, and where it would be impracticable to establish that kind of a route. This bill, therefore, provides that automobiles may be used on the routes of from 24 to 48 miles, where, and only where, that service can be rendered every day in the year. And they have provided for a salary not in excess of $2,000 per annum for the carrier using the automobiles over this route and furnishing his own equipment. You will see at once that the effect of that will be in the part of the country where this service can be used successfully every day in the year the doubling up of some routes. That, of course, is going to dismiss a few hundred carriers. Preference will be given to those who have made the best record. I know it is going to hurt very much some gentlemen to think that they may lose a carrier here and there, and some are so attached to the carriers that they will shed tears even if they lose them in districts that are not their own. But a real economy is effected by this service. It is a sensible method, in my judgment, of adjusting this service to the needs of the country, to the patrons of the office, and to the interests of the Government. Of course, a route that is 48 miles long, for which you pay $2,000, is much cheaper to the Government than two of 24 miles in length for $1,200 each—a saving of $400. When it runs over a thousand or two routes it amounts to much. Now, that section is possibly subject to a point of order, also. If any gentleman in this House feels that he wants to take the responsibility of making a point of order against that section, of course it is his right. My own judgment is that, while the section may not be perfect, it is one that ought to be submitted to this House and the Committee of the Whole for its consideration, without a point of order, with such amendments as the House may see fit in order to perfect this system. I believe, Mr. Chairman, that is all I wanted to say on the subject of the rural routes.

Now, I want to talk a little about——

Mr. SMITH of Michigan. Will the gentleman yield for a question before he leaves the subject of rural routes?

Mr. MOON. Yes.

Mr. SMITH of Michigan. What is the purpose of establishing a motor or automobile route?

Mr. MOON. The purpose of establishing an automobile route, or routes of more than 24 to 50 miles, is this: You will have the mail carried quicker than you will by the old method, and you will carry it cheaper than you do by the old method, and you give the same facilities and the same accommodation to the people the year around, because the provision is that it shall be used only where it can be effectively used for the year around.

Mr. SMITH of Michigan. Well, in those States or places where an automobile can be used on a 24-mile route, and they can do the work quicker, does that affect the pay?

Mr. MOON. I do not think it affects the pay at all. It does not affect a single carrier now. There is no change in the old law. The purpose simply is to double up some routes where they can be effectively used the year around with an automobile and save some money. That is all.

Mr. SMITH of Michigan. And the carrier would be entitled to his extra time if he used his automobile on a 24-mile route?

Mr. MOON. Of course. We do not interfere with that at all.

Mr. SLAYDEN. Mr. Chairman, will the gentleman permit me to ask him a question?

Mr. MOON. Yes.

Mr. SLAYDEN. Has the committee made an estimate that the chairman can give to the House of what would be the probable saving by the establishment of a motor service on all practicable routes?

Mr. MOON. No; but the Postmaster General estimated that by the establishment of the law that I have just discussed as to the new routes and the other economies that may be practiced under the existing law with reference to rural routes a saving of something over $4,000,000 per annum may be made.

Mr. SLAYDEN. That much may be saved?

Mr. MOON. Yes. But I am aware, gentlemen, that I am discussing with some difficulty a question where the Membership of the House has had a feeling that was not altogether kindly to the department on account of some changes, some of which may have been unfortunate, and I am aware, too, that I run counter to the suggestions of those gentlemen who feel that the patrons along the route ought to be permitted to say to the Government what changes should be made and what should not be made. That you did in the last bill. You have actually brought before this country the ridiculous proposition that a great department of the Government shall make no changes in these routes with reference to this service until a majority of the patrons of a particular route demand it.

Now, that, if it had not been an act of Congress, would be said by almost anybody to be pure demagoguery; that is all. The department ought to have control over this under reasonable and sensible laws enacted by Congress. That provision that I have just spoken of would be repealed—I want you to know the facts, because I do not want you to vote in ignorance about it—if this provision is carried into effect. I did not intend further to discuss this matter; I went back by reason of the question of the gentleman from Michigan [Mr. SMITH], who rose to make an inquiry of me a moment ago.

There is another matter concerning which there is a great deal of feeling.

Mr. HELVERING. Mr. Chairman, will the gentleman yield before he gets away from the rural carriers?

Mr. MOON. I am trying to get away from the rural carriers, but I will yield to the gentleman. [Laughter.]

Mr. HELVERING. On page 25 it says, "Rural carriers shall receive a salary not exceeding $2,000 per annum, and their maximum salary shall be based on the length of their routes, the time required to serve them, and the number of pieces and weight of mail transported."

Mr. MOON. Yes.

Mr. HELVERING. Very well. Then it says, "The minimum compensation of rural carriers shall be as follows: On routes of 24 miles and over, six times a week, $1,200 per annum."

Mr. MOON. Yes. That is the present law.

Mr. HELVERING. Then a 30-mile route is not affected by this?

Mr. MOON. Oh, no. It does not affect the old law at all.

Now, Mr. Chairman, I was remarking that there was another matter of very great interest to gentlemen here from the cities of Chicago, New York, Brooklyn, Philadelphia, St. Louis, and Boston. I sympathize with those gentlemen in their efforts to sustain the judgment of a portion of the people of their cities. While it may be a matter of regret that a gentleman in his capacity as a Representative upon this floor must so localize himself as to support a measure that is not in the interest of the whole American people, let us discuss the question a little—and I am not going to discuss it minutely. There is a report, a copy of which I hold in my hand and exhibit to you. You see the size of that volume. Gentlemen have said that there has been no sufficient investigation of this question. Here is a report made by five post-office officials on the question of pneumatic tubes in those cities. There is every fact in connection with the whole service. That is a report of 224 printed pages the size of an ordinary magazine. There are the maps of the cities. There is a calculation as to the cost of the transportation and the handling of the mails in those cities. There are the tests of the pneumatic tubes in those cities. There is a comparative test between the automobile service and the pneumatic tubes. There is the law bearing upon the question. And here is another volume which I submit to you, a volume twice

that size, containing the hearings had before this committee of the representatives of those cities upon that question.

Now, I am going briefly to state the conclusion that we reached from that proof, and I believe that a careful reading of it all will bring the same conclusion to any unprejudiced mind. First, take for a moment the consideration of the question of tubes.

When the law was first passed and went into operation in Philadelphia and other cities the suspicion arose that the Government of the United States was paying a very large sum for a service that was not very valuable. I have forgotten the date, but I recollect very well that I made a motion on this floor myself to strike from the appropriation bill the appropriations for the pneumatic-tube service. The facts were given in 1901. It was upon this report, I think, that the House struck out that provision. We were without the pneumatic-tube service in those cities for a time. Then another law was enacted for the reestablishment of the tubes, giving the power to the Postmaster General to make term contracts for this service.

What happened under that law? The tubes were established in the cities that I have named. The price paid was $17,000 per mile per year for the operation of those tubes, and this report shows the number of miles in operation in all those cities. Well, what part now of the mail of the United States is carried in these tubes in those cities? The letter mail is about one-twelfth of the weight of all the mails, and the tubes carried only 60 per cent of that one-twelfth, for which we are paying $17,000 a mile each year; and the automobiles can carry in the same cities, as this proof shows, that mail for from one-third to one-half what it costs the Government to carry it through the tubes.

Can it carry it quicker? The proof is, in many instances, that the automobile service is the quicker, because of the various stoppages in the transfer of the mails through the tubes to and from the post office, and particularly the crooked routes of transportation you get by the tubes in some of those cities.

But a great contention is had that the tube service is the quicker. It is not suggested for a moment that it is the cheapest, because it costs two-thirds more than the automobile service. But they say it is quicker. The demonstrations of the department show that in all of the cities, except the city of New York, the automobile service is the quickest, and there is no contention by the gentlemen of the other cities that they have quickened it by tubes beyond three or four minutes.

Let us concede, then, that the department is wrong when it says the automobile service is the quickest. Let us agree that the tube service is the quickest by three or four minutes. Then what follows? Are you to pay for the difference of between a third and the whole $17,000 a mile for the expedition of mails to the extent of three minutes in cities that have 9 and 11 deliveries of mail a day? It is an absurdity for you to talk about it. Think of it, 9 and 11 deliveries of mail a day; and because the tube could deliver it two or three minutes sooner than the automobile this vast difference must be paid! I am going to speak plainly about this. I spoke plainly at the time the motion was made to strike down this new service to begin with, although it has been revived by law. It has from the very beginning been a service not justified in view of the needs of the Government or in view of its exactions upon the National Treasury. What? Three minutes' time saved, at a cost of $10,000 a mile, in six or eight cities which have 58 miles of tubes! Three minutes saved! Are you to pay that for it? Why, gentlemen, in your districts—of course, they are not as important as these great cities—there are places where the people do not get their mail three times a week. Is the country to pay this amount to avoid a delay of two or three minutes in the delivery of the mail where they have 11 deliveries a day? You see the fallacy of such a suggestion. But they have gotten used to the enjoyment of special privileges. They are inured to the wrong that they feel gives benefits to them, a wrong and an injustice to your whole country, and it is hard for them to let loose. I understand that. I understand, and have some sympathy with, gentlemen whose friends persist in the maintenance of a policy that is ineffectual so far as Government needs are concerned. But the law provides that the Postmaster General, after the expiration of the contract for the service of 10 years, shall not advertise for the continuation of this service—and that law was made for the purpose of meeting just such cases as this—until a committee of not less than three postal officials shall have been appointed by the Postmaster General, whose duty it is to make a thorough and complete investigation of this service, and shall have reported favorably—mark that provision—before a new contract shall be made. Well, the department appointed the officials. They have made their report, and they tell you that in every city where these tubes are in use, except in New York, this service is of no practical value.

The exception in New York is due to the intense congestion upon certain streets. And even in New York there is a part of the service that they say is not necessary. The law provides that there shall be no contract for the continuation of this service until this report is favorable. The reports in all these cases except as to New York are unfavorable. They tell you that this service is of no practical value. They tell you that in many instances there are great delays in the operation of the tubes. They tell you that the tubes are so small that they can carry only a portion of the letter mail. They really carry only 60 per cent of the letter mail, and they carry no other mail, except some very small packages, because the balance of the mail can go by automobile and reach the office before the whole 100 per cent of the letter mail can be carried through the tubes. In New York, as I have said, the congestion is such that the service is thought to be worthy to be continued, and that report continues it. How are you going to continue this service in the other cities in view of this law? There is nothing in this bill that provides anything in contravention of the present law.

Mr. BENNET. Will the gentleman yield?

Mr. MOON. Yes; I will yield.

Mr. BENNET. I want to ask for information. Suppose no one bids for this tube service in New York City on Monday next. What do you think it is the duty of Congress to do?

Mr. MOON. It will be the duty of the Postmaster General, under the law, to see to it that that mail is carried, and he will rig up enough automobiles to carry it or carry it on those which the department now has.

Mr. BENNET. Then, as I understand—if I am incorrect, the gentleman can correct me—if no one bids, the gentleman is in favor of abandoning the entire pneumatic-tube service in New York City?

Mr. MOON. Until you can get a bid, of course, you could not do anything else. The mail has to be carried. You can not stop it simply because nobody bids for the continuation of the pneumatic-tube service.

Mr. BENNET. Congress has the power to continue it?

Mr. MOON. Congress has the power to do the whole thing, of course. Nobody is denying the power of Congress.

Now, there you stand in reference to this question and to the law. Suppose you do increase the appropriation, there can not be an advertisement for the letting of the contract, and there can not be any contract unless you see fit to change the law of the land on the subject. Will you do it in view of the facts? I know there are a number of business men who have come before the committee, seeking to make a case which they do not make, and they have proved a certain amount of congestion in the streets of Boston, Philadelphia, St. Louis, and other cities. They have proved the dangers of automobile operation. Well, of course we know that automobiles are dangerous; but in the great cities of New York, St. Louis, and Chicago, is it not a puerile argument for anyone to say that the addition of three or four more automobiles, or twenty-four, a hundred, or more, automobiles operated by the Government will seriously add to the congestion in the streets of those cities so as to be a public menace to use them? Yet that is the position that gentlemen take. They simply have the service, and they want to keep it. It would not do them any more good if they did keep it than automobile service, but they do not know that. It is just like the case of any other man who has something he ought not to have; he wants to hold on to it to see whether it will do any good or not.

Take the city of Chicago. Who would know better than the postmaster at Chicago, a most estimable gentleman, who, I am told, is a splendid postmaster. Of course, he is a Republican. He has been there a number of years. Mr. Campbell is the postmaster at Chicago. He is not biased, as a Republican, in the interest of a policy of the Democratic Post Office Department. Yet Mr. Campbell tells you that these tubes are of no value or benefit in facilitating the mail in the city of Chicago.

Mr. GRIFFIN. Will the gentleman yield?

Mr. MOON. Yes.

Mr. GRIFFIN. Mr. Morgan, another estimable gentleman, is of a different opinion, is he not?

Mr. MOON. I will come to Mr. Morgan. I am coming right to New York in a minute.

Mr. HAMILTON of Michigan. I will ask the gentleman a question for information. Having in mind the claim in reference to congestion in big cities, would it be possible to increase the size of these tubes so as to enable them to carry all the mail?

Mr. MOON. Unquestionably so. A tube that would be big enough to carry a car, and carry all the mail in it, such as the proofs showed was being constructed in the city of London

to-day, would be of very great service, because it could carry it all upon a straight track. But here are tortuous routes, and little 8-inch tubes, which are in some instances the relics of a commercial enterprise that has failed, and they have been dumped upon the Government.

Mr. HAMILTON of Michigan. For information I will ask the gentleman a further question. Would it be possible, for instance in a city like New York, to change this tube service so as to enlarge and straighten the tubes, and get much better service?

Mr. MOON. The owners of them could do that, but the gentleman must understand that the Government rents these tubes. Of course, that might be done.

Mr. HAMILTON of Michigan. Would that be involved in the bids bringing about a better tube service?

Mr. MOON. That might be done, but it could not be done under this item.

Mr. MADDEN. It could not be done without having a comprehensive investigation and settlement by engineers of the question.

Mr. HAMILTON of Michigan. Would not that be the solution of the problem?

Mr. MOON. It might be, but I am not prepared to express an opinion on any public question of that kind without an investigation.

Mr. HAMILTON of Michigan. I know the gentleman is very careful, but with his great knowledge I did not know but that he might express an opinion of it.

Mr. MOON. I believe if you had large tubes, sufficiently large, say 9 feet, practically a tunnel, that that would be of very great value.

Now, Mr. Campbell tells you in Chicago that it is not for the benefit of the public service to continue the tube service. Who knows so well as the postmaster who uses the tubes and sees the daily operation of them. In the city of Boston the postmaster, Mr. Murray, a former Representative in this House, gives you a statement of fact that irresistibly leads to the conclusion that they are of no value in Boston.

I know where the sentiment and sympathy arises in this case; it is that in some of these cases people of small means have invested their money. If the Government does not continue the use of these tubes there may be a loss of their money, but the proof before our committee shows that the revenue is largely consumed in large salaries. I would not undertake to say what the profit of these tubes to the holders of them is, because there is a diversity of testimony and opinion in regard to it, but from the knowledge that I glean from the testimony and from a common-sense view of the cost of these things—the material, the payments that enter into the construction of the whole service, although they say they earn only 4 or 5 per cent—the proof will demonstrate, if you read the record itself, that it is about 28 per cent gross, or probably about 14 per cent net.

Now, I do not blame them for not giving it up, but, gentlemen, if you can secure to the people of the United States a good or better service for one-third of the money, are you going to continue the service? That is for you and not for me; it is up to your conscience and your judgment. That is all there is in this question.

In the city of New York, which is the only exception in the report, it is insisted by the committee that made the report—and they made a favorable report, and therefore it becomes the right of the Postmaster General to advertise for service in New York, or a certain part of that service—that the facts show that the automobile would be just as well and that a saving might be effected there but for street congestion. We are giving the benefit of the doubt on all these questions to the city. We are appropriating, in just so many words, to the pneumatic-tube service $456,000, while the appropriation heretofore has been $976,000.

New York is not mentioned, but in view of the law which prohibits the advertisement in any city not favorably reported upon New York is the only city that will get the benefit of this appropriation.

Mr. SLAYDEN. Will the gentleman yield?

Mr. MOON. Yes.

Mr. SLAYDEN. I do not know that I clearly understood the gentleman in reference to the advantages of the service in New York. Did I understand him to say that the only difference in time for the delivery of the mail by pneumatic tube or automobile was three or four minutes in favor of the tubes?

Mr. MOON. Three or four minutes. I do not think there is any necessity for it in New York, but I am following the report of the commission. The commission says that the congestion is very much greater in New York than elsewhere, and the only city entitled to the benefits of the appropriation under the law, as I understand it, is the city of New York, because it is the only city that there has been a favorable report upon.

Mr. SLAYDEN. New York, if I understand correctly, is the only city in which there is any saving of time, and that is insignificant.

Mr. MOON. That is right. Now, Mr. Chairman, I want to pass to another and more important proposition.

Mr. MOORE of Pennsylvania. Before the gentleman leaves the question of the pneumatic tube——

Mr. MOON. I am already gone. [Laughter.]

Mr. MOORE of Pennsylvania. I want to inquire of the gentleman whether the postmaster at Philadelphia has recommended the discontinuance of the service in his city.

Mr. MOON. I do not know whether the postmaster did or not. My recollection is that you in Philadelphia are getting 11 deliveries a day at the Bourse Station, and the balance of the city does not get it. I am at a loss to know why gentlemen of that building are entitled to so many more deliveries than the rest of the city.

Mr. MOORE of Pennsylvania. The testimony before the committee would fully explain that if I had a chance to get it in the RECORD, but I have not been able to for want of time. It is in the business center.

Mr. MOON. Well, any man who will stand up and talk in favor of that proposition ought to have not only time but eternity. [Laughter.]

Mr. MOORE of Pennsylvania. I could introduce some testimony that would show——

Mr. MOON. Let the gentleman put that in the RECORD.

Mr. MOORE of Pennsylvania. It will be too late; it will be like the report of the Postmaster General—too late to be useful.

Mr. MOON. Now, Mr. Chairman, I want to pass to another question, because too much time has already been given to this question of the tube service, a thing which I think is already practically closed.

Mr. TAGUE. Mr. Chairman, will the gentleman yield to me?

Mr. MOON. Not on the pneumatic-tube business. If it is not on that, I will yield.

Mr. TAGUE. Is the gentleman aware of the fact that the Post Office Department has recommended pneumatic tubes to be installed in the new post office in the city of Dallas, Tex.?

Mr. MOON. I do not know what the Post Office Department has recommended, and I do not care. I know, as a matter of common sense, as a legislator here, that if 40 post-office departments had recommended such a thing I would not vote for it.

Mr. TAGUE. But the gentleman is quoting from the Postmaster General's report.

Mr. MOON. I am quoting from the postmaster who performs that service. I am not going to discuss that any further. I want to get to one other subject which is of vastly more importance, one which is very close to the souls of almost all of you. You are the most unhappy set of men that God ever let live when you are up against the excoriation and denunciation of a newspaper or a magazine. I do not believe a Member of Congress is afraid of war, of pestilence, or famine, but he will run from a newspaper every time. [Laughter.] What have you been doing along that line for the last forty-odd years? It was well known to the Committee on the Post Office and Post Roads that to relieve this country of that most perilous and dangerous subsidy and political power and influence that has infested the land we would have to separate the fight against the railroad corporations of the United States who were plundering you at one end of the Treasury and the publications of the United States that are plundering you at the other end of the Treasury. We could not force through any measure in this Congress or any other that had against it both of these sinister influences against decent and honest government in the transportation of the mails. For 10 or 12 years we fought the special railroad facilities until we drove them away. We demanded a reduction in the railway mail pay, and a few years ago forced down the pay under the old rule some $6,000,000.

In the last Congress because the newspapers were not denouncing you for it, except as they were paid to make that denunciation, you did finally accomplish something. We had to separate that fight. We established the space basis against the old weight basis, and the experiment upon that proposition is now in effect, since the 1st of November, and you are going to have as a result justice to the country and justice to the railroads. Under that law we will not permit an abnormal increase in the cost of transportation. The railroads will receive all that they are entitled to and the Government will be made to pay all that it ought to pay. The Government will not pay any more than it ought to, and the railroads will receive no more than they are entitled to receive. That question is settled. Another question,

one that I now present to you, has to be settled before there can be genuine economy in the administration of the Post Office Department, and before the people can reach that to which they are entitled, namely, 1-cent letter postage in the United States. This bill carries a provision for 1-cent drop letters. I say to you that unless you carry that other provision which provides for the increase in the pay of second-class matter you ought not to adopt the 1-cent proposition.

Let us consult about the second-class mail matter. If I can, I want to so reach you that you will understand, if you do not already, the exact facts in reference to the matter. The law of the United States divides your mail matter into four classes. The first class is comprised of the letters and the post cards. You pay at the rate of 2 cents per ounce for your letters. Of course the postal cards are very much lighter and are carried for 1 cent, and it takes so many of them to make a pound that the profits from the post cards are greater. You pay therefore at the rate of 32 cents a pound for your first-class mail, the letter mail, which is the most easily handled mail, though perhaps not the most easily distributed mail. What do you pay for second-class mail? By second-class mail the law means newspapers, magazines, and periodicals published at stated periods. What are you paying for that mail? What are you getting for the carrying of that mail, and what do you pay for the carrying of that mail? You get 1 cent a pound for second-class mail matter as against 32 cents for the first-class. Third-class matter pays 8 cents, fourth class 16 cents, and the parcels post has a separate rate.

The first-class mail matter for which the people are charged by the Government 32 cents a pound yields 85 per cent of the revenue of the Post Office Department. The Hughes Commission to investigate this matter—and it has been thoroughly investigated—presided over by Mr. Justice Hughes, a very accomplished and able judge, reported that it cost the Government of the United States 5½ cents per pound to transport its mail. That commission said that in that calculation they left out other elements that entered into the cost, such as the handling of the mail in the Post Office, because the facts were not before them. Leaving out the most essential element in the cost of handling the mail, that commission reports that it costs you 5½ cents to carry that mail for which you get 1 cent. This question is not a new one, and the administrations for 15 years have recommended changes in this matter. The department shows that it costs the Government of the United States 8¼ cents to carry every pound of this second-class mail matter, for which you receive in return 1 cent. Is it wise that you should carry newspapers, magazines, and so forth, and receive just 1 cent a pound for carrying them all over this continent when it costs you 8¼ cents to do it? Is there any man who has a just sense of duty to his fellow man who would ask him to perform year in and year out a service for which he was paying him less than one-seventh of what it cost him to perform it? Yet that is the exact situation in the United States. I am going to ask permission, and unless objection is made I shall do so, to place in the RECORD an authentic, verified statement as to the losses of this Government in the last four years on second-class mail matter, which I shall make Appendix C to my remarks. The loss upon that matter this year is greater than the total amount of the Post Office appropriation bill the first year that I sat in this House. Four years ago you lost $77,000,000 on this matter. Your loss during that period has gradually increased until at the end of the last fiscal year the loss to the people of this country on the carrying of this matter has been over $88,000,000.

Mr. FOCHT. Mr. Chairman, will the gentleman yield for a question?

Mr. MOON. Yes.

Mr. FOCHT. May I ask the gentleman what percentage of that loss applies to newspapers and what percentage to magazines?

Mr. MOON. Well, it is impossible for me to separate the proportion of magazines. It has not been done, but I think much the greater loss is on the magazines; that is the largest loss. I am going to discuss that in a moment. Mr. Chairman, thirty-odd years ago this second-class matter was 40,000,000 pounds. Under the encouragement of a subsidy law, insidious laws governing this question, that weight has increased this year to 1,202,000,000 pounds. If that increase shall continue, and it is going on, this Government will pay after while as much for this subsidy as it does to the administration of all of this department. Now, there is a reason. Congress rarely acts without reason for something. There is often a natural hidden reason controlling the action of an intelligent legislative body, and that is true as to this body. There is a reason why letter mail, the pay mail, should bear the heavy rate of postage. There is a reason why this second-class matter should bear a very low rate of postage, but there is no reason why the difference between the two should be the difference of 32 to 1.

Mr. LONGWORTH. Would it interrupt the gentleman if I should ask him a question at that point?

Mr. MOON. I yield to the gentleman.

Mr. LONGWORTH. The gentleman has stated, if I understood him correctly, that unless the House shall adopt this increase in second-class matter, the zone system, he would not favor the decrease in drop-letter postage?

Mr. MOON. I doubt the wisdom of it because of the fact that unless we provide some means of revenue we ought not in any shape to adopt any measure which might reduce revenue receipts. It might be possible that the drop-letter system might carry itself. I have some suggestions that it may.

Mr. LONGWORTH. That was the question I wanted to ask the gentleman. How much decrease in the revenues does the gentleman think will occur with the immediate reduction to the 1-cent drop-letter postage?

Mr. MOON. It has been impossible to make any calculations on that. Of course, it is a matter of conjecture largely, but the supposition has been it would be a few million dollars less for the first year and probably recoup in the course of time because of the additional number of pieces that would be mailed under the new postage.

Mr. LONGWORTH. So the gentleman thinks that within a comparatively few years it might be self-sustaining?

Mr. MOON. It will be self-sustaining in a matter of a few years. But, Mr. Chairman, I was discussing the question of why the difference between the first and second class matter. The immense revenue comes from the first class, the immense loss comes from the second class. Naturally that difference ought not to exist. An orderly state of things in Government would protest most earnestly against it, but in the early history of your country, when there were but few newspapers, and when learning, so far as newspapers and magazines were concerned, was greatly limited, when the facilities of the Government were not what they are, when the means of communication through the country were not what they are, when social conditions of the people were altogether different, it was deemed advisable to give all the aid the Government could give—though I have always and still doubt the wisdom of giving this aid to private enterprise—still it was the policy established by the Government to give aid to various struggling papers and magazines, in order that knowledge might go forth among the people, that the people might be advised of the conditions of Government, that they might know the happenings, and that law and order might be aided. There was much argument for this contention, and I believe there is much yet. I would oppose any measure upon this floor which would tend to strangle the daily or the weekly press of this country. I would oppose the imposition upon it as I would upon magazines, as far as that is concerned, of any unjust burdens, but the time has long since passed when the public must nurture this means of information and learning. They are like the infant industries of the country once justifying Government support. They stand alone. They are to-day, by reason of their power, by reason of the fact that they reach into all the hidden corners of the land, that they bring forth to light all that is wrong, that they hold up all that is beautiful, entitled to consideration. But how much? Are you to continue a bounty for them that depletes your Treasury? Is the difference, of 32 to 1, just? This bill does not propose to take from them the full $88,000,000 loss that is being sustained. We propose not to change the law, either as to newspapers or magazines, from the letter of the present law within a radius of 300 miles of the point of publication.

Now, if you carry at a loss of 7 cents a pound this 1,200,000,000 pounds of literature for 300 miles, ought we not, when called to carry it across the continent, to have at least 1 cent more for every 300 miles of travel that this burdens the Government? That is the proposition of this committee.

Mr. HUMPHREY of Washington. Will the gentleman yield?

Mr. MOON. I will yield to the gentleman from Washington.

Mr. HUMPHREY of Washington. I want to ask the gentleman about this proposition because I have received a good many communications from my section of the country claiming that inasmuch as the most of the magazines are published in the East it is a discrimination against them under this zone system. I want to say I am in sympathy with the position, as the gentleman perhaps knows, and have been for a great many years, but the question has been propounded me and I have received two or three letters in every mail protesting against that feature of it. I would like the gentleman to give

me his explanation of the attitude of the committee in reference to that matter.

Mr. MOON. To what feature of it? I did not quite catch what the gentleman said.

Mr. HUMPHREY of Washington. I say that I have been receiving a good many communications from the people on the Pacific coast claiming that under the zone system the people on the coast will have to pay more for most of their magazines because of the fact that they are published on the east coast.

Mr. MOON. They do not publish many in the West?

Mr. HUMPHREY of Washington. They publish some; yes.

Mr. MOON. The newspaper men may charge a little more. It will not amount to very much more. But, after all, the people have to pay this cost—the magazine people do not pay it.

Mr. HUMPHREY of Washington. I received a letter this morning—and I am sorry I do not have it here now—from some publication in Chicago, claiming that they had 28,000 subscribers in my State, and saying that if this zone system was adopted they would raise the price of their magazines to the people in the State of Washington and they would have to pay more than those who were nearer the seat of publication.

Mr. MOON. I think it is barely possible that the people would be charged more, and yet magazines do not make their money on subscriptions. They send tens of thousands of them free all over the country. The money they make is on the advertising. It is doubtful whether it would add one cent to the subscription, but if it does it will come out of the people, of course. But it would not be to the interest of the magazine to increase prices and decrease circulation, because this would reduce the value of advertisements.

Mr. HUMPHREY of Washington. Do you think a magazine would attempt to discriminate and charge different prices in different portions of the country, if you adopt this?

Mr. MOON. I doubt that. I think probably they would have a flat rate, and the people living near to them would suffer more or as much than the people far away from them.

Mr. HUMPHREY of Washington. How many magazines do you think would go out of business?

Mr. MOON. I think it would be a good thing for the country if a majority of them would go out of the business.

Mr. HUMPHREY of Washington. I agree with the gentleman. I have received many letters saying they would quit.

Mr. MOON. There is no reason for them quitting under the law. The magazines are not treating the people right. Take the carloads that go out every few weeks from New York, and within a radius of 300 or 400 miles, they are sent by express or freight and distributed by their agents, but the long haul across the continent, that swamps the National Treasury, is given to the Government for transportation.

Mr. HUMPHREY of Washington. I hope you will correct it in some way. I wanted to get the view so that I can defend it.

Mr. MOON. I present these facts not an extreme case either way. Just an average case. Listen for a moment. Here are the official figures on January 4, 1917, issue of the Iron Age, weight 4 pounds 14 ounces each:

Circulation	14,000
14,000—4 lbs. 14 oz. each, weight ... pounds	68,250
Less, say 10 per cent for those not going by mail ... do	6,825
Probable weight of those sent by mail ... do	61,425
They pay Post Office for 61,425 lbs. at 1c. per lb	$614
Cost Post Office 8c per lb. (61,425 lbs. at 8c per lb.)	$4,914
Loss to Post Office on this one edition ... net	$4,300

This last month the Post Office got out of this publication $614. It cost the Post Office 8 cents a pound, or a little more than that, on 61,425 pounds. It cost the Post Office $4,914 to carry that for one month. The loss to the Post Office on this one edition in this month—the December issue, printed on the 1st of January—is $4,300 net. Their minimum price for advertising is $50 per page. This number has 636 pages of advertising matter, and that at $50 per page would make a revenue from the advertising pages alone of $31,800. The reading matter in this edition is 132 pages. In the name of all that is honest and just shall this Government, upon the plea of dissemination of knowledge and information, carry an advertising medium of 600 pages at a loss in a single month of $4,300 to the American people? And this is only a medium proposition.

Take the Saturday Evening Post. The back page of that paper, as the proof showed two years ago before this committee—every issue paid for by the advertisers—was at the rate of $10,000 for the back page. The inside pages run from $250 to $7,000, every line paying them 84 cents. And yet they are not willing to pay to this Government one-fourth of the cost of the millions of dollars it has cost this Government every year to carry it.

Mr. JOHNSON of Washington. Will the gentleman yield?

Mr. MOON. Yes.

Mr. JOHNSON of Washington. In the case of the Iron Age, with 14,000 circulation, does not the gentleman think that that circulation of the 4-pound magazine will go right on in practically the same number regardless of the zone system, even if the few subscribers in the far-away West are cut out?

Mr. MOON. I do not know about that; maybe so.

Mr. JOHNSON of Washington. Costing the Government just as much and discriminating against the western people.

Mr. MOON. But when the Government has added to the circulation of this paper the cost that will attach to the different zones it will be but a very, very small recoupment of the loss. And still they are opposing it.

Mr. HOWARD. Will the gentleman yield for a question?

Mr. MOON. Yes.

Mr. HOWARD. As a matter of fact, in reply to the question of the gentleman from Washington a while ago as to the discrimination against the far West on eastern publications, as a matter of fact is it not true that the advertising value of magazines is predicated upon the circulation of the magazines and the number of subscribers, and would it not be more dangerous for the magazines to increase their prices to the reader, which would naturally reduce their subscription list, than it would be to send them on at the same rate?

Mr. MOON. Possibly.

Mr. PLATT. Will the gentleman yield?

Mr. MOON. Yes.

Mr. PLATT. Do not the advertisers of the Saturday Evening Post and of the Iron Age, and other publications that circulate by mail, put their advertisements in in order to receive mail replies paid for at first-class rates? If they do not do that, what do they do it for?

Mr. MOON. Of course, there are results from every advertisement in first-class letter mail. That is true; but there are also results, on the other hand, to second-class matter in replies, and that second-class matter in the losses will far outweigh the benefits that come from the first class, if the present policy is pursued and publications increase. I am surprised that my friend from New York should present that argument. That is a fallacy that was exploded in the discussion of this matter about fifteen years ago.

Mr. STAFFORD. Mr. Chairman, will the gentleman yield?

Mr. MOON. Yes.

Mr. STAFFORD. I wished to remind the gentleman that the fact was brought out at the hearing six years ago as to the policy of the Curtis Publishing Co., of Philadelphia, which publishes the Saturday Evening Post, the Ladies' Home Journal, and the Country Gentleman. It was stated by a representative of that company that they send for the short haul their publications by fast freight between the office of publication in Philadelphia and Kansas City, and for the dispatch of their publications beyond Kansas City they dump them into the office of the company in Philadelphia, and we pay the high cost and do not get even the benefit of the short haul.

Mr. MOON. The gentleman from Wisconsin is undoubtedly correct. They give us in every instance the long haul and they take the short ones. Now, let us see about the Saturday Evening Post, just for a moment.

Mr. RANDALL. Mr. Chairman, will the gentleman yield there?

Mr. MOON. Yes.

Mr. RANDALL. Just a moment, in connection with the statement that the gentleman from Wisconsin made. I have a letter from the Curtis Publishing Co., in which they state that they paid to the Government $681,000 in postage during the last year on 68,000,000 pounds of their publications. Now, the average weight of the Saturday Evening Post is 1 pound, or 2,000,000 pounds per week, or more than a billion pounds a year, whereas they admit paying postage on only 68,000,000 pounds.

Mr. STAFFORD. Has the gentleman any evidence or letter which controverts the statement I made as to the policy of the Curtis Publishing Co. to deny the Government the benefit of the short haul by sending their publications by fast freight between the office of publication and Kansas City and dumping them into the mails for the haul beyond Kansas City?

Mr. RANDALL. They admit they send only a small portion by mail.

Mr. STAFFORD. They send the profitable haul by freight and the unprofitable haul by mail.

Mr. MOORE of Pennsylvania. The gentleman from Wisconsin has used strong terms.

Mr. STAFFORD. Oh, that evidence has never been controverted.

Mr. MOON. The statement has just been made about the postage paid by the Saturday Evening Post. Sixty pages of

advertising in that paper at $4,500 a page would be $270,000, and one year's advertisement, 52 weeks, would be $14,040,000, based on the rate of advertisements that was testified to by the publishers of the Saturday Evening Post in January, 1914. The rate is probably higher now.

Now, Mr. Chairman, it is very evident from these few illustrations that an enormous burden is resting upon the Government in this matter. When it comes to the smaller publications, that will take, as some of them do, 30 or 40 to make a pound, when they are segregated and put in the different pouches and mail bags and carried to the different parts of the country, upon that class of matter there is no telling what the loss to the Government is. The average alone has been ascertained, taking it all together, by the most scientific sources the department would have.

Now, can you or do you justify, under the policy of "disseminating knowledge," or any other policy, the continued conduct of this department at a loss of 7 cents on every pound of such mail it can carry, aggregating—and I want to impress upon you the figures again—for the fiscal year just passed $88,000,000? If you do, is it your right and your privilege to do it? You will be false to the American people, in my judgment, if you do.

This zone system may not be the best. Gentlemen may object to that. It may be perhaps wiser to have a flat rate of 1½ cents or 2 cents a pound. But there ought not to be any objection to the consideration of this question by the House. There ought not to be any point of order made upon it. You ought to come up to the issue and dispose of it. You ought not, in my judgment, to yield on the part of the Government everything in the interest of knowledge and information among the people. These great advertising mediums that do not give information except perhaps in one-fifth of their publications, as in the case of the one that I read, are of no benefit to the literature of the Nation. Most of these magazines that carry fiction carry also fraud advertisements, and even where the advertisements are legal they are of but little benefit to the American people. If you could segregate those magazines or those publications that are issued not for profit but for the elevation of the American people, for the upholding of morality and religion and the upholding of all that is good in the material world for our people, it would be well that you continue to them that encouragement that ought to come from the Government to that class of its citizens who are upholding its highest morals, its law, and its integrity. But I protest against the continuation of a policy that gives the mere advertiser, the mere destroyer of good and wholesome literature, an advantage that you do not give to the public.

You go upon the hustings and tell the people that you believe in equal rights to all and special privileges to none. Every Democrat and every Republican in every campaign bases the foundation of his candidacy upon the proposition that he favors the integrity of the institutions that are upheld by equal laws and equal rights, with special privileges to none. And yet I suspect when this section is reached for its consideration only that some man in this House, without the fear of God in his heart, being moved and instigated by the devil, will make a point of order. [Laughter and applause.]

Mr. JAMES. Mr. Chairman, will the gentleman yield?

Mr. MOON. Yes.

Mr. JAMES. There are some magazines published by fraternal organizations, not for profit but for information to the members of those orders. What does the gentleman say about those publications of fraternal organizations?

Mr. MOON. Well, if the members of those orders can not bring themselves under the general rule for the public good I think they ought to pay for them. However, it depends on what the order is, whether it should get the aid of the Government. The order may be a good order or it may be a bad order. If you can tell what the order is you may extend the policy to that order. But still the question can be considered. And if in the extension of the policy in the interest of education the fraternal magazines ought to be exempted or held to their present rates it may be well to do it. My point with you is, gentlemen, that this is the time, if you have any regard for the people whom you represent, to take up this question and determine it in their interest.

Mr. HOWARD. Will the gentleman yield?

Mr. MOON. I yield to the gentleman from Georgia.

Mr. HOWARD. Would the gentleman be willing to accept an amendment excluding from the provisions of this act those fraternal publications which carry less than 10 per cent of advertising matter?

Mr. MOON. I do not know. I never considered that question. If the matter is brought up before the House it is a proper subject for discussion. On the question of disseminating knowledge upon all questions I should not myself seriously object—though I speak only for myself—if the present rates were maintained across the continent upon publications that do not have more than one-tenth of their space filled with advertising matter, provided the other matter is proper for the dissemination of knowledge, I might not object. But it would be a very hard task for this House to undertake to discriminate in that way.

Mr. JAMES. Will the gentleman yield for a question?

Mr. MOON. I yield to the gentleman from Michigan.

Mr. JAMES. For instance, the Eagles' Magazine is published for the information of its members. The members are not charged anything, but each member receives a copy by mail each month. The expenses of publishing the magazine are borne by the Eagles' organization. Just as a matter of information, does the gentleman think a magazine of that kind should be exempt?

Mr. MOON. If any should be exempt, it is possible that kind should be; but I do not subscribe very strongly to the doctrine of making any classes amongst the people to enjoy exemption. I believe that the law ought to fall with equal weight upon all men.

Mr. JAMES. But this Eagles' Magazine is not published for anything except information.

Mr. SLAYDEN. Will the gentleman yield for a question?

Mr. MOON. I yield to the gentleman from Texas.

Mr. SLAYDEN. Does not the law as it exists make a distinction in classes? Does not the present law divide people into classes, and carry the products of certain printing presses for a great deal less than the cost of carriage?

Mr. MOON. That may be true; but that is no evidence of its justice or its good effect.

Mr. SLAYDEN. It is a species of "pork."

Mr. MOON. Perhaps.

Mr. HUMPHREY of Washington. But those publications get the "pork," and they do not say anything about it.

Mr. CANNON. Will the gentleman allow me a question?

Mr. MOON. I yield to the gentleman from Illinois.

Mr. CANNON. As the law used to be—and I presume as it is yet—first-class letter mail could not be sent by express without the postage being paid.

Mr. MOON. That is right. The Government has a monopoly of that.

Mr. CANNON. Why not have a monopoly on second-class matter?

Mr. MOON. There is no objection to that at all in my mind.

Mr. CANNON. In other words, where they can make a profit by shipping it by freight or express they reap the profit.

Mr. MOON. Yes.

Mr. CANNON. But where the transportation is done at a loss the Government pays it.

Mr. MOON. That is correct. Now, I will say to the gentleman in that connection, I think that is a very sound view of the situation. There are a number of magazines in the United States that are published about two weeks before the date that they bear, and in the last bill we provided what is known as the blue-tag law, by which those magazines may be sent by fast freight, so that they reach the point for which they are intended by the date of publication that they bear. An experiment was made previously by the department in the first and second divisions of the United States, the country being divided into four divisions on that question, and it was demonstrated that under that policy the magazines reached the point of destination at the time they were intended to reach it, and that in one zone about $1,650,000 was gained by the Government by that policy, and in another zone $1,350,000; and in the last act we put the whole country under that system, so that the department now has the discretion, so far as the magazines are concerned, wherever they can be delivered in accordance with the statutory contract—which provides, of course, for delivery by the publication date—they may go by that method.

Now, as I said before, having adjusted the railway mail pay proposition, if we can now adjust this proposition—not to obtain full compensation, but to make the publishers pay at least one-fourth or one-fifth of what it costs to carry this matter; and that is about what it is—we may be able to give to this country 1-cent letter postage.

Mr. FARR. Has the gentleman estimated the additional amount of burden that will be placed upon these publications by the adoption of the zone system?

Mr. MOON. No; but anybody can estimate that in a moment.

Mr. MADDEN. It will cost them 3 cents instead of 1 cent on the average.

Mr. MOON. Take, for instance, that class of papers that weigh 16 to the pound. They go 300 miles, just as they do now, for 1 cent a pound. We add 1 cent a pound to them in the zone

300 miles beyond that, which would be about one-sixteenth of 1 cent for each paper. It does not amount to much separately, but it amounts to a good deal in the aggregate. I have concluded the suggestions I desired to make.

Mr. Chairman, does the gentleman from Minnesota [Mr. STEENERSON] wish to use some of his time?

Mr. STEENERSON. I yield eight minutes to the gentleman from New York [Mr. BENNET].

Mr. BENNET. Mr. Chairman, the result of the action of the Postmaster General, whatever may have been his intention, will be to discontinue the pneumatic-tube service in New York City entirely on the 4th of March. It will be a postal crime, and the mere fact that it may be an accidental crime in no way militates against the atrocity of the result. There is an advertisement for bids for the tube service, which bids will be opened on Monday, and there will not be one single bona fide bid for a mile of pneumatic-tube service in New York City on Monday next. I hold in my hand a letter from the bitterest opponent of the present company, which opponent was asked by the Post Office Department, evidently in a special letter, to bid for this tube service. I shall read the pertinent part of the reply:

ELECTRIC CARRIER CO.,
220 Broadway, New York, January 8, 1917.

Hon. J. C. KOONS,
First Assistant Postmaster General, Washington, D. C.

DEAR SIR: Referring to your letter of January 5 (Ry. SC), respecting proposals for carrying mails by tubes in this city, I regret to advise you we shall be unable to submit proposals under the terms of the advertisement.

I find that banking support can not be obtained under the provision which provides "Each contract shall contain a provision empowering the Postmaster General to terminate and annul the contract on six months' notice."

Nor do I think it would be possible for any company, aside from the company already in the field, to secure a franchise and fulfill the other requirements within the time limit allowed. * * *

Regretting our inability to meet the terms of the advertisement, we remain,

Respectfully,

ELECTRIC CARRIER CO.,
E. R. SUTTON, *Secretary.*

Mr. HULBERT. Will my colleague yield?

Mr. BENNET. For a brief question.

Mr. HULBERT. Does my colleague know the source of the current by which all the pneumatic-tube service is handled in New York?

Mr. BENNET. Not intending to be disrespectful, I do not know, and neither do I care.

Mr. HULBERT. Does my colleague know that it is not possible for the pneumatic-tube company to make a contract for so short a period as six months?

Mr. BENNET. I did not know it, but that is an additional atrocity. The proposition of the Postmaster General is to do away with the pneumatic-tube service everywhere. He did not dare to do it in New York City, and so he kept the promise to the ear and broke it to the hope. And for how much money? Why, the pneumatic-tube service costs $499,500 a year. The additional automobiles that they will have to have, even to get the mail through the streets regardless of delays will cost $280,000. So the Postmaster General proposes to put us back in a horse and wagon stage in New York City for a total saving of $219,500 this year. That is all the difference there is between the cost of the two services.

The gentleman from Tennessee [Mr. MOON] inadvertently said that there was only a difference of time of three or four minutes even in New York City. The distance from the station in the customhouse to One hundred and twenty-fourth Street is 8½ miles. The time by automobile—because automobiles go from station to station, and if they had an automobile from every station to every station it would cost more than the tubes—the time from station to station is 2 hours and 31 minutes from the customhouse to One hundred and twenty-fourth Street. The time by the tubes is 46 minutes. In other words, instead of being a difference of three or four minutes, the difference is nearly two hours on that route. Neither did the gentleman mention that other capitals in the world—London, Berlin, Paris, and Vienna—have a pneumatic-tube service.

Mr. GORDON. Will the gentleman yield?

Mr. BENNET. For a very brief question.

Mr. GORDON. How many people in New York are financially interested in the tube monopoly?

Mr. BENNET. The gentleman can find the list of stockholders on pages 388, 389, and 390 of the hearings.

Mr. COX. Will the gentleman yield? I am sure the gentleman wants to be right.

Mr. BENNET. Yes.

Mr. COX. The gentleman is not citing the record correctly when he says that all of the capitals of the world he mentions have pneumatic tubes. Berlin and Paris and London have little 3-inch tubes, and the only mail that they carry through them is special letters costing 6 cents; they are telegram letters.

Mr. BENNET. I said they had pneumatic-tube service. Now, take the commercial side of it. The Western Union Telegraph Co. and the Postal Telegraph Co. in the city of New York operate more than 50 miles of tubes—3-inch tubes. The gentleman from Tennessee [Mr. MOON] said that an 8-inch tube was too small to be operated commercially. The Western Union Telegraph Co. and the Postal Telegraph Co. are supposed to have good business sense, and they operate 3-inch tubes because in the city of New York they can deliver telegrams through the tubes quicker than they can through our congested streets, and they have twice as much mileage as the Government has.

We propose to do away with all of them for the yearly saving of $219,000 each year, when the Post Office Committee reports to the House a proposition, from which I do not dissent, appropriating $5,000,000 more for rural free delivery than the Post Office Department recommends.

Now, what about the congestion of the streets. We have 140,000 automobiles in New York City. There are street corners in New York City, street crossings, where 110,000 people cross every 10 hours, in addition to the 15,000 or 16,000 vehicles. Every 14 hours in New York City some man, woman, or child is killed by a vehicle. Every 23 minutes some man, woman, or child is injured by a vehicle.

There came before the Post Office Committee the representative of the manufacturers and dealers in automobiles who asked that the tube service be continued because the automobiles already on the streets of New York are at least as many as there ought to be, if, in fact, not more than there ought to be. Now, they propose to add to this a number of automobiles sufficient to carry these letters throught the streets.

What is our mail in New York City? Five million letters a day, 85 per cent of which are carried through the tubes. The gentleman from Tennessee says—and I am not criticizing the accuracy of his statement—that the first-class mail is only one-twelfth of the weight of the mail, but that is a pretty big amount.

By leave of the House I reprint the following, compiled by the Merchants' Association of New York City:

OPPOSING THE ABOLITION OR CURTAILMENT OF THE PNEUMATIC-TUBE MAIL SERVICE IN ANY CITY WHERE IT NOW EXISTS.

The Postmaster General has recommended to Congress the abolition of the pneumatic-tube mail service in Boston, Philadelphia, Chicago, and St. Louis; its curtailment in Brooklyn, and its retention in New York under conditions which threaten to curtail it by about one-half, and which permit its entire abolition at the discretion of the Postmaster General.

The recommendations of the Postmaster General are based upon a report of a committee of subordinate postal officials, which report embodies the results of an investigation made by the committee as to the relative efficiency of auto vehicles and pneumatic tubes for the transmission of letter mail. Those results seemingly demonstrate that autos equal tubes in efficiency and that the substitution of autos for tubes would effect material economies without impairing the mail service.

This would be true if the facts stated in the report comprehended all the facts, and if the methods used in the investigation had been such as fully to develop and fairly to present those facts; but such is not the case. In the investigation vital factors were ignored or suppressed. By reason of their suppression false inferences were suggested, leading to fallacious conclusions. The utility of the tubes was minimized, and the practicable performances of autos under service conditions was grossly exaggerated. The methods of the investigation, its omission to develop and present essential facts, the questionable character of the so-called tests, and the fallacy of the conclusions inevitable from an incomplete array of facts, were such as to render misleading and practically worthless the report upon which rest the recommendations of the Postmaster General.

Following are specifications:

1. The automobile tests were made under highly favorable selected conditions of minimum traffic congestion, and entire absence of obstruction by ice and snow.
2. The usual and necessary service routes, time schedules, and requirements were disregarded.
3. Excessive and dangerous speed was made through crowded city streets.
4. The results of the speed tests made under exceptional and selected conditions were accepted as representing the practicable speed of autos throughout the year, under service conditions subject to wide variation.
5. The rapidity and capacity of the tubes were understated. On one occasion the operation of the tubes was retarded.
6. Two of the most important and useful functions of the tube service were ignored by the report.

I. THE AUTOMOBILE TESTS WERE MADE UNDER HIGHLY FAVORABLE SELECTED CONDITIONS OF MINIMUM TRAFFIC CONGESTION AND ENTIRE ABSENCE OF OBSTRUCTION BY ICE AND SNOW.

Tests of the relative speed of autos and tubes in the transmission of mail were made in the several cities having tube service, with the exception of New York. All these tests, with three exceptions, were made in the months of July and August. The exceptions were made June 28 and 29 in Boston.

The speed at which vehicles can move through city streets is, of course, materially affected by the extent of the traffic therein. In all the large cities the traffic congestion in the business centers is extreme and creates a condition exceedingly unfavorable to the rapid movement

of vehicles. In the city of New York traffic counts were recently made during the months of maximum congestion. It was found that at the 464 crossings where police officers are stationed to regulate traffic an aggregate of about 3,407,000 vehicles and 15,545,000 pedestrians crossed within 10 hours. The traffic at Columbus Circle (1 mile north of Forty-second Street) aggregated 39,000 vehicles and 81,990 pedestrians in 10 consecutive hours. Similar conditions of extreme congestion prevail in the Chicago "loop district" and in the central areas of Boston, Philadelphia, and St. Louis.

But the density of the congestion varies widely at different seasons. In the months of July and August it is at a minimum. During those months shipments of merchandise fall off greatly. Retail trade of many classes is at its lowest ebb, and the movement of delivery wagons is much reduced. A large proportion of pleasure or passenger autos are absent in country districts. These causes greatly reduce the volume of street traffic and correspondingly increase the practicable speed.

In his testimony on this point before the House Committee on the Post Office and Post Roads, Inspector Thomas Myers, the police officer in charge of traffic regulation in New York, stated that street traffic and consequent congestion falls off about 50 per cent during the months of July and August. Similar causes produce a similar falling off in other cities.

It is obvious that speed results obtained in the months when about one-half the usual number of vehicles are absent from the streets do not fairly represent the speed practicable during the remainder of the year.

It is a fact of common knowledge that city streets during a considerable part of every winter are badly obstructed by snow and ice. So far as revealed by their report, this fact seemed to be unknown to the committee of post-office employees. At any rate, no cognizance was taken of it.

The extent to which snow slows the movement of autos and disarranges mail movement was testified to December 14 before the House Committee on the Post Office and Post Roads by Mr. Edward M. Morgan, postmaster of New York.

Mr. Morgan stated in substance that during a considerable part of last winter, because of snow, it was necessary in order to make train connections to allow autos as much as 30 minutes' extra running time, thus more than doubling the usual time. Mr. Morgan specified December 13, 14, 15, 16, and 17, 1915; February 2, 3, 4, 5, 6, 13, 14, 15, 16, and 17, 1916; March 2, 3, 6, 7, 8, 9, 10, 15, 16, and 17, 1916, as days when transportation was seriously interrupted by reason of storms, and the mail contractor was unable to meet the requirements of the service and live up to the existing schedules. The effect of these conditions is shown by the following quotations from the records of the hearing:

"Mr. MORGAN. * * * The number of train connections missed and consequent delay to mails during December, 1915, and January, February, and March, 1916, due to irregularities in mail-wagon (auto) service, occasioned by snowstorms and resultant congested and slippery streets, was as follows:

December, 1915	30
January, 1916	8
February, 1916	51
March, 1916	120
Total	209

"The CHAIRMAN. They missed the trains?

"Mr. MORGAN. Yes, sir; notwithstanding they were given 30 minutes headway.

"Mr. BENNET. You mean you start the mails several minutes earlier?

"Mr. MORGAN. Yes.

"Mr. BENNET. How many—how long a time?

"Mr. MORGAN. Usually about 30 minutes. For example, if we have to make a connection, and our regular schedule is 2.30, we start the wagon out at 2 o'clock; and if we have to make a connection, the regular schedule being 4 o'clock, we start the wagon out at half past 3."

The extent to which snow and ice obstructed the movement of mail vehicles in other cities is undoubtedly a matter of record in the several post offices. It is a vital factor in determining the relative utility of autos and tubes. The committee could readily have obtained the information. So far as the record shows they made no attempt to do so, but completely ignored it.

II.—THE USUAL AND NECESSARY SERVICE ROUTES, TIME SCHEDULES, AND SERVICE REQUIREMENTS WERE DISREGARDED.

The time normally required for mail vehicles to move between post offices and railroad stations and from one branch office to another is definitely and completely established as to every important office. The extent of that time is absolutely and conclusively demonstrated by daily and hourly experience, continued through every day in the year. As a result of this experience official time schedules are established. These schedules govern the movement of all mail vehicles.

The time allowed is that normally consumed by the vehicles in passing over their routes. It considers delays and interruptions to movement occasioned by traffic congestion. It makes allowances for time consumed by stops made at intervening stations for the purpose of receiving and delivering mail.

The time allowance is governed by two imperative factors. The vehicle must remain at the post office until the latest possible moment in order to permit it to carry the latest mails received. The time allowed for movement to its destination must be as short as is practicable to assure its arrival at the station in time to catch the connecting train. It is certain, therefore, that in every post office having a capable administration the time allowed for the movement of vehicles is the shortest time that it is safe to allow, as demonstrated by continuous experience.

In addition to the normal time allowance is the extraordinary allowance made necessary in winter by reason of snow and ice. Postmaster Morgan has testified that under frequently prevailing winter conditions more than twice the usual time is required. We have thus in the records of every post office absolute standards derived from experience of actual service conditions as to the performance of auto vehicles which may safely be relied upon.

The difference between these standards and the results of the so-called tests made in Chicago and Boston are so great as to bring the methods of the latter into question. Mail is daily transported by automobile from the Boston general post office to Uphams Corners over a route which is 4.4 miles long. Mail passing over this route goes first to the South Terminal Station, where it is transferred to another vehicle. It thence moves by way of the South Boston Station to Uphams Corners. The vehicle stops at each of the stations named. At the South Terminal the pouches are rehandled and separated for forwarding to different destinations by various routes. This process requires five minutes or more. An intervening stop is made at South Boston, where mails are received and delivered. The record of movement and distances is as follows:

DISTANCE AND OFFICIAL TIME, INCLUDING STOPS.

General post office to South Terminal, three-quarters mile, 15 minutes.
South Terminal to South Boston, 1⅜ miles, 15 minutes.
South Boston to Uphams Corners, 2¼ miles, 15 minutes.
Total, 4.4 miles, 45 minutes.
Average miles per hour under service conditions, 5.86.

In the auto test that was made between the general post office and Uphams Corners the route followed was not stated. If the auto proceeded via Roxbury, the distance covered would be 5 miles. If it proceeded via South Boston, the distance would be 4.4 miles. The time occupied was 13 minutes 50 seconds. In the first case, via Roxbury, the rate of speed per hour would have been over 21 miles. In the second case, via South Boston, the rate per hour would have been over 19 miles.

This result was obviously obtained by ignoring all the service conditions. An average rate of speed more than three times that found possible under service conditions was made. It was in part made by omitting the stops required in the actual mail service, thereby saving the several minutes required to make each of those stops and take and deliver the mail. It was made by sending the auto over portions of the route at a rate of approximately 30 miles per hour (making allowance for the inevitable detention in the area of great congestion).

Similar disregard of service conditions appears in the so-called tests made in the central area of Boston. The official time shown by experience to be necessary under service conditions for an auto to move from the general post office to the South Station and insure train connections is 10 minutes. The auto made the distance in 3 minutes 40 seconds. The official time from the Boston post office to the North Station is 12 minutes. The test auto made the distance in 5 minutes 5 seconds. These figures show the extent to which the relative absence of traffic congestion during the months of July and August influenced the result.

On the one hand, we have the time schedules based upon long and continuous experience, established with due regard to traffic obstacles and to service stops. On the other hand, we have single tests made regardless of service conditions, with the obstacles of traffic congestion largely eliminated, omitting the time required for stops at intermediate stations, and carried on at an unlawful and highly dangerous rate of speed.

Similar conditions obtained in the case of the Chicago tests. The official time upon which autos are daily moving between the general post office and the stockyards, with one stop, is 52 minutes, the rate of speed per hour being 6.92 miles. In the so-called auto test the distance was made in 17 minutes, the service stop required in actual service being omitted. The average rate of speed was over 21 miles an hour, probably reaching 30 miles an hour over a considerable part of the course.

The Postmaster General assumes that the results of these tests indicate the regular and normal speed of the service which can be provided by automobiles. If that be true, the administrative officials of the principal post offices in the United States are convicted of gross incompetency, for consuming in actual service more than three times the time which the Postmaster General appears to believe a reasonable and practicable time.

III.—EXCESSIVE AND DANGEROUS SPEED WAS MADE THROUGH CROWDED CITY STREETS.

It has been shown above that the regular time schedules imposed by contract upon the mail service in the several cities contemplates a rate of speed limited by the congestion of city streets, speed laws, traffic regulations, and similar obstructive conditions.

The public of every large city is in a state of violent indignation and alarm because of the dangerous conditions arising from the rapid movement of automobiles in crowded city streets. The fatalities and accidents from this cause are numerous. In the city of New York one person is killed every 14 hours, and one person is injured every 23 minutes. The problem of preventing undue speed, of protecting life, and of dealing with traffic congestion is one of the most pressing with which city officials everywhere are confronted.

In response to public demand and in the interest of public safety, laws limiting the speed of vehicles have everywhere been adopted. "Safety first" is the universal cry.

In defiance of an earnest and reasonable public sentiment we find the agents of the United States actively promoting highly dangerous conditions. We find the Postmaster General of the United States seriously proposing that those dangerous conditions shall be made the regular and daily conditions for the operation of mail vehicles—that those vehicles shall regularly and habitually traverse city streets with reckless disregard of human life and safety, and shall ignore and override the laws and regulations made necessary for the public protection.

The recommendation of the Postmaster General is based upon the assumption that mails will be transported through the streets by autos at the speed shown by the recent tests. Unless that speed is maintained, the present celerity of mail movement, attained by the use of the tubes, will be materially lessened. That speed is therefore proposed by the department.

The auto speed developed by the tests and accepted by the Postmaster General as a normal standard of performance was as follows:

BOSTON—GENERAL POST OFFICE TO UPHAMS CORNERS.

Distance (via Roxbury. The tubes follow the Roxbury route, with which the auto tests were compared. The regular auto route to Uphams Corners is via South Boston. The distance via the latter route is 4.4 miles. If this route were taken in the auto test, the average rate of speed would have been slightly more than 19 miles per hour). 5 miles.
Time, 13 minutes 50 seconds.
Rate per hour, over 21 miles.

CHICAGO—GENERAL POST OFFICE TO STOCK YARDS.

Distance, over 6 miles.
Time, 17 minutes.
Rate per hour, over 21 miles.

In each of these tests a mile or more of the distance was through an area of intense congestion, in which area only a very slow rate of progress was possible. The official time schedules of the Boston post office allow 10 minutes for an auto to traverse only a part of this congested area. A similar official time allowance is made in Chicago. Allowing for inevitable delays in these highly congested districts, a much higher rate of speed than the average must have been maintained over the remainder of the route.

It is practically certain, therefore, that over the larger part of the routes stated the test autos must have been driven at a rate of speed in excess of 30 miles per hour, through densely populated districts, in defiance of speed laws, traffic regulations, and public safety.

In fact, however, this speed would not and could not be maintained under service conditions, for reasons stated in the previous section. But nevertheless it was advanced by the post-office committee as though it were the normal speed practicable for mail autos; and the Postmaster General and Congress were permitted to infer that this artificial and impracticable rate of auto movement proved that the mails could be moved as rapidly and efficiently by autos as by tubes.

IV.—THE RESULTS OF THE SPEED TESTS MADE UNDER EXCEPTIONAL SELECTED CONDITIONS WERE ACCEPTED AS REPRESENTING THE PRACTICABLE SPEED OF AUTOS THROUGHOUT THE YEAR, UNDER SERVICE CONDITIONS SUBJECT TO WIDE VARIATION.

It has been shown above that the conditions affecting the speed of autos passing through city streets are subject to wide variations at different seasons of the year. It has been shown that the so-called tests of auto speed were made at a time when traffic congestion was at a minimum and an exceptionally high rate of speed therefore practicable. It has been shown that in the tests the usual and necessary service routes were disregarded and that the usual and necessary stops at intermediate stations, involving in the case of each station a considerable time for delivering and receiving mail, were omitted. It has been shown that the actual service time established and shown to be necessary as the result of continuous experience during years is from two to three times that shown by the tests. It has been shown that when the streets are obstructed by snow and ice it is necessary to more than double the usual service time and that even with such additional time many train connections are missed. It has been shown that excessive and dangerous speed was made through crowded streets in violation of traffic regulations and speed laws.

It is obvious that all the conditions recited must of necessity be considered and allowed for in determining the habitual and regular speed of mail autos when carrying the mails under service conditions. It is equally obvious that any fair investigation for the purpose of determining the practicable speed of autos in mail service would have given full consideration to all these limiting conditions and have fully and candidly stated in the report their effect and the extent to which they should qualify the conclusions.

The report of the committee of postal employees is silent upon all of these points. Having made certain tests under conditions which excluded nearly all the most formidable impediments to high speed, they have presented those results as though they were applicable throughout the entire year and as though they could properly be made the ordinary standard of auto performance.

As a matter of fact, the report in question ignored or suppressed the essential facts indispensable to a true conclusion. It is this investigation which the Postmaster General characterizes as "thorough," and upon which, "after careful consideration," he bases his recommendations for the substitution of autos for tubes, on the assumption that the former will provide service equally efficient as that of the latter.

Upon this evidence, which has suppressed the essential and suggested the untrue and misleading, the Postmaster General rests his statement that the department "never at any time has made a recommendation looking to the improvement of the Postal Service which it is more certain is just and meritorious than the proposed action with reference to this pneumatic-tube service."

V.—THE RAPIDITY AND CAPACITY OF THE TUBES WAS UNDERSTATED—ON ONE OCCASION THE OPERATION OF THE TUBES WAS RETARDED.

The capacity of the tubes is dependent upon the quantity or weight of mail matter which can be contained in each of the carriers and the frequency with which such carriers can be dispatched through the tubes.

The report of the committee of post-office officials alleges:

"(a) The capacity of each tube container is limited to about 5 pounds of letter mail, and all classes of mail can not be carried."

In the hearings before the House Committee on Post Offices and Post Roads a standard carrier was placed in evidence. Numerous packages containing envelopes with blank letter sheets of different sizes and thicknesses, and also a proportion of cards similar to postal cards, were produced, weighed before the committee, and deposited in the carriers. Ten pounds of these packages—which were carefully examined by the committee and admitted to be fairly representative of regular mail—were placed in the carrier, which was but two-thirds filled. There were, however, no long envelopes in the parcels, but ample space remained to permit the inclusion of such long envelopes.

The committee's report further stated:

"(b) Rapidity of dispatch of tube containers is limited to intervals of about 15 seconds, so that only about 20 pounds of letter mail can be dispatched each minute * * *."

In the Boston test of the mail carried by train No. 53, June 28, 1916, six carriers were dispatched in 65 seconds, making an average of 10⅔ seconds' interval between the carriers.

As testified at the hearing, the time intervals noted in the dispatch of certain mails by tube in the Chicago post office was found to be less than 10 seconds.

In the New York post office on August 19, between the hours of 7 and 8 o'clock p. m., 838 carriers were dispatched from the general post office through a single line of tubes, the intervals between the dispatches being about 4½ seconds.

In view of these well-established results, it is obvious that the committee's statement that only about 20 pounds of letter mail can be dispatched each minute is incorrect. The facts cited, however, are advanced only to show the loose methods and the loose statements of the committee. It is correct to state that the service intervals between the dispatch of tubes is in usual practice about 15 seconds, although the tube is capable of greater expedition. The actual speed, however, is dependent upon the celerity with which mail is prepared for dispatch by the postal clerks. When the postal clerks are slow or insufficient in number the intervals become greater. The actual quantity carried by the carriers is likewise affected by the speed with which the clerks prepare the packages and the number of letters contained in such packages.

While, therefore, the tubes are capable of moving mail at a much higher rate of speed than that stated by the committee, and while each carrier will contain more than twice the weight stated, the average, under service conditions, is probably approximately correct. This, however, is no excuse for the bald statement of the committee that the capacity is actually limited to the amount and the time stated.

On Sunday, July 30, a test was made in Boston of the rapidity with which the tubes would handle the mail arriving by train No. 30. Seventy-seven carriers were dispatched in 34 minutes 38 seconds, the interval between the dispatch of the carriers thus being 27 seconds, or about two and one-half times as great as that shown by results under actual service conditions. The results thus obtained were put in comparison with the time required for movement by autos of the corresponding mail arriving one week later.

The result was strikingly unfavorable to the tubes, the time required by the tubes being approximately twice that required by the auto. On Sundays a minimum number of postal clerks is on duty. The demand for rapid transmission of the mail is slight, there being no local deliveries and the requirements as to train connections being such as to permit leisurely handling. It is probable, therefore, that on the occasion of this so-called test the slow rate of speed of the carriers is to be accounted for by the lack of the necessary clerical assistants required to prepare the mail for handling by the carriers. But no statement on this point is made. The inference is therefore invited that the slow rate of movement and the consequent unfavorable showing was due to the incapacity of the tube, when, in fact, the entire volume of mail could have been moved in about one-third the time actually consumed had the postal clerks promptly prepared it for the carriers.

The conditions were likewise peculiarly favorable to the quick movement of autos, there being no street congestion whatever by reason of the fact that the test was made on Sunday. Thus, the movement of the tubes was retarded and the movement of the autos was expedited. The report contains no allusion to this disparity in conditions.

VI.—TWO OF THE MOST IMPORTANT AND USEFUL FUNCTIONS OF THE TUBE SERVICE WERE IGNORED BY THE REPORT.

The report of the committee of post-office officials says:

"The principal advantages of pneumatic tubes for the transportation of mail are:

"1. A high rate of speed between stations for limited quantities of mail.

"2. Freedom from surface-traffic congestion."

This is but a partial statement of the advantages and utilities of pneumatic-tube movement. It ignores and omits two of the most important and useful functions of the tube service, namely:

a. Dispatch of late mails, which would otherwise not catch specific trains.

b. Expedition of local mail interchange by reason of continuity of service and more speedy movement.

In all large city post offices mails in large volume pour into such offices in a practically continuous stream. It is sorted as fast as received, placed in pouches, and at a fixed minute is dispatched by auto to connect with specific outgoing trains. After the dispatch of the last auto destined for a specific train, mail which should go by that train continues to arrive. This late mail is forwarded by the tubes, at the rate of from 2,000 to 3,000 letters per minute, and the supplemental dispatch continues for approximately 10 minutes and in some cases a longer time.

This supplemental service could not under any conditions be performed by auto. It is made possible only by the existence of the tubes; and the service thus performed is of very great value to the business community, inasmuch as it advances the delivery of probably a hundred thousand letters every day by a period varying from a few hours to 24 hours or more. Without this supplemental service a great volume of important letter mail would fail to move by the most desirable trains, would therefore miss important connections in all sections of the country, and be greatly retarded in its movement.

The extent and value of the service rendered may be illustrated by the case of the Transcontinental Express, which leaves the Grand Central Terminal, New York, at 9.30 each evening. This train carries a very heavy mail for all important western points, particularly those beyond Chicago and on the Pacific coast. Mail carried by it makes close connections, and reaches its destination in the shortest possible time. Mail which misses this train is subject to a delay of from 12 to 24 hours, according to destination. This train also connects with the Pacific steamships, and if mail destined for Asia or Australia fails to connect with the Transcontinental Express a delay of from two to three weeks in delivery follows.

The last auto connecting with this train leaves the Hudson Terminal at 8.40 p. m. After departure of the last auto a supplemental dispatch by pneumatic tube continues for 10 minutes additional, the last carrier leaving at 8.50. A supplemental dispatch for this particular train is likewise made from all the branch post offices between the Hudson Terminal and the Grand Central Terminal. After the last auto has left with mail for the Transcontinental Express from 10,000 to 12,000 letters for western points are deposited in the various branch offices and forwarded by the tube.

This supplemental service is of the utmost importance, inasmuch as it avoids from 12 to 24 hours' delay in the delivery of from 10,000 to 12,000 letters, nearly all of which comprise banking and business correspondence, which it is highly important shall reach its destination at the earliest possible moment.

This illustration applies to every important mail train leaving the city of New York. The volume of supplemental letter mail thus expedited by the existence of the pneumatic tube equals or exceeds the entire daily mail of cities of the size of Chattanooga, Tenn.

The abolition of the pneumatic tube would deprive the several large cities of the great benefit of this supplemental movement, which function could not be performed by automobiles under any conditions.

Postmaster Morgan has testified that under conditions of snow and ice it is necessary to close the mails to be dispatched by autos about one-half hour earlier than usual. All the mail reaching the post office during this half hour, if dependent upon autos, would miss the next following train, and be delayed often many hours. It is all dispatched by the tubes, and is thus enabled to make the closest and most desirable train connection. The tubes, therefore, in the winter season prevent delay to a very large part of all letter mail and render a highly important service, which autos are incapable of rendering.

Had it not been for the facilities afforded by the tubes during the past winter a very large portion of the outgoing mails would have failed of their proper train connections and been subjected to delays in reaching their destinations ranging from several hours to a day or more.

Another function of prime importance performed by the tubes, and possible only by their use, is the expediting of local mail deliveries. More than 1,000,000 letters are deposited in the New York post office every day for local delivery. A very large proportion of these reach their destination within two to four hours' time. By reason of the speedy movement afforded by the pneumatic tube a letter may be dispatched to an address 12 or 15 miles distant and the sender may receive a reply the same day. The movement of the entire volume of local mail is greatly expedited in every city having a pneumatic tube. This expedition of local mail is an extraordinary and greatly appreciated

public convenience, and to abolish the conditions which make it possible would certainly be the cause of great discontent and public indignation.

The part played by the pneumatic tube in local service may be illustrated by the movement of local mails between widely separated branch post offices in New York. A letter deposited in the most northerly postal station served by the tube in Manhattan addressed to the most southerly station will be immediately dispatched by the continuous service of the tube and received at the southerly station in 46 minutes, and within a few minutes thereafter will be delivered by carrier to the addressee. If sent by auto it would require 2 hours and 31 minutes' transmission time, and in addition might lie in the Harlem post office from 1 to 2 hours awaiting the dispatch of an auto. The intervals between the movements of autos plus the time required in transmission would aggregate approximately 4 hours or more, so that letters mailed at noon or later would reach their destination too late for delivery the same day.

In the case of letters mailed in Harlem and destined for Brooklyn the time required for auto delivery would be materially greater, so that very few letters in such case would reach their destination on the day of mailing. Thus in the case of New York a population of 5,600,000 people has its local mail, aggregating over 1,000,000 letters every day, expedited by the use of pneumatic tubes from 2 to 4 hours or more, whereby the handling of local letters has become exceedingly efficient.

The pneumatic tube is the utility which alone makes this possible.

No allusion to these highly important functions of the pneumatic tube is made by the report of the committee of postal employees.

VII.—THE BENEFITS OF PNEUMATIC TUBES ARE NOT RESTRICTED TO THE CITIES IN WHICH THEY ARE LOCATED, BUT ACCRUE TO THE ENTIRE COUNTRY.

By far the greater part of the entire volume of mails originates in, or is directed to, the great cities. The celerity of mail movement throughout the United States is in large degree dependent upon the celerity with which the mails are handled in those cities. The conditions of modern business are such that rapid movement of mails is of the first importance to the merchants and business men of every locality, however remote.

An immense volume of daily business transactions is dependent upon and regulated by the daily mail movement, and a delay in mails or their slow movement tends greatly to retard those transactions. So pressing is the need for speedy communication that the volume of telegraph transactions between country merchants and city centers has in recent years grown enormously and is constantly increasing. It is, therefore, necessary that business letters dispatched from all sections of the country shall reach their destination in the shortest possible time, and that the reply necessary to complete such transactions shall likewise be received at the earliest possible moment.

Slow handling of the mails in cities like New York, Chicago, and Boston, therefore, not only inconveniences but interferes with the necessary business operations of the entire circle of customers of those cities, and every one of those customers is benefited by the use of pneumatic tubes in the centers where mail congestion is greatest, and where slowness of mail movement entails ultimate delay of possibly many hours.

The abolition or curtailment of the tube service in any of the great cities therefore would materially decrease the expedition of correspondence between the country districts and the cities, and impose great inconvenience upon every section of the country.

The same reasons apply with added force to the mail movement between the great cities. The business transactions between these cities are of enormous extent and of a nature which require the utmost possible expedition. To abolish or curtail the tube service in any of the cities where it now exists not only affects the people of a particular city, but affects the business men of all the cities, by lengthening the time required for the interchange of correspondence. It is for that reason that the city of New York contends earnestly for the retention of the existing tubes in other cities, for their removal will not only inconvenience the people of Boston, St. Louis, Philadelphia, and Chicago, but will interfere with the prompt transactions of business between the merchants of New York and the merchants of those cities.

New York further objects to the specific recommendations made by the Postmaster General with reference to the tube service in this city. The entire system as it now exists is essential properly to meet the local needs of this community. The proposal of the Postmaster General makes possible, and even probable, the discontinuance of that part of the system north of Forty-second Street.

The section north of Forty-second Street not only contains a great number of the most important hotels, clubs, etc., but is also thickly interspersed with important business establishments, the number of which is increasing with great rapidity. The tubes in that section serve a population of more than 2,000,000 people and provide the sole means whereby local letters can promptly be interchanged with other sections of the city.

We strenuously object to any contingent provisions in the advertisement for contracts which shall permit the Postmaster General to discontinue the tube service in that section.

This phase of the questions was considered by the Pneumatic Tube Postal Commission appointed by Congress in 1912. Senator HOKE SMITH was chairman of that commission, which reported on October 24, 1914, as to the expediency of discontinuing any part of the existing system. The Smith commission said:

"In most of these cases, however, it is found that such sections are part of a general system of tubes, and that it would be inadvisable to eliminate these parts and thereby impair the usefulness of the whole system."

The proviso that the Postmaster General may cancel the contracts on six months' notice is highly objectionable. Such a provision in the contract would cripple the company subject thereto, as it would make it impossible for it to provide funds to make the necessary changes and extensions required for the efficiency of the service.

This association therefore contends that as to the city of New York the present system should be retained in its entirety under a single contract covering the period of 10 years without any provision for arbitrary cancellation.

VIII.—SUMMARY.

The soundness of the Postmaster General's recommendations rests wholly upon the soundness of so-called tests of the relative speed and utility of autos and tubes. His proposition is that autos equal tubes in efficiency and will move the mails with equal celerity at a lesser cost. He assumes that this is proved by the so-called speed tests.

To sustain that proposition would require that the regular movement of autos equal that developed by the tests. We have shown the character of these tests—that they afford no indication of the speed practicable under service conditions, and that any conclusions based thereon are therefore misleading. It has been shown that auto movement is subject to serious obstruction from traffic congestion, speed laws, snow and ice, and stops required at intermediate stations; and that for these reasons the actual service speed is very much less than that assumed, as the result of the so-called tests, to be practicable.

It has been shown that the so-called tests ignored all of these factors of obstruction, and that the results were presented as though they were typical and fairly representative of the conditions to be met.

Such is not the fact. It is proved by the experience of every important post office in the country that the actual service rate of speed of autos is not more than one-third that presented by the report of the committee of post-office employees and accepted by the Postmaster General. We have shown that the most important functions of the pneumatic tubes and their most important advantages were ignored or minimized by the committee. While the auto mail service in this city was disorganized and inefficient for many days in succession during last winter, the pneumatic-tube service continued without interruption, and by reason of its existence the entire volume of outgoing letter mails originating in this city was dispatched without delay. On those occasions the mail service would have been absolutely crippled had it not been for the existence of the tubes.

Every day the tube service accomplishes the prompt dispatch of probably 100,000 letters that, without such service, would be subjected to several hours, and on some occasions days of delay. The tubes expedite the delivery of local letters aggregating 1,000,000 daily by from 2 to 4 hours at certain periods of the day, and by 12 to 15 hours at other times. The service rendered by the tubes is of a kind wholly impossible to autos under any conditions. They serve a genuine and important public need. Their abolition or their restriction would greatly reduce the present celerity of mail service and would deprive the public of a most useful facility.

In its report Senator HOKE SMITH'S Pneumatic Tube Postal Commission said:

"The pneumatic-tube service for the transmission of mails in the cities in which such service is now installed is a valuable adjunct to the mail transportation service for handling first-class, registered, and special-delivery mails, not furnished by other means of transportation, and is justified by the advantages of availability, expedition, security, and reliability. Its considerable withdrawal or discontinuance would be regarded as an inadvisable curtailment of facilities."

For all these reasons this association contends that the tube service should be retained without reduction in each of the cities where it now exists, and that it should be extended as rapidly as possible to other important centers of mail traffic.

THE MERCHANTS' ASSOCIATION OF NEW YORK,
WM. FELLOWES MORGAN, *President.*
WM. FELLOWES MORGAN,
WILLIAM C. BREED,
WILLIAM HAMLIN CHILDS,
WILLIAM A. MARBLE,
WALDO H. MARSHALL,
LEWIS E. PIERSON,
HENRY R. TOWNE,
Executive Committee.

II.—FROM THE MAYOR OF THE CITY OF NEW YORK TO THE SPEAKER OF THE HOUSE OF REPRESENTATIVES, PROTESTING AGAINST ADDITIONAL MAIL TRUCKS IN THE CITY'S STREETS.

OFFICE OF THE MAYOR,
New York, December 29, 1916.

Hon. CHAMP CLARK,
Speaker House of Representatives, Washington, D. C.

DEAR SIR: Permit me to direct your particular attention to the bill now before the House of Representatives which, if enacted, will deprive the city of New York of a large part of its pneumatic-tube service for the transmission of mails, requiring in place thereof the introduction of auto vehicles driven through the city streets. I wish to impress upon you the incalculable harm that must inevitably be worked by such a measure in making more acute and dangerous the traffic conditions, which already present a problem of alarming proportions.

The present tube system in this city covers all that part of the Borough of Manhattan lying south of One hundred and twenty-fifth Street; a connection between the Manhattan and Brooklyn general post offices; an extension from the Brooklyn general post office to the Long Island Railroad Station.

The bill (its legislative number I do not have at hand) had, I believe, as its sponsor the Postmaster General, and, having already been favorably reported out ot committee, will shortly come before the House for consideration. It calls for the renewal of the tube service only as to that part of the system which is located south of Forty-second Street and for the line connecting the two general post offices, thus leaving unprovided for that portion north of Forty-second Street in the Borough of Manhattan, and the present extension from the Brooklyn general post office to the Long Island Railroad Station, at the corner of Flatbush and Atlantic Avenues in Brooklyn. It is contended by the advocates of the bill that the continuance of the complete tube service in its present form is not warranted by the cost, and the Postmaster General has indorsed that clause in the report of a committee of post-office employees which says:

"* * * We are recommending that a separate advertisement be issued for the service north of Grand Central and Times Square Stations, but that the contract be not renewed unless a very material reduction in cost is secured."

It is further proposed that if contracts are entered into they shall be for the term of 10 years, but subject to cancellation by the Postmaster General on 6 months' notice.

The many reasons against the proposed abridgement of the present system will be presented to Congress convincingly and in detail by the leading commercial organizations of the city. I shall not, therefore, rehearse the arguments dealing with the subject from a business standpoint which will be presented by others—arguments in favor of efficiency and labor-saving devices with which I am in hearty accord. But I do wish to dwell particularly upon one phase of the subject which seems to me to overshadow all others, vitally affecting, as it does, every inhabitant of this city, namely, the shortsightedness and folly of doing anything which must inevitably add to the great congestion of street traffic and the dangers resulting therefrom.

Impressed though the casual observer must be by the sight of automobile traffic through the chief thoroughfares of this city, only those who have given the subject some study have any idea of the size of

the problem now confronting the city government. It is a problem of providing protection to human life which is daily endangered by the great current of vehicles passing through our streets.

The extent of this danger is forcibly illustrated by the fatalities and accidents which are of daily and hourly occurrence. Last year 659 people were killed and 23,000 injured in street accidents, 281 of those killed being children. Thus, one person was killed every 14 hours and one injured every 23 minutes of each day in the year. Of those killed, 105 met their death from motor trucks. Despite the fact that motor trucks number less than 2½ per cent of the total vehicles, they were chargeable with more than 16 per cent of the fatalities, a striking instance of the dangerous character of that class of vehicles, among which are included mail trucks.

This annual toll of human life in our city streets has excited public indignation and alarm. Constant and urgent appeals are made for measures of protection. Stringent traffic rules have been adopted and 650 policemen have been assigned exclusively to the regulation of traffic. Every possible effort is put forth to restrict the speed of vehicles in the street, and to secure such regularity of movement as shall permit an even and orderly flow of traffic. By reason, however, of the enormous number of vehicles and the great population which daily use our streets, the situation is hard to cope with, and is becoming increasingly difficult.

The resident population of the city of New York is now about 5,600,000. Careful estimates show that this is increased daily by a floating population of over 1,000,000, making the aggregate of over 6,500,000 people who use our streets daily. The number of vehicles in the city is:

Pleasure automobiles	116,065
Commercial automobiles	21,330
Dealers' automobiles	2,974
Total automobiles	140,369
Horse-drawn vehicles	73,727
Grand total	214,096

To this must be added many thousand vehicles, in large part automobiles, which daily enter the city from adjacent territory. The increase in the number of automobiles registered in this city in the year 1916 was 38,000. More than one-half of the population concentrates daily on the island of Manhattan, and passes along its streets. There is a corresponding concentration of vehicles, and the regulation of this enormous mass of traffic is difficult in the extreme.

So much for the general situation. Let me direct your special attention to conditions in those portions of the city where the present pneumatic-tube service is endangered by the pending bill, viz, (1) that covered by the portion of the tube system north of Forty-second Street in the Borough of Manhattan, and (2) the area of the Borough of Brooklyn, along the line of the extension from the general post office of that borough to the Long Island Railroad Station at Flatbush and Atlantic Avenues.

The north and south main arteries of vehicular traffic in Manhattan are at present taxed to capacity. Forty-second Street marks approximately the crest of the traffic wave. The congestion from Forty-second to Fifty-ninth Street is about the same as for the corresponding distance below Forty-second Street. From Fifty-ninth Street north in the Borough of Manhattan the main arteries for vehicular traffic are reduced by the obstruction of Central Park, which lies between Fifth and Eighth Avenues, and extends from Fifty-ninth Street to One hundred and tenth Street, a distance of 2½ miles. Even above Central Park, in the Borough of Manhattan, the congestion of traffic is great.

A traffic tabulation at Fifty-ninth Street, Broadway, and Columbus Circle showed that there are more vehicles passing this location than at any other point in the greater city. During the 10 hours from 8.30 a. m. to 6.30 p. m. 39,200 vehicles and 81,990 pedestrians passed this street intersection.

Following is a tabulation of some of the congested points in Manhattan from Fifty-ninth Street north:

Ten-hour period from 8.30 a. m. to 6.30 p. m.

Location.	Vehicles.	Pedestrians.
Fifty-ninth Street and Second Avenue	9,260	50,040
Eighty-sixth Street and Central Park West	8,310	12,742
Eighty-sixth Street and Broadway	13,042	23,710
Ninety-sixth Street and Broadway	10,083	29,849
One hundred and tenth Street and Eighth Avenue	11,664	12,113
One hundred and sixteenth Street and Fifth Avenue	6,625	22,568
One hundred and sixteenth Street, Seventh and Saint Nicholas Avenues	11,207	20,386
One hundred and twenty-fifth Street and First Avenue	10,343	10,427
One hundred and twenty-fifth Street and Third Avenue	10,348	23,659
One hundred and twenty-fifth Street and Seventh Avenue	10,565	40,119
One hundred and forty-fifth Street and Lenox Avenue	6,623	14,538
One hundred and eighty-first Street and Saint Nicholas Avenue	4,521	20,105
Manhattan Street and Broadway	8,534	28,942

Similar congestion of traffic exists in the business area of Brooklyn, lying between the general post office and the Long Island Station, upon the route proposed to be covered by mail vehicles. A traffic tabulation made at some of the street intersections in this vicinity showed the following results:

Ten-hour period from 8.30 a. m. to 6.30 p. m.

Location.	Vehicles.	Pedestrians
Court and Livingston Streets	5,418	18,125
Fulton, Adams and Willoughby Streets	6,018	35,504
Fulton Street, opposite Court Square	5,422	30,800
Fulton and Smith Streets	5,415	38,677
Fulton and Bond Streets	6,550	46,200
Fulton Street and Flatbush Avenue	8,017	30,700
Flatbush Avenue and Lafayette Street	6,264	26,590
Flatbush Avenue and Fourth	13,075	38,155
Atlantic and Fourth Avenues	7,006	18,940
Flatbush and Atlantic Avenues	6,073	19,315

The extent and density of the traffic as a whole is shown by the aggregate figures resulting from the tabulation referred to. It was found that of the 464 crossings where police officers are stationed to regulate traffic, an aggregate of about 3,407,069 vehicles and 15,545,745 pedestrians crossed at these intersections within 10 hours.

The auto trucks used for carrying United States mails, although but 243 in number at the present time, are the most difficult and obstructive factor in the entire problem. Having right of way over other vehicles, they constantly disrupt and interfere with the regularity of movement which is the essence of successful traffic regulation. They turn out to either side as occasion may permit, passing around and in front of other vehicles, thereby impeding or stopping the movement of the latter. They force other vehicles to pull up short and turn out of the way. They proceed against the current of traffic in one-way streets, and often, if not habitually, exceed the speed limit.

While nominally subject to the local laws, the knowledge that these mail trucks are in the service of the United States works an unconscious but none the less real influence upon the traffic officers, who are consequently reluctant to interfere with the apparent authority of the United States.

In short, it may be safely said that each mail truck on the streets of New York, in its aspect as an ever present menace to life, limb, and property, is equivalent to at least 10 ordinary commercial vehicles. The adding of one avoidable mail truck to traffic conditions in New York is the creation of an unwarrantable additional hazard to life and limb.

The people of this city are confronted by conditions of the utmost danger—conditions which are daily exacting a toll of human life and suffering. City officials are overburdened with the enormous and complex problem of the amelioration of these conditions. The proposal of the Postmaster General, as contained in this bill, is sure to aggravate the situation and add materially to the present danger.

On behalf of the City of New York, I protest against the enactment of a measure which adopts a policy of materialism and economy where the safety of men, women, and children is concerned—which, in spite of the forewarnings of those who must suffer the consequences, openly weighs the saving of dollars and cents against the greatly increased danger to human life.

I therefore urge upon you that the pneumatic-tube service as it now exists in this city be continued and that the bill now pending before Congress be amended to accomplish this result.

Very respectfully, yours,

JOHN PURROY MITCHEL, *Mayor.*

Mr. COX. Mr. Chairman, how much time is remaining on each side?

The CHAIRMAN. The gentleman from Tennessee has used 1 hour and 35 minutes.

Mr. STEENERSON. Mr. Chairman, I yield to the gentleman from Illinois [Mr. MADDEN] 30 minutes.

Mr. MADDEN. Mr. Chairman, the Post Office bill, of course, is considered as one of the most important bills that comes before the House, and one in which every citizen in the land is interested. It is because of the interest of the American people in the activities of the Post Office Department that all of the Members of the House are to be found on the floor and in their seats when this bill is under consideration. [Laughter and applause.]

I am delighted to see the interest manifested by the Members of Congress in the preliminary stages of this important bill, carrying the enormous sum of $329,000,000. The constituency of the Members of Congress would be proud to see the interest that Members manifest in a bill which carries to every home messages of love, hope, and desires, and where every housewife can be found watching for the mail carrier to come in sunshine and storm bringing these messages from their loved ones throughout the world. [Applause.]

We have heard a good deal about the pneumatic-tube service. There is not a very great amount of money involved in the use of pneumatic tubes when you take into consideration the vast amount of money that this bill carries, for the total amount appropriated during all the period of the existence of the tube service has only involved $976,000 a year. The reason for the pneumatic tubes, if there is any reason whatever, is to do away with the congestion in the great commercial cities of the country, and the congestion in these great cities, I confess, does justify the consideration of the question of removal of the mail from the surface of the city streets.

To-day we have, all told, in Boston, New York, Philadelphia, Chicago, and St. Louis 57½ miles of pneumatic tubes, ranging all the way from 6 to 10 inches in diameter, and these tubes are connected with the post office in each of these cities and with some of the outlying stations, as well as with some of the railroads. But the system of tubes that is in force is not complete; it does not move even the first-class mail to all points in the cities which I have named, and of all the mail moved I think it is fair to say that only 1½ per cent of the mail in these cities goes through the tubes. There can be no mail passed through the tubes except letter mail, and the average quantity of mail that passes through the tubes at any one movement is 5 pounds, though the receptacle in which the mail is moved would have a capacity of 15 pounds if it were packed compactly. We are paying $17,000 a mile for the use of the tubes, and in addition to the $17,000 a mile we pay for an additional handling of the mail that goes through the tubes, because all mail that passes through the tubes must be handled once more than the mail that is carried by automobile or wagon. The reason for that is

that when the package of letters is put into the receptacle to go through the tubes it must be tied in a certain form; it must be compact. When it reaches its destination at the end of the tube it goes onto the worktable in the room where the tube terminates. This mail is then worked over by the distributers and distributed for dispatch upon the trains. In the city of Chicago, where I am most familiar with the situation, in addition to the $17,000 a mile which the Government pays for the use of the tubes we pay $60,000 or thereabouts for this additional handling of the mails that would not have to be paid if it were moved by any other means.

The people of all these great cities believe that the tubes are an absolute necessity. They insist that they ought not to be removed, and while my own investigation leads me to the conclusion that we could move the mail as quickly and for less money than we can through the tubes, I believe that my duty lies in doing what my people want done. If I am here in any capacity, I assume that I am here in a representative capacity, and the people of Chicago, in common with the people of all other cities, demand the continuation of the use of the tubes. They believe that if the tubes are eliminated it will be a step backward. I confess that one of the most important things in the great cities of the country is the removal from the surface of the streets of vehicular traffic which will eliminate the congestion and prevent accident. We have 207 automobiles on the surface of the streets of Chicago carrying the mail, and if those 207 automobiles could be removed from the congested streets of the city it would be a great relief. There is a way by which they could be removed, but it is not by the continuation of an 8-inch tube. The way to carry the mails in the great cities of the country is under ground. There can be no doubt about that. I am heartily in favor of removing from the street surface all of the automobiles that are now employed for transporting mail between the post offices and the railroad stations, but the way to do that would be to establish a system of tubes not less than 30 inches in diameter through which you could run a car on a track by compressed air, and on which car you could carry at least five or six bags of mail already distributed for transportation on the trains. Such a system as this could be inaugurated at an expense of not to exceed $10,000,000, and I firmly believe that it would be one of the best investments that could be made by the Government.

In the meantime, however, the tubes are especially useful for the transmission of special-delivery letters. In the city of New York there are about 2,000,000 special-delivery letters handled every year. In the city of Chicago, I think, 1,000,000 special-delivery letters are handled every year. These letters are delivered with great promptness, because of the opportunity of sending them through the tubes, but we must all remember that these tubes do not reach every section of the cities in which they are employed. They reach a very small section. For example, in the city of St. Louis there are only 2 miles of tubes. In the city of Chicago there are about 9 miles of tubes, while in Chicago we have 5,600 miles of streets and alleys, and have 1,121 mail trains arriving and departing every day. Yet while the tubes carry the mail at the rate of 30 miles an hour the delay which follows because of the redistribution of the mail which goes through the tubes reduces the speed with which these letters are carried through the tubes to a point where it is said by those who have made examinations and investigations the automobile will make better time. I have personally investigated the city of Chicago situation very thoroughly, and I must confess that in the first instance I was opposed to the placing of so many automobiles on Chicago streets, because the speed with which an automobile can run in the congested part of the city can not possibly exceed the movement of the traffic on those congested streets, whether it be by wagon drawn by horse or mule or in any other way. However, they are there and the postmaster of Chicago says that with 20 additional automobiles he can do the work which is done by the automobiles that are there now and the work which is done by the tubes, and that he can save the money now expended for redistribution and make a saving in the expenditure for the transmission of the mail of something like $146,000 to $175,000 a year, and give the people their mail with just as good dispatch as they receive it now.

On the other side of that question the business people of Chicago almost en masse have reached the conclusion that the postmaster of Chicago is wrong in what he says. They have reached the conclusion that to take away the use of the tubes would be a step backward, and they insist that the great city of Chicago, as well as the other American cities in which the tubes are in use, shall be given the privilege of continuing their use, and also of extending it if possible. As far as I am concerned, speaking in my representative capacity on behalf of the people of the great city from which I come, I shall plead with the House to continue the use of the present tubes until we can by some systematic plan reach a conclusion that will enable the Congress to decide to establish tubes large enough not only to take the first-class mail, which is about 1½ per cent of all the mail in weight, but to take all the mail off the streets. God speed the day when that time may come. I hope this Congress may authorize an investigation during its session which will result in a report that will mean the establishment of a tube service in every great city in America in the not far distant future, which will carry a car large enough to carry bags of mail five or six in number, and that in that way we will do away with the congestion and the possibility of injury and death by the use of the Government mail automobiles. In the meantime I beg of you gentlemen here to give some heed to the pleadings of the people who, whether right or wrong, believe that to take away these tubes would be to do a great injustice to them; and whether we be right or wrong—those of us who have made the investigation—I feel that the sentimental side of the question is worthy of some weight, and ought to be given due consideration, and because of my belief in the sentimental side of this question I shall do everything in my power to continue the use of these tubes until we can put in more efficient tubes.

Mr. GORDON. Will the gentleman yield at that point?

Mr. MADDEN. I will.

Mr. GORDON. If I understood the purport of the gentleman's remarks, he has made a very careful investigation of this question and into the work and operation of these tubes?

Mr. MADDEN. I have.

Mr. GORDON. But he is now surrendering his individual judgment, formed as a result of that investigation, to what he considers the sentiment of the people on the street there in Chicago?

Mr. MADDEN. I absolutely said that; I do not deny that.

Mr. GORDON. Does the gentleman think that is the proper way for a public official to vote the public money?

Mr. MADDEN. I think this: As a representative of the American people, I am here to speak for the sentiment that exists in the territory that elects me.

Mr. GORDON. Suppose they are wrong about it?

Mr. MADDEN. If they are wrong they pay the bills and they must abide by the results. [Applause.]

Mr. MOORE of Pennsylvania. Will the gentleman yield for a question?

Mr. MADDEN. Yes.

Mr. MOORE of Pennsylvania. We have the underground tube service now between the Capitol and the Library of Congress, which carries books back and forth. Would the gentleman do away with that service to oblige the gentleman from Ohio by substituting a surface system of horse cars or of electric cars to go back and forth from the Capitol to the Library?

Mr. MADDEN. Well, I know very little about that system here, but I do not think it is of very great importance. If it is of service it ought to be kept.

Mr. MOORE of Pennsylvania. Does it not illustrate the importance of having tubes in congested centers for short distances?

Mr. SMITH of Michigan. Has the gentleman's investigating committee inquired in regard to what has been done in this respect in London, Paris, or Berlin?

Mr. MADDEN. There is not any tube service in London, Paris, or Berlin except tubes of 3 inches in diameter. They are building a tunnel in London now 9 feet in diameter through which they propose to run cars carrying mail when completed.

Now, as to the Rural Delivery System. The recommendation made by our committee for the rural-carrier service is $4,000,000 more than the recommendation of the department, and the reason for that is that the department said it could do away with 4,000 rural-delivery routes and save $4,000,000 by the introduction of automobiles over roads where automobiling is possible. The committee after careful consideration and consultation with the department heads has reached the conclusion that it might not be possible for them to save the $4,000,000 in any one year, even though they were given the power to do so, but the fair assumption would be that if they were able to inaugurate the system they outlined to the committee we could save $2,000,000 during the coming fiscal year, and it was because of the anxiety of the committee to extend the Rural Delivery Service to sections of the country not now having it—to people who were already clamoring for it—that the committee decided to recommend the appropriation of $4,000,000, which the department said it could get along without, because the committee believes that if during the reorganization work

in the rural-delivery districts the department was able to save $2,000,000 out of the $4,000,000 during the coming year, that $2,000,000 ought to be expended on extensions in the Rural Delivery Service, and it is the understanding of the committee and the understanding of the Fourth Assistant Postmaster General that whatever saving is made out of this $4,000,000 the committee added to the estimates is to be used in the extension of the Rural Delivery Service into territory where people are not now receiving it. So I believe that the committee was justified in giving the broadest powers of reorganization to the department in the Rural Delivery Service, for if no other object is to be attained than the extension of the service during the coming year to a million more of our citizens we think we have done something to bring them more in touch with the heart of the country than could be done in any other way.

Now, as to the second-class mail provision of the bill, I simply want to say that I have not been in accord with the Committee on the Post Office and Post Roads on this provision. I was not in accord because although I believe that some compensation should be paid by the publications of the country above what is being paid, I think that in view of the high cost of paper to-day, due to war conditions abroad and other conditions at home, nearly all publications are losing money, and that there is no reason why we should impose an additional burden upon them and thereby drive them out of business. I think the time is coming when they will be obliged to pay more than they are paying now, but I think we can reach some solution of the question to which everybody will agree.

Mr. MEEKER. Will the gentleman yield?

Mr. MADDEN. In a moment. To-day the average distance of movement of these publications by rail is 900 miles. That would mean 3 cents to them where they pay 1 cent now. That would mean an additional heavy burden which they can not to-day meet with any success. More than that, I believe that the zone system would be injurious to the national thought of the country. I believe if we are going to have any system of additional payment it ought to be a flat payment, for I fear that if we fix the payment on the zone basis we will localize the territory into which these publications will circulate, and when we localize the circulation of a publication we localize the thought of the people and we sectionalize the country, and I believe we ought not to do anything that will sectionalize the thought of the people of America, but we, on the other hand, should do everything within our power to create a broader nationalism, if possible, than exists to-day. [Applause.] So I am opposed to the zone system for that reason if for no other. Some day in the not distant future I propose to see what I can do in cooperation with other men to work out a scheme by which justice will be done to all the interests involved, for I personally believe that these men who own these publications ought to pay more into the Treasury of the United States, and I believe they are coming to believe it themselves. Now, why not agree on some plan that will harmonize all the thought and maintain a policy of national thought among our people? [Applause.]

Mr. MEEKER. Will the gentleman wish to say at this time as to what he would think of graduated increase in the cost?

Mr. MADDEN. I think perhaps that might be a good thing to do; but I do not think anything ought to be done now, for the facts show that on account of the enormously high price of paper nearly every magazine in the country is losing money to-day, and if you put the additional burden of this new tax upon them, many of them will go out of existence.

Mr. AUSTIN. May I ask the gentleman what the surplus was last year in the Post Office Department?

Mr. MADDEN. It was $5,000,000 and something.

Mr. BRITTEN. Will the gentleman yield?

Mr. MADDEN. Certainly.

Mr. BRITTEN. Does the gentleman object to going back a moment to the tube subject for just one question?

Mr. MADDEN. I will be delighted to do so.

Mr. BRITTEN. Is it not a fact that, while the gentleman's opinion disagrees with the Postmaster General's opinion, in the city of Chicago the Association of Commerce and other local organizations have made thorough investigations of the tube system and they are all very unanimous in favor of the retention of the tubes?

Mr. MADDEN. Everybody in Chicago is in favor of the retention of the tubes. I do not know how thorough their investigation has been.

Mr. BRITTEN. I merely want to call to the attention of the House that the matter of the retention of the tubes is simply a matter of difference of opinion.

Mr. MADDEN. Oh, yes. Everybody there wants them, and I am for what they want.

Now, I think I might add two or three things in connection with other parts of this bill. This committee, I think, has wisely recommended a number of increases in the salaries of the lower grades of the employees in the departments. It has been necessary on account of the enormous increase of the prices of food, actual necessaries of life. Employers in the industrial and commercial world have granted their employees large increases in compensation, and there is no reason why the Government of the United States ought not to be as just, not to say generous, as any private employer in the land. All the great industrial institutions of America have been adding increases to the pay of the men who are employed by them. These increases have run all the way from 5 per cent to 25 per cent, and all of the great institutions that have been making money in the country lately on the blood of the men who are on the battle lines of Europe—and that is the only reason that they are making money, in my judgment—have been dividing their profits with their men. Now, the Post Office Department shows a surplus of $5,000,000 and more in its revenues for the current fiscal year, due to the prosperity of the country, due to the conditions which compel every industrial enterprise in America to feel that they must pay their men more money. We feel that the policy of the private employers of labor throughout the country ought to be a lesson to those who are in the management of the Post Office Department, and hence the committee has recommended an increase in the compensation of a good many of the men. That increase in compensation will be, of course, subject to a point of order, unless a rule is brought in.

Mr. AUSTIN. May I ask what increase is provided for the Postal Service?

Mr. MADDEN. An increase for clerks of from 5 to 10 per cent, as was provided for employees in the other departments. But this bill provides that all the postal clerks in first-class offices, where the classification act entitles them in first-class offices, run up from $800 to $1,100 automatically, and that where 75 per cent of the men drawing $1,100 are entitled to promotion to the $1,200 grade, all the men in the $1,100 grade shall go up automatically to the $1,200 grade. It provides also that 25 per cent of the men in the $1,200 grade shall go to $1,300. It provides also that 25 per cent of the men who are drawing $1,300 shall go up to the $1,400 grade. It provides that in second-class post offices all the men, instead of 75 per cent of the men, carriers and clerks, shall go from $1,000 to $1,100, and it provides that 25 per cent of the men in the $1,100 grade shall go to $1,200. The grade of $1,200 in second-class post offices was created in the classification act of 1907, but never since that day have any of the men in the second-class post offices of the country had any appropriation made by means of which they could take advantage of the provisions of the law, and this is the first bill that provides for that.

The CHAIRMAN. The time of the gentleman has expired.

Mr. AUSTIN. Does that include rural carriers?

Mr. MADDEN. It does not include rural carriers, except on the 5 and 10 per cent increase.

Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection?

There was no objection.

SANITARY CONDITIONS IN POST OFFICES.

Mr. MADDEN. Mr. Chairman, considerable complaint has come from employees of the insanitary conditions that prevail in many post offices. It has been charged that the health of the postal employees has been needlessly sacrificed owing to indifference and neglect for the welfare of the men and women who handle the mail. It is a matter that should be investigated by the Public Health Service in order that some uniform system may be established in post offices to protect the health of the employees. It is estimated that 90 per cent of acute inhalation diseases and chronic catarrhal ailments are due to dust inhalations. It has been proven that dust and dirt are a direct incitant to serious diseases of the lungs. We are said to inhale about 1 pint of air every time we breathe and the expelled air is laden with poisonous substances. It is therefore a matter of grave concern how pure and fresh and how free from particles of dust is the air we breathe.

Tuberculosis causes death among post-office workers oftener than any other disease. When a clerk or carrier contracts tuberculosis he works on beside his fellow employees and endangers their health. He must work to provide for himself and his family, for when the time arrives when he can no

longer perform the duties required of him and is forced to take a rest his pay ceases.

The character of the light that the employees work under is, too, a large factor in the upkeep of their health. Headaches, dizziness, defective vision, sleepiness, dullness, and forgetfulness, each and all of which impair the toilers' usefulness, are resultants of poor light. Not only is sunlight needed to prevent the several ills caused by artificial light, but it is needed more for the eradication of tuberculosis, which is a house disease that can not survive strong sunlight.

The efficiency of the Postal Service depends upon the health and strength and regular attendance to duty of its working force, which can not be maintained while sickness and the causes thereof are extant in the workrooms.

I trust that the Post Office Department officials will seek the cooperation of the United States Public Health Service in an endeavor to place the workrooms of post offices in proper sanitary condition, and that in the erection of new Federal buildings the hygienic welfare of the employees shall be considered.

COMPLAINTS OF EXCESSIVE OVERTIME.

Complaint is made of the excessive amount of overtime that is required of post-office clerks and letter carriers in post offices throughout the country. The cause for this complaint is the failure to increase the force of employees to meet the increase in business of the Postal Service. During the present wave of prosperity workers in all avenues of commercial and industrial activity have benefited by increased pay and a reduction in hours of labor. While the postal revenues have been mounting high, the burdens of the employees have been added to and advantage is taken of every technicality to utilize every minute of time and speed up the employees to the highest tension. It is charged that in certain post offices supervisory officials encourage employees to work in excess of eight hours and in violation of the eight-hour law not to record the time on the official daily reports. When all else fails the clerks and carriers are then required to work overtime, for which they are paid the regular hourly rate.

The eight-hour law was enacted to conserve the health of the employees in the Postal Service. Its purpose was to give an opportunity for rest and recuperation from the fatigue incident to the demand on the physical and mental energies of the employees. It was presumed to give an opportunity for self-development outside of working hours and to give the employees more time to attend to their personal and family affairs.

The policy of working the men overtime defeats the very purpose for which the eight-hour law was enacted and is a step backward. It is false economy, for the reason that waste of human energies with corresponding increase in sickness and breaking down of health of the employees can not be offset by the saving of a few dollars in a desire to economize.

In cases of emergency the postal employees are ready and willing to give the best that is in them and to work overtime if necessary in order that the mail will be collected, dispatched, and delivered promptly. The loyalty and faithfulness of the employees to the Postal Service have never been questioned, whatever the provocation or the emergency.

NEED OF A RETIREMENT LAW.

One of the most urgent needs of the Postal Service has been a retirement system for superannuated employees. It is remarkable that the Postal Service has been so well conducted in the absence of this much-needed reform. Many large business institutions have adopted a retirement principle with decidedly beneficial results. In fact, a retirement system is now recognized as essential to good administration.

The Post Office Committee has reported a bill favorably which, if enacted into law, will relieve the condition complained of. The bill provides for granting indefinite leaves of absence to postal employees who have become superannuated after years of efficient service. It is an administrative measure and possesses considerable merit, and I trust it will be enacted into law at this session of Congress. The bill holds a place on the calendar of the House, and I hope that it will be brought before the House for a vote in order to give the Members an opportunity to register their views on it.

Mr. STEENERSON. Mr. Chairman, how much time have I remaining?

The CHAIRMAN. The gentleman from Minnesota has used 1 hour and 22 minutes, leaving him 1 hour and 8 minutes.

Mr. STEENERSON. Mr. Chairman, I want to be notified when I have used one hour.

Mr. Chairman, I am going to discuss the postal finances, and perhaps some of the other features of the bill. In order to do that, I want to read from the annual report of the Postmaster General:

The expenditures for the fiscal year, as reported by the Auditor for the Post Office Department, were $306,204,033.14, an increase over the preceding year of $7,658,006.72, or 2.56 per cent.

This exceptionally low rate of increase in expenditure is largely due to the efforts of postmasters. * * * Although the average increase in expenditures in the last three fiscal years was $16,673,525.44, due to enlarged postal facilities afforded the public, the rapid growth of the domestic parcel post and salary increases required by legislation, the service was successfully carried on and its cost defrayed from the current postal revenue.

Then I skip a few lines and read this:

The fiscal year 1915, due to adverse conditions over which the department had no control, showed a deficit of $11,333,308.97; but the audited revenues for the year just closed show a surplus of $5,829,236.07. Although the audited revenues do not completely represent the financial results of the year, for the reason that many obligations of the Postal Service, representing railroad transportation, payments of contractors for the carrying of mail, and purchases made near the close of the year must be paid after the close of the year, the actual surplus, as nearly as can be determined by careful consideration of the outstanding obligations, is $5,216,243.61, of which amount the sum of $5,200,000 has already been turned into the Treasury. The total payments to the Treasury during the past four years is therefore $12,500,000.

Now, I want you to remember that figure. Then he goes on:

That the Postal Service is now self-sustaining is evidenced by the fact that for three out of the four years of the present administration:

Audited surpluses aggregating $14,716,350.03 have been shown. Deducting the audited deficiency in 1915 of $11,333,308.97, the net surplus for the four-year period is $3,383,041.06, and but for the business depression occasioned by the European war the department would have undoubtedly secured a surplus of not less than $18,000,000.

If it had not been for the European war, he says, which he intimates reduced the revenue in 1915, but he does not explain how it was with the war in 1916. The war had not stopped. It was worse than in 1915. The fact is he is trying to conceal the cause for the deficit of 1915.

I read further:

This is in marked contrast with the deficits for the eight years of the two preceding administrations, which drained the Treasury of $48,739,639.31 and $24,927,657.40, respectively.

That is the Postmaster General's report on page 6—"a marked contrast" to the previous administrations, one of which had a $24,000,000 deficit and the other a deficit of $48,000,000.

Now, by "administrations" they must mean four years. I have always understood that an administration under our Constitution consisted of four years, but in the part of the report that I have just read you will notice that the Postmaster General refers to the four years of this administration that had already expired last spring, 1916, in June.

Now, why is that? I want to call your particular attention to this distinction, because unless we bear it in mind we get confused upon the result of these figures. An administration is four years, and we must bear in mind that a calendar year is one thing and a fiscal year another thing, and that the first six months of any calendar year belongs to the following fiscal year, Unless we bear this in mind we are easily confused.

Now, an administration does not begin until March 4. We find therefore that this administration, since the Democrats came in, have been claiming the credit for the fiscal year 1913. I have called attention to this error for three successive sessions, but I fail to have any effect upon the officials of the Post Office Department.

Now, a fiscal year, as I say, begins in one calendar year, but it takes its name from the following calendar year. Therefore the fiscal year 1913 began on the 1st day of July, 1912, when President Taft was in office, and the Republican administration continued for eight months and some days into March.

The Democratic Party took office in March, 1913, when there was only a little over three months left in that fiscal year. They passed no laws during that fiscal year. It is true, Congress was called into extra session in April, but it was not until October that they passed their tariff law—the Underwood Act. During the three months and the few days' balance of the fiscal year 1913 we were living and operating under Republican laws and policies, and nearly all of the officials of the department remained Republicans. Under the civil service they could not change them. There was not a change of policy. The parcel-post legislation had been enacted the year before and went into effect on the 1st of January, 1913, and therefore it was just in its incipiency. It began in January, and the administration went out in March.

Now, the fact is that unless we bear these things in mind we are liable to credit the Democratic Party for the surplus of the fiscal year 1913, for which they are entitled to no credit whatever. According to the statement of the Auditor of the Treasury, there was a surplus of $3,800,000 for the fiscal year 1913, but it having been accumulated during the Republican

administration, under Republican laws, I think it is perfectly fair to wipe it out. The most that could possibly be demanded by the Democrats would be to claim one-third or one-fourth of that surplus. But I do not think they are fairly entitled to any of it.

We therefore have the fiscal year 1914, which began on the 1st day of July, 1913. When that fiscal year began the European war had not begun. The war did not begin until more than a year later. The European war did not begin until a month or six weeks after the close of the fiscal year 1914, because that war began in August, 1914. The fact is that notwithstanding the inauguration of the parcel post, which was then bringing in revenue at the rate of nearly $4,000,000 a month, the revenues were not increasing, as compared with former years.

The Democrats sought to explain by blaming it on the European war, and I discussed that feature at the time. They went so far as to say that the European war affected the postal revenues before it happened. Well, if that were true, there was a mightier leak of information in those days, even more than in these days. [Laughter.] We have heard a great deal of complaint because certain speculators on the stock exchange received advance information about the prospects of war or peace lately. But just think of the money that a man could have made in 1914 if the Postmaster General is correct when he says that the effect of the European war was felt a month or six weeks before it happened. [Laughter.] Of course, if the war had been known of beforehand the case would have been different. The Postmaster General spoke of "the rumblings," as he called them, and all his assistants have repeated that expression—that there were "rumblings of the war" before it came. You know the stock exchange was closed and prices went to smash when the war did actually come. If anybody had known of the coming of the war beforehand, this present leak, compared with that, would not have amounted to a drop of water in comparison with the ocean.

But let us lay aside the fiscal year 1913, and let us see how the financial operations of the Post Office Department stand for the last three fiscal years, which were wholly in Democratic administration. But before I point out the figures I want to say this: The Post Office Department is doing business upon a different plan from ordinary business concerns. This must also be borne in mind: The Post Office Department sells for cash. Everything that it sells it sells for cash. It is not difficult, therefore, to find out the amount of business they do, so far as the receipts are concerned, because before you use the mail you have got to put your money into their hands. Not so with regard to what they buy. The Post Office Department buys the services of clerks, of inspectors, of supervisors, and other officials. It buys the services of railroad companies, of contractors for screen-wagon service and stage lines, for star routes, and for rural routes. But it never pays anybody in advance. It pays when it pleases, usually most of it within the year in which the services are rendered, but not necessarily.

Now, unless we bear this in mind we are liable to come to the same conclusion that the Chairman evidently has when he says that when you take the receipts and expenditures and compare them it is a certain indication of whether or not the Postal Service is run at a profit. But it is not so. I want you to bear in mind another thing: Whenever you see a postal bill you will notice the first lines read in this way:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums be, and they are hereby, appropriated for the service of the Post Office Department, in conformity with the act of July 2, 1836, as follows.

That is a long way to go back. That act of 1836, which few people take the trouble to look up, is the act that devotes the postal revenues to the Postal Service, and it provides that they shall be paid out only upon appropriations by Congress.

There is another clause in every Post Office appropriation bill which, no doubt, is familiar to many. I hold in my hand the Post Office appropriation act for 1913, and the same provision is contained in every one; also in conformity with the original act:

SEC. 12. That if the revenues of the Post Office Department shall be insufficient to meet the appropriations made by this act a sum equal to such deficiency of the revenue of said department is hereby appropriated, to be paid out of any money in the Treasury not otherwise appropriated, to supply said deficiencies in the revenues for the Post Office Department for the year ending June 30, 1913, and the sum needed may be advanced to the Post Office Department upon requisition of the Postmaster General.

Now, mind the distinction. These other appropriations are out of the revenues. This deficiency is out of the Treasury. You can not extend it beyond the year in which the deficiency occurs. That requisition, under another provision of the law, is entered upon the receipts. Every dollar taken from the Treasury must be receipted for. So that you have the certificate of the Postmaster General as to the deficiency and you have the payment for the deficiency. We must, therefore, bear in mind that money can not legally be drawn from the Treasury except for a deficiency in postal revenues. That is when the postal revenues are not sufficient to pay the expenses. In other words, the Treasury Department is the proprietor of the business. The Post Office Department is the agent that carries on the business. If the agent earns more than he receives, that surplus goes to the proprietor. If the receipts are less than the expenditure, the Postmaster General certifies that there is such a deficit, and the Post Office Department gets the money from the Treasury. Your Uncle Sam stands back and pays the bills.

Now, probably I would not have entered into this discussion if it had not been for the invidious allusion in the Postmaster General's report, in which he says—

In marked contrast with the deficits of the former administration.

The first administration of President Wilson will embrace the fiscal year 1917. It continues legally until the 4th of March, but the fiscal year which will be credited to him will be the fiscal year 1917 and the three prior years. Now, only three of these years have expired. The Post Office Department evidently has a press agent, for when the annual report of the department was made public and advance copies were sent out nearly every newspaper in the country had a similar statement of the financial operations of the department. I take this from the Minneapolis Journal:

BURLESON REPORTS $5,200,000 SURPLUS—ANNUAL POST-OFFICE STATEMENT ASKS FEDERAL WIRE SERVICE AND AERIAL EXPERIMENTS.

WASHINGTON, *December 9.*

Postmaster General Albert S. Burleson's annual report, issued to-day, declares there was a Post Office Department surplus of $5,200,000 during the present year, and enumerates as among the year's accomplishments improvement of the parcel post, extension of city and rural deliveries, and development of the Postal Savings System.

A surplus of $12,500,000 is shown, says the report, for three years of the four the administration has been in office, and it calls attention to deficits under previous administrations.

The department, in recommendations for improvement of the service, urges that early action be taken by Congress declaring Government monopoly over all utilities for the public transmission of intelligence, and that as soon as possible the telephone and telegraph facilities of the United States be incorporated into the Postal Establishment; that $300,000 be appropriated now for acquiring telegraph and telephone utilities in Alaska, Porto Rico, and Hawaii; that the pay of rural carriers be equalized by fixing salaries on the basis of the number of pieces and weight of mail transported, length of routes and time required to serve them, instead of solely on length of routes as at present; that $100,000 be appropriated for experiments in aerial transportation of mail.

This says "of the four years the administration has been in office." I call attention to the fact that they had only been in office three years. I hold in my hand a letter from the Treasury Department, signed by Mr. Malburn, one of the Assistant Secretaries, which gives the figures. I also hold in my hand here the Postmaster General's report, which gives the figures I have stated. I also have the auditor's report here before me. The auditor is the official of the Treasury Department who audits the accounts of the Post Office Department. Before I read these figures I want to recall to you the statement I made a while ago, that the Post Office Department sells for cash and buys on time, and that whether or not it pays quickly or slowly seems to be within its own discretion. The Postmaster General refers to this, for in his report he says for that reason you can not always estimate the actual surplus. They usually postpone the payment of from $6,000,000 to $10,000,000 every year. It varies in the different years that I have examined. Railroad transportation bills, star-route bills, and other bills are not paid during the fiscal year, although those bills are for services rendered in that year. This being true, it is evident to everybody, and ought to be evident to the chairman of this committee, that when the Auditor for the Post Office Department certifies to the amount of the audited revenues and the audited expenditures for any one year that does not mean that it indicates whether the department did business at a profit or not. It depends on how many unpaid bills remain. Otherwise you could postpone so many bills that you would have an enormous difference between the audited receipts and the audited expenditures. It is just as if a man was getting $20 a week and he was paying $10 a week for his board, $6 a week for his room, and spending $4 for incidentals. Under that plan he would come out even if he had $20 a week; but under the system that governs the finances of the Post Office Department, in order to show a surplus earning for any one week, all he would have to do would be to say, "Here, I will not pay my board bill, $10, until next week." Then he would make a financial statement showing that he had paid out only $10 and had earned and received $20, leaving a surplus of $10.

Now, if the Post Office Department receives $300,000,000 in cash and postpones the payment of its transportation bills or other bills beyond the fiscal year to the amount of $10,000,000, of course, even though the receipts are exactly the same as the expenditures, it will show under this system an audited surplus of $10,000,000.

I have here a comparison of the postal revenues and expenditures, taken from these official figures, which I shall insert in the RECORD. You can examine them for yourselves. Speaking only in round figures, for the fiscal year 1913 the revenues were $266,000,000 and the expenditures were $262,000,000. The next year, 1914, they received $287,000,000 and paid out $283,000,000. In 1915 they received $287,000,000 and paid out $298,000,000. Last year they received $312,000,000 and paid out $306,000,000. Now, if we eliminate the year 1913, we have the result that instead of being a surplus there is a deficit.

Comparison of postal revenues and expenditures, 1913 to 1916, inclusive.

Fiscal year—	Revenues.	Expenditures.
1913	$266,619,525.65	$262,067,541.33
1914	287,934,565.67	283,543,769.16
1915	287,248,165.27	298,546,026.42
1916	312,057,688.83	306,204,033.14

From the tables I have read it will be noted that the business for the year 1914 showed that the receipts amounted to $287,000,000 and the disbursements to $283,000,000. For 1915 the receipts were $287,000,000 and the expenditures $298,000,000, showing expenditures of $15,000,000 more than the year before. While the receipts for 1915 were $686,000 less than for the year before, the difference in the expenditures was more than 5 per cent. How the department could, during 1914, accumulate a surplus of $3,500,000, and make a deficit of $11,000,000 in the next year upon substantially the same amount of business, is difficult to understand.

But here is a remarkable thing. The Auditor for the Post Office Department issues every quarter a statement of receipts. I hold in my hand the financial statement of the Auditor of the Post Office Department for the quarter ending June 30, 1915. That is the last quarter. It says that the postal revenues for 1915 were $287,248,165, and the postal expenditures were $298,546,036; that the adjusted losses and contingencies were $35,447. The excess of expenditures over the revenues was $11,333,308.

Now, for 1914, the postal revenues were $287,934,565. The expenditures were $283,543,769, and the excess of revenues over expenditures was $4,376,463.

At the bottom he shows the excess of increase or decrease. Now look at the increase. The postal expenditures increase of 1915 over 1914 was $15,002,257. Can anybody explain to me why the Post Office Department expended $15,000,000 more in 1915 than it did in 1914, when they did $600,000 less business? Here is the most remarkable record of any business institution in the world. They spent $15,000,000 more to do $600,000 less business!

Now, you will recall, if you listened to what I had to say two or three years ago, that I commented on the statement of the Postmaster General in 1913 to the effect that the previous administration had not given a fair statement of their finances and the surplus because they had postponed the payment of bills beyond the fiscal year, and therefore created a surplus for 1911.

They claimed that Mr. Hitchcock, the Postmaster General, had unduly delayed paying debts of the department in order that the receipts should exceed the expenditures during that year. Of course, in every year they pay some bills that were included in the previous year. Postmaster General Burleson claimed in 1913 that this was a bad practice on the part of his predecessor.

Now, that gives the key, perhaps, to this whole thing. Why was it that it cost $15,000,000 more to do $600,000 less business? I can not understand it; it is too deep for me; but possibly they hurried up the payment of bills. It seems discretionary with the department as to when they pay their bills; they can run it over into another fiscal year. If the Postmaster General wants to show an audited surplus for any one year, he can easily refuse to pay the bills. You can not sue him, he can hold the railroad companies up for three months or one month, and then show a surplus of twenty or thirty million dollars, or anything to suit himself. Of course, the following year would be a bad year, because these things come due at some time and can not be delayed much longer.

The Post Office Department has, to some extent, practiced this method of increasing its surplus. I will tell you why and how. They claim that they received a revenue for 1915 or 1914 of fifty or sixty million dollars for parcel post, when something like a million pieces were carried as early as 1914. Of course, that increased the burden of the rural carriers, and in recognition of the fact that we had increased the load and amount of work the carriers had to perform, Congress in its wisdom, by the resolution which took the place of the appropriation act of 1914, fixed a flat salary on a standard route of the rural carrier of 24 miles at $1,200 per annum.

The department would not pay it. They resorted to a remarkable construction, in which, strictly speaking, legally and technically they were justified—that the law said they should be paid "not exceeding" so much. But the fact is that every officer in the department had his salary fixed at "not exceeding," and the railroad companies fixed at "not exceeding" so much. Every expenditure that was made, almost without exception, was under the law that said "not exceeding." But the Post Office Department, as against the rural carriers, refused to pay them their full salary and withheld a part of it. I was informed that some of these claims, 3,000 of them, had been examined by an attorney recently, and he found that they averaged about $70 each. There were 43,000 rural carriers, and if you multiply 70 by 43,000 you get $3,000,000, and not a cent of that has been paid until very lately. They refused entirely to pay it until the last Post Office appropriation act contained a mandatory direction saying that the Postmaster General is hereby authorized and directed to pay to the rural carriers salaries withheld from them in the year 1915. The Democratic Congress, in both Houses, recognized the justice of it and directed the administrative officers to pay the debt, and they are now slowly proceeding to do so. I am advised by the Assistant Postmaster General that only a few have been adjusted. I have not the least hope that they will all ever be adjusted before another fiscal year, so that they will escape the result of the audit in the financial showing of this year.

Mr. SLOAN. Will the gentleman yield?

Mr. STEENERSON. Yes.

Mr. SLOAN. What excuse does the Post Office Department give for not having adjusted all the claims; they have been out for six months under the last appropriation bill.

Mr. STEENERSON. There is no excuse. Here is their letter:

POST OFFICE DEPARTMENT,
FOURTH ASSISTANT POSTMASTER GENERAL,
DIVISION OF RURAL MAILS,
Washington, January 4, 1917.

Hon. HALVOR STEENERSON,
House of Representatives.

MY DEAR MR. STEENERSON: Referring to your inquiry by telephone to-day with reference to the payment to rural carriers of additional sums due them under the provisions of the act approved July 28, 1916, being the difference between what they received for their services during the fiscal year 1915 and what they would have received had the present law regulating the salaries of rural carriers been in effect, I beg to advise you that these accounts are being adjusted as rapidly as possible, and at the close of this week approximately 75 per cent of the accounts will have been stated for payment. It is expected that, so far as the work of this office is concerned, all accounts will be adjusted by the middle of February.

It is not possible to state at this time the actual sum which has so far been paid to the carriers under the provisions of the act cited, as this computation has not been made. As soon as possible definite information on this point will be furnished you.

Sincerely, yours,

JAS. I. BLAKSLEE,
Fourth Assistant Postmaster General.

Now, there is another thing which illustrates the way in which the Post Office Department has created an artificial surplus. You know that the parcel-post law was passed in 1912 and took effect in 1913. It contained an authority to the Postmaster General to change the limit of weight. The act itself raised the weight limit from 4 to 11 pounds, which was the universal limit of weight according to the universal postal congress. But Congress gave to the Postmaster General authority and power to raise the weight of the packages and classification. He proceeded to do so in the summer and fall of 1913, when he raised it from 11 pounds to 20 pounds, and from 20 pounds to 50 pounds in the zones.

The system under which we were paying the railroads was under the quadrennial weighing, the country being divided into four sections, and after you weighed one section to determine the number of pounds carried, that weight governed for four years in the future. The section of it that had been weighed just before this would be bound by that weight for four years, and they never would get a cent unless Congress came to their relief. They pleaded with Congress for relief. In the act approved March 4, 1913, it is provided that on account of the increase in the weight of the mails resulting from the enactment of section 8, increasing weight limit from 4 to 11 pounds we should pay the railroads an extra amount for the increased

weight limit. Last year's Post Office appropriation act also contained a provision as follows:

SEC. 3. That on account of the increased weight of mails resulting from Postmaster General's order numbered 7720, of December 18, 1913, respecting rates upon and limit of weight of parcel-post packages, effective from January 1, 1914, the Postmaster General is authorized to add to the compensation paid for transportation on railroad routes on and after January 1, 1914, for the remainder of the contract terms, not exceeding 1 per cent thereof per annum.

SEC. 4. That on account of the increased weight of mails resulting from Postmaster General's order numbered 7349, of July 25, 1913, respecting rates upon the limit of weight of parcel-post packages in the local, first, and second zones, and effective from August 15, 1913, the Postmaster General is authorized to add to the compensation paid for transportation on railroad routes on and after August 15, 1913, for the remainder of the contract terms, not exceeding one-half of 1 per cent thereof per annum.

The railroads have not yet been paid these items. Mind you, that covers three years. It covers 1914, 1915, and 1916. We allow them 1 per cent upon the total amount of compensation for transportation of mail by weight for each year for the annual increase in weight limit, and for the other increase in weight limit we give them one-half of 1 per cent for each year. The appropriation for railroad transportation was about $50,000,000 per year. One per cent would be $500,000, but for three years it amounts to a million and a half. That has not been paid. For the other it amounts to one-half of that. So you see that the total appropriation by Congress on account of the change in the weight limit of parcels carried by mail would amount to between two and three million dollars. Not wanting to exaggerate in any way, I wrote to the Second Assistant Postmaster General, Mr. Praeger, and I have his letter here:

POST OFFICE DEPARTMENT,
SECOND ASSISTANT POSTMASTER GENERAL,
DIVISION OF RAILWAY ADJUSTMENTS,
Washington, January 4, 1917.

Hon. HALVOR STEENERSON,
House of Representatives.

MY DEAR MR. STEENERSON: In response to the telephonic inquiry of your secretary to-day, relative to the amounts allowed the railroad companies under the provisions of sections 3 and 4 of the Post Office appropriation act for the fiscal year 1917, you are informed that the estimate submitted at the time this legislation was proposed was for a total of $1,407,000. The orders on all routes entitled to this allowance have not yet been issued. Those issued to date carry allowances aggregating $1,098,329.25. The remaining orders are being issued as rapidly as practicable.

Yours, very truly, OTTO PRAEGER,
Second Assistant Postmaster General.

I asked him how much the unpaid railroad charges were that Congress had ordered paid and which they are now proceeding to adjust, which they have not paid and which do not appear in any statement. He estimated $1,407,000 was the amount. There is not a dollar of it in any of the departmental reports that have been made. If we, therefore, take $3,000,000 off for the rural carriers' salaries and $1,400,000 for the railroad-transportation pay and charge it up to these same three years of Democratic administration, we will find that it affects the result quite materially. The result of the postal operations for the last three fiscal years is as follows: Estimated surplus, 1914, $3,500,000; audited deficit, 1915, $11,333,308; estimated surplus, 1916, $5,200,000. Add those two surpluses together and it makes $8,700,00 that is to be credited to these three years, but you must charge them with $11,300,000 and with the $3,000,000 rural carriers' pay, which they have not paid yet, and railroad pay on accuracy of increased weight limit of parcels estimated at $1,400,000, making a debit of $15,733,308 and a net deficit for the three years of $7,033,308. This is the glorious record which has been published throughout the land—that under this administration these three years they have deposited in the Treasury $12,500,000 to the enrichment of Uncle Sam. As a matter of fact, their own figures show that they have not any surplus, and that if they pay their bills, which are long past due, which I have mentioned, the net deficit is $7,033,308.

There is a remark in the report of the Postmaster General which I have characterized as partisan, wherein he says that this is in marked contrast with his predecessors.

Mr. HAMILTON of Michigan. Mr. Chairman, will the gentleman yield?

Mr. STEENERSON. Yes.

Mr. HAMILTON of Michigan. Does it seem possible to the gentleman that the chairman of the committee was informed of these interesting figures when he made the observations he did at the beginning of his address to-day?

Mr. STEENERSON. No; I do not think that he was. I think most people universally, including myself, were surprised when they found out these facts; and I will tell you right now that I believe the officials in the Treasury and in the Post Office Department are very much interested, judging from the number of telephone calls I have had from both of those institutions in the last few days.

Mr. HAMILTON of Michigan. It strikes me that the gentleman from Tennessee [Mr. MOON] owes the gentleman an apology.

Mr. STEENERSON. It seems so to me, too, although his language, considering the source whence it came, possibly was parliamentary enough.

Mr. BROWNE. I would like to ask the gentleman whether the Postmaster General has any legal right to withhold the amount of money that the gentleman says is withheld from the rural carriers' salary at this time?

Mr. STEENERSON. None whatever. How are these surpluses obtained? I have figured out here. I have a statement showing the draft of each year for deficits, and I will show you deposits on account of the surplus. But one remarkable thing relates to the dates. This statement which I have shows that on March 24, 1915, the Post Office Department withdrew $1,000,000 as a grant from the Treasury for a deficit. They had to say that it was a deficit.

On March 26 they certified another deficit of $1,000,000, and on March 30 another deficit of $1,000,000, making $3,000,000 which they withdrew from the Treasury in the last week in March, 1915. That same week they deposited $4,500,000 on account of surplus for the previous year of 1915. [Laughter.] They did not seem to have the money—I do not say that is true, but it looks that way—until they went into the Treasury and certified that there was a deficit. Then they got the money. They withdrew it within a week. If a man wants to deposit a surplus earned in a business, why does he not take it out of his pocket and put it in, and not borrow it? On the Treasury statement they have a deficit of $3,000,000, and then they deposit $4,500,000. You can figure it out. I will insert the table here:

Statement of account of the Post Office Department with the United States Treasury for fiscal years 1913 to 1916, inclusive.

Service fiscal year.	Grants from the United States Treasury.		Repayments to the United States Treasury.	
	Date.	Amount.	Date.	Amount.
1913	Aug. 28, 1912	$2,000,000		
	Dec. 28, 1912	300,000		
			Jan. 28, 1913	$2,000,000
			[1] June 30, 1914	[2] 3,800,000
			[3] Mar. 29, 1915	[2] 3,500,000
1914-15	Mar. 24, 1915	1,000,000		
	Mar. 26, 1915	1,000,000		
	Mar. 30, 1915	1,000,000		
	June 22, 1915	500,000		
	June 23, 1915	500,000		
	June 24, 1915	500,000		
	June 25, 1915	500,000		
	June 26, 1915	500,000		
	June 29, 1915	500,000		
1916	Aug. 4, 1915	500,000		
	Aug. 5, 1915	500,000		
	Aug. 6, 1915	500,000		
	Sept. 1, 1915	500,000		
	Sept. 2, 1915	500,000		
	Sept. 3, 1915	500,000		
	Sept. 21, 1915	500,000		
	Sept. 22, 1915	500,000		
	Sept. 23, 1915	500,000		
	Sept. 24, 1915	500,000		
	Sept. 27, 1915	500,000		
			[4] Aug. 21, 1916	[2] 5,200,000
Total		13,800,000		14,500,000

[1] Actually paid into Treasury 1 year after close of fiscal year.
[2] Alleged surpluses of previous year.
[3] Actually paid into Treasury 9 months after close of fiscal year.
[4] Actually paid into Treasury 51 days after close of fiscal year.

Mr. SLOAN. Mr. Chairman, will the gentleman yield?

Mr. STEENERSON. Yes.

Mr. SLOAN. Does the gentleman want us to understand that they borrow money in order to make a surplus?

Mr. STEENERSON. I did not say that. I say they go to the Treasury and withdraw money just about the same time and in the same week that they deposit a surplus on account of the previous year. I do not know whether it is the same money or not. They might have had the money in some other pocket for all I know. [Laughter.] But you can not get around that the statement was made. I regret to say very much I have not got the exact date that these were made, as I lost my papers. But the substance of it is, it shows that they waited for the first deposit of a surplus one year after the fiscal year had expired. The $3,800,000 they deposited on account of the surplus of 1913 was not deposited until the last day of June the following year.

Why should they wait a whole year after the year had expired before they deposited the surplus is more than I can understand. In the meantime they had made several drafts. The next year, 1915—that is the disastrous year—they waited nine months—that is the one of which I have just spoken of, in March—nearly nine months before they paid the surplus. They said they earned a surplus of $4,500,000 in 1914, and they did not pay it until March, and a day or two before that, or at the same time they withdrew this $3,000,000. But 1916 is different. In 1916 they deposited $5,200,000 surplus promptly, considering their usual method of business. They deposited it within eight weeks of the end of the fiscal year. I think it was in August, 1916, and the public knew about it promptly.

The press agent for the department furnished it to every newspaper in the United States—and I got inquiries from my district about it—that they had a surplus of $5,200,000 for 1916. And they paid it. They did not wait a year, as they did the first time. Why this difference in time of payment of surpluses that are earned is beyond my comprehension. However, if we foot up, as I will in the record, the total amount drawn out of the Treasury and the total amount paid into the Treasury during the last three years you find that the difference is exactly $363,407.40.

TREASURY DEPARTMENT,
Washington, January 3, 1917.

Hon. H. STEENERSON,
House of Representatives.

MY DEAR CONGRESSMAN: By direction of the Secretary, I have the honor to acknowledge the receipt of your communications of December 26 and 29, requesting information relative to Treasury warrants issued to the Post Office Department during the fiscal years 1914, 1915, and 1916, and of dates and amounts paid into the Treasury by the Post Office Department for the same years.

In reply you are informed that the grants from the Treasurer to the Post Office Department and the amount of surplus revenues of the Post Office Department paid into the Treasury for the years stated were as follows:

GRANTS FROM THE TREASURY TO THE POST OFFICE DEPARTMENT.

No grants were made to the Post Office Department from the Treasury for the fiscal year 1914.

	For the fiscal year 1915.	Month.	For the fiscal year 1916.
1915.		1915.	
Mar. 24	$1,000,000	Aug. 4	$500,000
Mar. 26	1,000,000	Aug. 5	500,000
Mar. 30	1,000,000	Aug. 6	500,000
June 22	500,000	Sept. 1	500,000
June 23	500,000	Sept. 2	500,000
June 24	500,000	Sept. 3	500,000
June 25	500,000	Sept. 21	500,000
June 26	500,000	Sept. 22	500,000
June 29	800,000	Sept. 23	500,000
	.....	Sept. 24	500,000
	.....	Sept. 27	500,000
Total	6,300,000	.....	5,500,000

No grants have been made to the Post Office Department from the Treasury for the current fiscal year (1917).

Payments were made from the Treasury for the Post Office Department during the fiscal year 1915 on account of deficiencies in postal revenues for prior years (none during 1914, 1916, or 1917) as follows:

Fiscal year charged with deficiency.	Date of payment from Treasury.	Amount.
1909	Mar. 2 and 4, 1915	$1,205.16
1910	Mar. 2, 1915	262.12
1911	Mar. 2 and 4, 1915	2,102.97
1912	do	322,671.76
Certified claims of various prior years	do	14,494.01
		340,736.02
Less repayment into Treasury Feb. 25, 1915, on account of fiscal year 1908		4,143.42
Net payments as above during fiscal year 1915		336,592.60

The Post Office Department paid into the Treasury as surplus revenues of the fiscal years 1913, 1914, and 1916 (no surplus reported for 1915) on dates and in amounts as follows:

June 30, 1914 (fiscal year 1914). Surplus revenues of Post Office Department for fiscal year 1913	$3,800,000.00
Mar. 29, 1915 (fiscal year 1915). Surplus revenues of Post Office Department for fiscal year 1914	3,500,000.00
Aug. 21, 1916 (fiscal year 1917). Surplus revenues of Post Office Department for fiscal year 1916	5,200,000.00
	12,500,000.00
Total payments from the Treasury as above ($6,300,000 + $5,500,000 + $336,592.60)	12,136,592.60
	363,407.40

Very truly, yours,

WM. P. MALBURN,
Assistant Secretary.

Mr. KEARNS. Deficit?

Mr. STEENERSON. No; $300,000 more put in than the total taken out. But as I have stated they did not claim that as a surplus, but they did claim that they put into the Treasury profits, surpluses of twelve and a half million dollars in the last four years, while their own statement shows they have drawn within $300,000 of what they paid in. I will here insert the letter of Assistant Secretary of the Treasury Malburn. Of course if we deduct the deficit of 1915 of $11,300,000 and the amount they owe, which is $4,400,000, we will still have something like $3,000,000 that they are actually behind when they have paid their bills. These are the remarkable figures of the Democratic postal business, that, although they drew out within $300,000 of the amount they put in they claim that they have enriched the Treasury twelve and a half million dollars. Now, that beats the story of the loaves and fishes, it seems to me.

Mr. HAMILTON of Michigan. Will the gentleman yield?

Mr. STEENERSON. I will yield to the gentleman.

Mr. HAMILTON of Michigan. Does it occur to the gentleman these figures will be somewhat in the nature of a revelation to Mr. Burleson; I refer to the figures the gentleman is giving now?

Mr. STEENERSON. I do not think it is a revelation to Mr. Burleson, because he foreshadowed it in his report that it is not the best method of finding out the surplus by deducting or adding the difference between receipts and expenditures.

Mr. HAMILTON of Michigan. The gentleman really does not mean to intimate that Mr. Burleson is conscious that there is a deficit instead of a surplus?

Mr. STEENERSON. Well, I suspect it.

Mr. HAMILTON of Michigan. That is really shocking.

Mr. STEENERSON. I know it is shocking, in view of the fact that since the office of the Postmaster General was created the statute as drawn and the form of oath he subscribed to which among other things he swears that he will make correct accounting, but it does not seem to me this can be correct.

What we need is a change of law, so that no Postmaster General can deposit funds to be accepted as a surplus unless it is a surplus. It seems to be in the power of the Postmaster General, as the law is now construed—I presume they think they have a right to construe it that way—to make a deposit as of two years ago, and say, "I deposit this as a surplus, because since then we have found out there should have been a surplus of three and a half million, and therefore I will deposit the money I now have," which, of course, is out of the earnings of the current year. I do not think that ought to be permitted. It seems to me there ought to be some way whereby the accounts of the Auditor of the Treasury to the Postmaster General should show the actual facts. They say they can not do it now because they do not pay the bills in the year in which they occur.

Mr. SLOAN. Will the gentleman yield?

The CHAIRMAN. The Chair desires to notify the gentleman from Minnesota that he has consumed an hour, as the gentleman desired to be notified.

Mr. SLOAN. Will the gentleman yield to me?

Mr. STEENERSON. I will.

Mr. SLOAN. May not this marvelous and mysterious system of which the gentleman speaks be accounted for or defended as one of the triumphs of new bookkeeping of which we have heard so much.

Mr. STEENERSON. Yes. I believe there ought to be some new bookkeeping. I believe the Federal Trade Commission, which is now undertaking to advise all the business men of the United States how to establish a cost-accounting system, ought to help out the Post Office Department, so that they could determine whether they make or lose money every year. I think it can be done, but it is not being done now.

Mr. FESS. Will the gentleman yield for a question?

Mr. STEENERSON. Yes.

Mr. FESS. The gentleman recalls in the Treasury Department last September there was a change of bookkeeping.

Mr. STEENERSON. There was a change in the bookkeeping in the Treasury.

Mr. FESS. By which $80,000,000 was added without adding a dollar.

Mr. STEENERSON. And if you look at the Treasury statement of yesterday you will find they had a balance in the general fund of about $25,000,000 or $30,000,000 more than they have got.

Mr. FESS. What is the new balance to show?

Mr. STEENERSON. And that statement shows the United States debt has been increased instead of having a surplus.

Mr. FESS. Are we to expect some new method to show how this deficit has become a surplus?

Mr. STEENERSON. What the Treasury Department ought to have done would have been to adhere to the former method, so that the people could compare the different years; but by altering the basis of comparison they go wild; they can deceive the public, and they do deceive them, unintentionally, I presume. You see, the newspapers publish the amount of deficit and the amount of general balance——

Mr. MOON. What was the deficit in the Post Office Department under four years of the Roosevelt administration?

Mr. STEENERSON. I think you have stated it correctly in the Postmaster General's report.

Mr. MOON. What was it. I did not state it. What was the deficit in the Taft administration?

Mr. STEENERSON. It was $24,000,000 and $48,000,000 in the other. But the gentleman must remember that that period was the time of the growth of the rural free delivery. If the people think now that the rural delivery is a loss, they are mistaken; but it takes years before there are proper fruits from a new line of business. When, under Roosevelt and Taft and other Republican administrations, we established a Rural Free Delivery Service, it caused a deficit. The increased deficit was due largely to the establishment of a rural delivery, and I believe to-day, when all accounts are squared, the rural free delivery will be found to be on a paying basis.

Mr. SLOAN. Was there any attempt to conceal any deficit in the Taft or Roosevelt administration?

Mr. MOON. Is there any attempt to conceal the facts in existence to-day?

Mr. STEENERSON. No; except inferentially. Will the gentleman yield five minutes more?

Mr. MOON. How long have you been talking?

Mr. STEENERSON. One hour.

Mr. MOON. That is just a short time for you. I will be glad to give you five minutes.

Mr. STEENERSON. Thank you.

I want to say a few words about the second-class mail. I think there are some elements that are overlooked. In the first place, the men who claim that the same rate should be paid upon all mail matter, or approximately so, are mistaken. The mail service is a transportation business, and all transportation business must be carried on under a scientific classification of rates. You must have high-class freight and you must have low-class freight. Very often one class of freight must be carried at a loss. If you are serving a manufacturing district and coal is the primal element of their success, railroad transportation companies often carry coal at a loss, because it stimulates the transportation of other freight, such as silk, cotton cloth of all kinds, and tea, and coffee, and first-class passenger travel. It stimulates those things, and therefore they are willing to carry coal at less than it costs, and many times less per ton than they charge for first-class freight. That is the scientific principle of rate making, which we must not overlook when we apply it to the Postal Service.

Another thing is, the Post Office Department has for many years, under authority of Congress, operated the blue-tag system, whereby they transport for long distances a large part of this second-class mail as freight, and therefore it is not correct to say it costs 8 cents a pound to carry the second-class mail. No mail to-day costs that much. Those figures were made by Mr. Hitchcock when the railroad transportation rates were higher. We have reduced them. We have applied the blue-tag system and in other ways we have economized. And, if I am correctly informed, the space plan reduces very materially the cost of transportation by rail to the Government.

I insert extracts from the the space-plan act—act of July 28, 1916. It will be noticed that the Post Office Department can transport periodicals by freight or at express rates when they desire. They can employ the cheapest transportation for periodicals:

The provisions of this section respecting the rates of compensation shall not apply to mails conveyed under special arrangement in freight trains, for which rates not exceeding the usual and just freight rates may be paid, in accordance with the classifications and tariffs approved by the Interstate Commerce Commission.

Railroad companies carrying the mails shall submit, under oath, when and in such form as may be required by the Postmaster General, evidence as to the performance of service.

The Postmaster General shall, from time to time, request information from the Interstate Commerce Commission as to the revenue received by railroad companies from express companies for services rendered in the transportation of express matter, and may, in his discretion, arrange for the transportation of mail matter other than of the first class at rates not exceeding those so ascertained and reported to him, and it shall be the duty of the railroad companies to carry such mail matter at such rates fixed by the Postmaster General.

The Postmaster General is authorized, in his discretion, to petition the Interstate Commerce Commission for the determination of a postal carload or less-than-carload rate for transportation of mail matter of the fourth class and periodicals, and may provide for and authorize such transportation, when practicable, at such rates, and it shall be the duty of the railroad companies to provide and perform such service at such rates and on the conditions prescribed by the Postmaster General.

The Postmaster General may, in his discretion, distinguish between the several classes of mail matter and provide for less frequent dispatches of mail matter of the third and fourth classes and periodicals when lower rates for transportation or other economies may be secured thereby without material detriment to the service.

Another thing that was mentioned by one of the gentlemen, and which the chairman of the committee said was an old argument, but which does not destroy its force, is that by the advertising that is circulated in these periodicals first-class mail is stimulated. There is no doubt but millions and millions of first-class mail is produced by these advertisements. Now, if a business man can spend, as he often does, 20 per cent, 30 per cent, 40 per cent of his receipts to advertise, to stimulate his business, it seems to me it would be within the legitimate bounds of good business to give a rate below cost in order to stimulate a publication business that indirectly produces first-class mail. These arguments have often been made, and they are as good now as they ever were. Therefore, I say we should not overlook that, in addition to the things that have been mentioned here, and for that reason I do not believe that we ought to adopt the very radical rates in this bill. But I am willing, with the chairman, to agree to a reasonable increase, one step at a time. He suggested a cent and a half flat rate. I would be willing to do that, and perhaps more.

Mr. MOON. Let me ask the gentleman if it is his suggestion that it should be a cent and a half flate rate beyond the first zone of 300 miles?

Mr. STEENERSON. I never thought about it at all until I heard the gentleman from Tennessee suggest it in his remarks; and I will say this, that I have had calls from two or three publishers, who told me—one of them, from St. Paul, recently—that he was tired of being accused of absorbing a subsidy from the Government and he was willing to pay twice what he is paying now. He is willing to pay 2 cents a pound, and he is publishing a paper that circulates throughout the country. And I believe the publishers are, many of them, in the same position, that they would prefer to pay a reasonable increase rather than to be accused of getting a subsidy. But the proposed rate is, I believe, beyond what it actually costs the Government.

I do not believe to-day that it can be possible that it costs the Government so much a pound as the gentleman has stated. For this reason: The average haul of newspapers and magazines—that is, take the same class altogether—does not exceed the average haul of parcel post, and they only charge about 6 cents a pound for parcels, and yet they say they are making now $70,000,000 a year on that. And if they do, then they include in that the cost of handling, which is 2 cents. Then it seems to me that 2 or 3 cents would cover the whole amount for the cost of transportation of second-class mail matter. And, therefore, I am perfectly willing with the chairman to raise the rate on some of these magazines, but I believe that the rate suggested is too high. I further believe that under the new railway mail pay law great economies can be effected in transportation of second-class mail, especially periodicals issued less frequently than weekly. These can be carried at freight rates, and a dollar a hundred will carry freight a long distance. The freight rate on grain from Minnesota to New York is only 25 cents per hundred. If we can get freight rates as the new law authorizes on periodicals, we can in some instances carry them for what they now pay without loss.

Another thing: I have been reading the parcel-post law of 1913 and one thing suggested itself to my mind, to wit: Has not the Postmaster General, under the parcel-post law, the right in his discretion to take newspapers out of the second class and put them into the fourth class, the same as he did in the case of books, which he took out of the third class and put into the fourth class?

The discretion is so broad that it seems to me that it includes that authority. He is directed to do everything, must change the classification and the rates, when it is necessary, in order to make the parcel post self-sustaining. Now, if he can save a loss of $70,000,00 a year by applying the proposed rates, as the gentleman says, why for these years has not this authority under the parcel-post law been exercised?

Mr. MOON. Does the gentleman mean to say that he thinks that under that statute the Postmaster General defines first and second and third class mails, that under the discretion that is given him he could change the second class into fourth class?

Does the gentleman think he could compare the transfer of the second-class mail with that?

Mr. STEENERSON. I am not making this as an assertion of fact, but as my opinion of the law. I noticed that the Postmaster General took books out of one class and put them into another class, and the thought struck me that he could also take newspapers out of one class and put them into another class.

Mr. MOON. There is not a word in the statute giving him such power. The gentleman is speaking of third-class matter?

Mr. STEENERSON. Yes. The parcel post is fourth-class matter.

Mr. MOON. That is purely catalogues and advertising.

Mr. STEENERSON. Oh, no. The gentleman is mistaken. All books go by parcel post. The only limitation that is on it is this, that if a book does not weigh over a certain number of ounces——

Mr. MOON. Let us get at that question. That is because of the fact that the matter is fourth-class matter, which the parcel post carries.

Mr. STEENERSON. No; they took books out of one class and put them in another, but not all books; the order limits it, and I have the order here:

ORDER OF THE POSTMASTER GENERAL.

OFFICE OF THE POSTMASTER GENERAL,
Washington, December 6, 1913.

(Order No. 7705.)

On and after March 16, 1914, the classification of articles mailable under section 8 of the act of August 24, 1912, authorizing the establishment of the Parcel Post Service, shall be extended so as to include books. The rate of postage on books weighing 8 ounces or less shall be 1 cent for each 2 ounces or fraction thereof, and on those weighing in excess of 8 ounces the regular zone rate shall apply.

All regulations or parts of regulations in conflict therewith are hereby rescinded.

A. S. BURLESON,
Postmaster General.

The classification of articles mailable, as well as the weight limit, the rates of postage, zone or zones, and other conditions of mailability under this act, if the Postmaster General shall find on experience that they or any of them are such as to prevent the shipment of articles desirable or to permanently render the cost of the service greater than the receipts of the revenue therefrom, he is hereby authorized, subject to the consent of the Interstate Commerce Commission after investigation, to reform from time to time such classification, weight limit, rates, zone or zones or conditions, or either, in order to promote the service to the public or to insure the receipt of revenue from such service adequate to pay the cost thereof.

Mr. MOON. Mr. Chairman, I yield three minutes to the gentleman from Alabama [Mr. BLACKMON].

The CHAIRMAN. The gentleman from Alabama is recognized for three minutes.

Mr. STEENERSON. Mr. Chairman, before the gentleman from Alabama proceeds, I would like to ask leave to revise and extend my remarks.

The CHAIRMAN. The gentleman from Minnesota asks leave to revise and extend his remarks. Is there objection?

There was no objection.

The CHAIRMAN. The gentleman from Alabama [Mr. BLACKMON] is recognized.

Mr. BLACKMON. Mr. Chairman, I am not going to take up many minutes of the time of the committee. There is only one subject that I want to discuss, and that briefly. It is the question of the pneumatic-tube service.

There are a great many Members of the House, I imagine, who have not given special attention to this subject. I have heard a number of Members say to-day that they were not prepared to say whether or not they ought to vote with the committee, which means a discontinuance of practically all of the pneumatic-tube service, or vote for the amendment to continue it and extend it from time to time. I have spent a great deal of time during the last four years in an effort to fairly determine what was the proper thing to do concerning this subject. I was appointed as a member of the joint Pneumatic Tube Postal Commission, under and by virtue of the authority conferred upon the chairman of the Committee on the Post Office and Post Roads of the House of Representatives, approved August 24, 1912.

This subject in the very nature of things required both time and study. Our commission visited the cities of Philadelphia, New York, and Boston, and the actual operation of the tube was witnessed in each of the cities named. A great deal of testimony from experts of the Post Office Department, those representing the pneumatic-tube corporation, and expert accountants not connected with either the Post Office Department or pneumatic-tube corporation was gathered.

I have no doubt that if the Members of this body had taken or would take the trouble to read the report and the testimony taken, they would have no doubt for a moment that the Government is paying entirely too much for a service that does not approximate in value $17,000 per mile per annum, and certainly if the tube could be seen in operation it would convince one beyond the shadow of a doubt that it is a luxury and not a necessity. It may be that because we are voting the money of those other than ourselves we can afford to shut our eyes to the facts and view the question from a sentimental point of view, and say that it is all right to allow the Government to continue to spend the people's money to the amount of $17,000 per mile per annum for fifty-odd miles of 8-inch pneumatic tube, notwithstanding substantially the same service can be given for one-third of what it costs to operate the tube.

All the testimony shows, and, in fact, it is practically admitted, that if there be a difference in the time of delivery by the automobile service and that of the pneumatic-tube service, it amounts only to the difference of from four to five minutes as a time saver. These tests have been made when the pneumatic-tube people knew that it was competing with the automobile service and that the Post Office Department was having these tests made with a view of changing to automobile service, and I take it that it is fair to assume the best efforts and the quickest deliveries that could be made were made under these tests. In some of the tests the automobile delivery was quicker than the pneumatic-tube delivery, but taking all the tests on an average it would not show over from two to four minutes in favor of delivery by the tube system. I am not concerned whether deliveries be made by automobiles or pneumatic tubes. My only concern is, What is the best and proper method of making these deliveries? If the time of deliveries saved amounts to no more than 3, 4, 5, or, indeed, 10 minutes, and we can save by adopting one of the other methods two-thirds of what is now being paid out by the Government, I am forced to the conclusion we should take the cheaper.

You take a mass of mail for outgoing trains. It must be tied up in small packages to go in the containers, and it must be borne in mind that the tubes are only 8-inch tubes. Each package must be placed in the containers and sent through the tube to the station. At the station the packages must be placed in the mail sacks before delivery to the outgoing trains. In the post offices the clerks must first tie up these packages, and I contend that while tying them up they can be placed in sacks and these sacks placed in an automobile truck and delivered to the station ready to be placed on the train practically in the same time that the mail is being sent through the tube. In handling it in this way we do the same service for two-thirds less than it costs to do it by the tube system.

I see a friend on the other side shake his head. If he has seen the tubes in operation, he knows that what I say is true. I am willing to put him on the stand. I can prove by him that if you have 3 or 500 pounds of mail and undertake to handle it through the tubes, I will take the same number of pounds in an automobile truck and beat him to the point of delivery by the use of an automobile, and I will do the service for one-third of what it is now costing to handle it through the tube. If he beats me by the pneumatic-tube delivery, it will be by only a very few minutes.

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. BLACKMON. Mr. Chairman, I would like to have three minutes more.

Mr. MOON. I yield to the gentleman three minutes more.

The CHAIRMAN. The gentleman is recognized for three minutes more.

Mr. BLACKMON. Mr. Chairman, during the short time I have been here I have observed that when we undertake reform in the interest of the people as against the people of the preferred classes we are met always with the prediction that direful results will befall the country if these reforms are put into effect.

When we began the preparation of the parcel-post legislation all Members of Congress, and especially the members of the Post Office Committee, of which I have been a member since coming to Congress, were flooded with petitions, letters, and memorials from different societies, organizations, merchants, manufacturers, and others predicting that this legislation would bankrupt the Government and put out of business the merchants in the smaller towns throughout the country.

Now, in discussing this phase of the question, I am not going to undertake to make a party matter of it. Members on both sides of this House differed as to what was the proper thing to do, and I will say that they differed honestly. The point I make is this: That notwithstanding these predictions of the calamity that would befall us, we went to work and brought out a parcel-post bill, which has been in a measure perfected from

time to time, and I dare say that a number of the commercial bodies and other organizations, merchants, and others who did all that was within their power to prevent this legislation would now be active in their opposition to its repeal. The good that the parcel-post legislation has brought to the masses of the people is untold.

I merely make mention of this in order to show you the importance of each Member of this body studying these great questions, with a view to reaching a correct conclusion, and when he reaches an honest conclusion stand by it, regardless of adverse criticism from Members or otherwise.

We are told that if we discontinue the pneumatic-tube service it will be ruinous to certain business interests in this country. Gentlemen, this can not be true. If all the commercial organizations in the United States should tell me that a mere delay of three or four minutes in the matter of delivery of a letter would be disastrous to the great business interests of the country, I could not agree to this conclusion.

As far back as October 3, 1914, when the pneumatic-tube commission, which I have mentioned, made its final report I was unable to agree with Senator HOKE SMITH and Gen. Joseph Stewart, then Assistant Postmaster General, who made the majority report for this commission that this Government should purchase the fifty-odd miles of 8-inch pneumatic tubes now being leased by the Government. The price that it would cost to purchase this is enormous, and it would have taken untold years for Congress to have ever been able to explain on any fair business basis why it had done so.

The tube system originally was inaugurated for commercial purposes, and it was a dismal failure from a commercial standpoint. Necessarily a failure, because the 8-inch tube is too small to perform any service on a paying basis. It must be borne in mind that these tubes can not carry anything except letters and very small packages. It can never be utilized for second-class mail; and when you realize that last year we handled 1,400,000,000 pounds of second-class mail—and in this connection I might say handled it at a great loss to the Government—how can we hope or can it be reasonably expected that the tube, even if owned by the Government, could ever take care of this great increase in the weight of our mail? This class of mail must be handled by automobile truck or some other method, and I contend that if we must be forced to use the automobile service for the handling of this class of mail, why can we not save many thousands of dollars to the Government by adopting a faster schedule of automobiles for first-class mail, and thereby make this great saving to the people.

The Post Office Department, we must assume, have given much thought and study to this question and are anxious to do the best they can for the service and the whole people. I can not conceive of a great department of this Government like the Post Office Department recommending to Congress that they do a thing that would prove disastrous to the mail facilities of this country.

An effort has been made to criticize the present Postmaster General as to his handling of the postal affairs of the Government. To my mind, a Member of Congress who decides for or against any of these great postal reforms because they are proposed by a Democratic Postmaster General, or decides for or against them because they are not proposed by a Republican Postmaster General, is better suited to be sent to some small vacant spot out in the mountains to cultivate a small tract of unimproved land, provided he could borrow a little money from the Federal Government under the provisions of the Federal farm-loan act rather than be sent here to represent the people in Congress. [Laughter.]

I sincerely trust that the amendment now proposed to continue and extend the pneumatic-tube service will not prevail.

Mr. MOON. Mr. Chairman, I yield three minutes to the tleman from Texas [Mr. DAVIS]. [Applause.]

Mr. DAVIS of Texas. Mr. Chairman, I have no thought of being able to convert those of my peers, who are here with an intelligent thought of their own, and their minds fully made up on this question, but I merely want to put myself on record against what is commonly called the zone system for the distribution of mail. Our whole postal system, I am glad to say, is founded upon the theory of serving the public for public good and not for profit. The original mail carrier in the early ages of government was a military courier, going from the seat of government to the military outposts. He became not only the message carrier for government but the news and information carrier for private citizens and soldiers about the military posts. Beginning in this crude way we have the postal system—the postmaster and the post office getting their names from the origin of the service. It is consoling to see the wonderful development into which the postal service of all the world has grown. The distribution of our mails is one of the methods of our public education. Whatever impedes or cripples that process retards to that extent our educational facilities and turns the wheels of progress backward.

I think I see in the zone system the beginning of a program which, if followed to its ultimate conclusion, would provincialize and sectionalize this Republic, destroy that universal communication and unification of thought which must make us one great family in this Republic. The hope of this Republic rests upon our whole population and all our immigration going into a melting pot and coming out full-fledged American citizens, and our universal Postal System is one of the necessary means to that end.

We must encourage and support all means of education that crystallizes the public conscience into national thought, national pulse, and the fullest fruition of the American spirit, and to penalize the man who lives in a distant sphere by making him pay extra for his intelligence and his part of the national information is not only unjust to him, but is impolitic and unwise as a governmental policy.

Our Postal System must not be controlled merely by the curves of the dollar mark. If we are to look alone to the question of profit and the question of cost, then the question of public intelligence and general information must be eliminated and all our mail transactions tested by the profit and loss account, and this would mean the entire demoralization and the ultimate destruction and overthrow of our national life.

If the zone system had been in operation throughout the past years of our Republic, I make bold to express the conviction that the Indian and the buffalo would still be roaming over the great western portion of this grand country, for if the pioneer citizen had been cut off from all means of communication back home, except when he was able to foot the bills and make good its cost, our outposts would have been slow indeed to move forward. The great prairies and plateaus that lie between the Atlantic and the Pacific, whose wonderful harvests sustain millions to-day, would have remained a barren and bleak frontier, untouched by the hand of the husbandman.

In the early days of the Republic, seeing the wisdom of the public dissemination of intelligence bringing the remote sections of the country into direct contact with the cities and centers of civilization, a law was passed providing that each county seat in the United States should have a daily-mail service.

The settlement of the Mexican War and the discovery of gold on the Pacific coast brought under our flag many county seats several hundred miles apart, some of them reaching almost to a thousand miles apart in the western wilds. I think I call to mind in the prosecution of the star-route frauds, under what is referred to in the papers of that day as the Dorsey scandal, the testimony showed that in routes running from Fort Worth, Tex., to Santa Fe, N. Mex., and from Missouri River points to the "Golden West" in California, it had cost this Government sums ranging at times from $2 to $6 a letter to carry the mail, and stage coaches and stage stands had to be guarded by the military branch of the Government to keep mail robbers and Indian marauders away.

Carping critics and anxious economists howled in heroic chorus that such a program was not only unwise but bankrupting in its effect, but the answer of the thoughtful statesmen of the national heart and conscience of the country was that the same Government that paid as high as $6 a letter to carry the mails across the West got nearly 600 letters carried for a dollar between Chicago and New York, and when the equation was made all the people were served and the heart and conscience of the country kept in touch.

The result is to-day that the Atlantic and Pacific, through our postal system, are brought face to face, and the man on the Atlantic shore and the man on the Pacific shore are actual neighbors and members of the same family, often in daily communication.

Under the national postage-stamp system, limited only by the boundary lines of the Republic in its legal-tender transit, Uncle Sam marched in steady progress from the Atlantic, crossing the Rocky Mountains and the Cascades, and bathed his face in the Pacific Ocean.

Mr. MOON. May I ask the gentleman from Texas a question?

Mr. DAVIS of Texas. Yes, certainly; I yield to the chairman of the committee.

Mr. MOON. I understand the gentleman is opposed to the zone system. Is he opposed to the rates of the second-class mail matter?

Mr. DAVIS of Texas. I think that might be adjusted very readily and not apply the zone system, which, in my judgment, will demoralize and distract our whole postal communication. I think a more equitable burden between the letter postage and the postage of newspapers, periodicals, and journals should be

had, and I would be willing to see a reasonable adjustment of the rates of second-class matter, and I would be glad to see this Republic at one full swoop put the whole of our letter postage at 1 cent and enlarge and broaden our City and Rural Delivery Systems.

Mr. MOON. If you did that you would have a deficiency of $100,000,000.

Mr. DAVIS of Texas. If so, I would make up that deficiency in some other branch of governmental revenues and by adjusting rates of second-class matter; but as to a deficiency of $100,000,000, I would feel that if that money had been spent in bringing up the standard of national intelligence and information, broadening and expanding the public mind, and bringing the heart throbs of Maine and Florida and California and Carolina to beat in unison, while the enlightened conscience of the country swelled in patriotism, I would consider the money well spent. [Applause.]

The theory of measuring the movements of the Postal Service by the curves of a dollar mark has never appealed to me as wise or salutary. I can understand why a zone system might be properly applied to the parcel post, for this is an instance where the Government seeks to serve as a common carrier in a commercial way, and hence may be properly governed by the expense of the long and short haul.

I remember when the National Grange and the National Alliance made a clamorous and just demand for a rural-route service, the same kind of economists that we find frightened at the cost to-day, with such exaggerated fear of national bankruptcy, told us then that a universal rural-route service meant universal bankruptcy; but the system was installed, and to-day perhaps two-thirds of the homes in the Republic are readily served with a daily delivery, and this bill provides for the enlargement and extension of that service.

There is another side to this question that appeals to me with unusual force, and that is the question of our great fraternal, religious, vocational, and national papers and journals. I am told from 600 to 1,000 of these are now struggling for their existence under the increased expense of print papers and other materials.

The zone system would denationalize or destroy these papers and periodicals. This, in my judgment, would be a national calamity, for the hope of this Republic lies in the crystallization of a national conscience and a national character, and there is no power known to the nature of man that tends more to federate and bring into communal solidarity than the religious and fraternal feeling kept alive by those papers.

The printing press has been rightfully denominated as the greatest handmaid of civilization. It makes it possible for the dead to talk to the living for thousands of years after they are covered with clay. It makes it possible for the experiences and the information of past ages to be handed down to future ages. It makes it possible for the man in Maine to talk to the man in Texas a thousand years after death, and the daily and weekly messages printed on paper and sent throughout the world, with all their faults must ever remain one of the surest resources and firmest foundations for our future progress.

In the main, I think the present postal appropriation bill is an excellent piece of legislation. When I take into consideration the multifarious problems that confronted the committee in the make-up of this measure, I can truly compliment and congratulate them. I do not want to be considered partisan, but I can not let this opportunity pass without complimenting in full fervor Postmaster General Burleson on the preeminent success of his management of our Post Office Department. I am willing to yield my judgment to the judgment of the committee and the Postmaster General touching the very vexing problem of the pneumatic-tube systems for mail delivery in the cities. That question only involves methods of efficiency and economy, but in an effort to revamp this Republic and lay it off into zones and stratas, which would govern the distribution of our mail, I can not feel content without putting myself on record as against the problem and assigning a series of reasons therefor.

A 300-mile zone would separate the State of Texas between Texarkana and El Paso into three zones, and would cross-section the State from Orange to Dalhart into four zones, and the papers and journals of Texas, speaking for Texas and feeling the heart swell for Texas development, would be met at three or four dead lines by a governmental agent and checked back, no matter how important the message of information and intelligence they carried.

Having thus briefly stated my views, I want to thank the House and close my remarks.

Mr. GRIFFIN. Mr. Chairman, the provisions in the present Post Office bill on page 15, lines 14 and 15, steeped in provincialism, affect vitally the postal efficiency of Brooklyn, New York, Chicago, St. Louis, Boston, and Philadelphia. It means, if passed, that the pneumatic mail-tube service will be discontinued in every city except New York, and there it will be greatly curtailed and may be discontinued entirely upon six months' notice by the Postmaster General.

Much as I regard the personnel of my committee, I must confess that on the part of at least one of its members there was exhibited at the hearing on the subject of the pneumatic mail tubes a woeful lack of knowledge of local conditions in the city of New York.

This member of the committee, who lives far away from the glittering lights of Broadway, who never has mixed with the crowds in the loop district of Chicago, participated in the following colloquy.

Postmaster Morgan, of New York City, was on the stand. To him he propounded this question:

What do you want tubes in The Bronx for, anyway? You can use them only six months of the year.

Mr. MORGAN (courteously, but puzzled). What do you mean, Congressman? Why do you say we can use the tubes only six months?

My distinguished friend then said:

Well, The Bronx is only a summer resort. It is closed up six months of the year, I suppose.

[Laughter.]

Mr. BENNET. Will the gentleman yield?

Mr. GRIFFIN. I will.

Mr. BENNET. I was in the cloakroom and did not quite catch that statement about The Bronx.

Mr. GRIFFIN. I do not agree with the statement which was made—that The Bronx is merely a summer resort.

Mr. MADDEN. I understood him to say it was a cocktail. [Laughter.]

Mr. BENNET. There are only three States in the United States that have as large a population as Bronx County.

Mr. MOON. Who was the Member who was talking when that statement was made?

Mr. GRIFFIN. I have too much regard for my colleague to mention his name.

The Bronx is one of the most progressive boroughs of the five boroughs which go to make up Greater New York, a city whose postal business reaches $37,000,000 and shows a profit of over $22,000,000 to the United States Government. This city, whose people are the most charitable on God's footstool; this city, whose people hate a provincial; this city, which rejoices in the material welfare and development of every other American city; this city, which is the business backbone of the Nation, is entitled to the best possible service, because it contributes one-ninth of the money which maintains the Postal Service of the United States.

The people and press of Greater New York are united in an honest effort to continue the pneumatic-tube mail service. No insidious lobby can control the actions of the great, useful, and independent Chamber of Commerce of the State of New York, the Merchants' Association of New York, and the Brooklyn Civic Club, of which I have the honor of being a member. No insidious lobby can control the editorial comment of the Brooklyn Daily Eagle, one of the best-edited and most fearless evening papers in this country. No insidious lobby can inspire the editors of every great daily newspaper published in New York City. [Applause.]

The Postmaster General stands unmasked in his efforts to cloud the issue by his cheap claptrap charge of an insidious lobby. The people of New York City want the pneumatic mail tubes continued because they expedite the delivery of the mail and benefit the people of every part of the country who do business with New York City or Europe, and because they protest the introduction of 300 or more automobiles on its congested streets, which will add to its almost unsolvable traffic problems. Last year there were 105 children killed on the streets of New York by motor trucks. Whether you come from the North, the South, the East, or the West, the big congested city or the quiet peaceful village, please do not cast a vote to-day which may indirectly result in the killing of hundreds of more young innocents on the streets of New York. This is the time to discuss other conditions and problems which exist in the Postal Service of our country.

Mr. LEWIS. Will my colleague yield?

Mr. GRIFFIN. Yes.

Mr. LEWIS. What percentage of the whole number of vehicles in New York City would 300 automobiles make?

Mr. GRIFFIN. There would be 300 more automobiles added to those already there.

Mr. LEWIS. But what would be the percentage? Would it not be negligible?

Mr. GRIFFIN. I can not say. I was not present at the hearings owing to severe illness. I understand from the testi-

mony of Mr. Morgan before the committee that if the tubes are discontinued 300 more automobiles will be added to those already on the streets of New York City.

Mr. LEWIS. Will it be more than one-tenth of 1 per cent?

Mr. GRIFFIN. I can not say.

Mr. DALE of New York. Will my colleague yield?

Mr. GRIFFIN. I have not the time.

Mr. MOON. I think the gentleman is mistaken in the testimony before the committee.

Mr. GRIFFIN. I am quoting from the New York Tribune of the 16th of December last. Your minutes were not printed until Monday.

Mr. DALE of New York. Is it not a fact that if we had the tubes in New York these 300 additional automobiles would be unnecessary?

Mr. GRIFFIN. That is absolutely true. The abolition of the tubes would mean an increase of 300 more automobiles.

The report of the Postmaster General for the fiscal year ended June 30, 1916, directs the attention of Congress "to the activities of certain organizations of postal employees, which are becoming more pronounced every year." The charge is made that the administration of the Postal Service is made extremely difficult by these activities and that the civil-service law as represented in the merit system is in danger of becoming nullified unless section 6 of the act of August 24, 1912, known as the antigag law, is repealed.

The report of the Fourth Assistant Postmaster General contains a tirade on the same subject matter, which is couched in terms and language that seem to be expressive of the personal rather than the official sentiment of the head of the department. Representatives of the postal organizations are referred to as "postal parasites whose existence depends upon their ability to arouse discord and dissension between the department officials and the employees."

Statements of this kind made in reports to Congress will no doubt cause an impression to be made on the minds of Members of both branches of Congress that can not help but prejudice the minds of those who are not familiar with the facts. I have made inquiry and a study of the Postal Service and the conditions surrounding the employees and will give in detail a few of my observations and a result of my investigation.

The attitude of the Post Office Department officials in the treatment of the employees has been antagonistic. The employees have been reminded that their place in the service was to attend to their duties as directed in the orders issued to them and that they should not meddle in the affairs of administering the service or in matters pertaining to their welfare or working conditions. This policy has created a state of unrest, resentment, and discontent and has destroyed the harmony and cooperation that should exist between the officials and the working force.

The Post Office officials came into office with no practical knowledge of the workings of the Postal Service, and at the very outset they assumed a superior and autocratic attitude toward the employees in all branches of the service. Post Office Department officials in former administrations invited the cooperation of the employees and their representatives, and friendly relations were established and much good resulted, both to the service and the men. The present order of things, however, has changed all this, and the employees have been reminded that their opinions were not wanted and would not be tolerated.

A policy of economy and retrenchment has been put into effect by the Post Office Department officials which has resulted in placing hardships on the shoulders of the men, and this policy has been persistently followed in an effort to cut down the expenditures and report a balance in the revenues. Every technicality of the law has been taken advantage of to further this policy of economy, and all at the expense of the employees. If it has been the desire of the officials to be in charge of a dissatisfied, discouraged, and discontented army of employees, they have succeeded admirably. Postmasters throughout the country have been urged through correspondence to economize in administering the work of their offices until these postmasters have been so harassed and intimidated that they have been reluctant in asking for sufficient help to conduct the service in a satisfactory manner.

The Railway Mail Service, under the charge of the Second Assistant Postmaster General, has had the working force so reduced that complaint is made that physical hardships are imposed on the employees in trying to carry on the service. It is charged that many of the railway mail clerks have been reduced in salary and transferred to points distant from their homes without any regard for their welfare or their official records. In a recent ruling the Second Assistant Postmaster General nullifies the promotion law for these railway post-office clerks, so that the intent of Congress to provide promotions to the highest grade after three years' service in the next lower grade regardless of the time the law went into effect is destroyed. This interpretation of the law is in line with the policy of economy, as it makes a saving of a few dollars by depriving these hard-working and deserving employees of their lawful promotions.

The Rural Delivery Service has come in for its share of the economy policy, and the whole service has been disorganized and is in a state of chaos. Routes have been curtailed and eliminated without regard to the desires of the patrons, and in many instances the rural citizens have been compelled to walk great distances in order to get their mail. The Fourth Assistant Postmaster General, who so harshly criticizes the representatives of the employees in his report, is the representative of the Rural Delivery Service. Judging from the record he has made it would seem that if his energies were directed in trying to establish harmony and cooperation with the employees under his direction, instead of incurring their ill will, the Rural Delivery Service would benefit materially. This is the same official of the Post Office Department who assumed to criticize Congress, and which criticism brought forth well-merited rebuke from the Members of the Senate in the last session of Congress.

The rural letter carriers have had their routes lengthened and their pay withheld, contrary to the statute. If the recommendations of the Fourth Assistant Postmaster General are followed, we are promised a further reduction in the number of routes and a more general demoralization of the Rural Delivery Service in order to effect a policy of economy.

The City Delivery Service has also been given attention in the program of economy and retrenchment. Orders and rules have been promulgated and crude innovations have been instituted in the service that have made the working conditions of the men one hardship after another. An order was put into effect by the department whereby post-office clerks and letter carriers who were off duty for a period of 150 days in any one year were automatically dropped from the service. It mattered not whether the employees were off duty on account of illness or as the result of an injury that incapacitated them from performing their duties. In this way the department quietly and without much trouble rid the service of many of the veteran employees who, through sickness or disability, were forced to remain from their duties more than the maximum time limit. This order resulted in untold hardship to many of the employees in the Postal Service, and was discontinued only after the attention of Congress was drawn to its ill effects on the employees and legislation was enacted to put an end to the inhuman practice. In the effort to have this adverse regulation abolished the press and the public played an important part.

Speed systems and efficiency methods, so called, are in force and effect in the post offices of the country, and the result is that employees are required to labor under the most nerve-racking, mental, and physical disadvantages. The systems would not be tolerated without protest in any industrial institution. Standards have been established for the employees which it has been demonstrated are a physical impossibility for the average man to keep up. In addition to the ordinary speed tests they have inaugurated another kind of test which is more trying on human nerves and mental balance than anything yet conceived. This test is made in secret on a day and at a time unknown to the employee. His mail is counted without his knowledge, and a record is made by the efficiency expert of the time that should be consumed in handling it and getting it in shape for delivery. A comparison is then made with the time consumed by the employee, as recorded in his report, and if the employee has not measured up to the requirements of the test he is charged with demerits and advised that his rating is not up to the standard. The tendency of this system is to have men constantly working at top speed in a machinelike manner and against the laws of nature. The systems have resulted in defeating the very purpose for which they were established. Genuine efficiency can not be secured from systems that wear out the human frame and result in fatigue and a breaking down of the health. It seems, however, that the department officials who are responsible for these conditions have no interest whatever in the matter of conserving the health and strength of the employees, and the practice of economy is carried on in order that a saving might be effected by a curtailment of the force ordinarily required to expedite the work.

Another system in vogue in post offices and authorized by the Post Office Department officials is the method pursued in its inspection division. The practices in force are absolutely un-

American and are an insult to the integrity of the great army of postal employees and should be modified. Men are secretly trailed and are watched, while performing their duties, from contrivances built in post offices containing peepholes. The system is obsolete, crude, and repulsive. In order that the employees can be kept under scrutiny every moment of their time, the toilets in post-office buildings are without doors and are otherwise exposed to the view of anyone passing through or using these rooms. It is an intolerable condition and one that should be stamped out by legislative enactment.

The employees in post offices are required to work in insanitary, unventilated, and inadequately lighted workrooms. Their health is unnecessarily sacrificed, and when they are overcome with disease or broken in health they are cast aside and new recruits take their places.

All through the workings of the innovations and systems prevalent in the Postal Service can be seen the spirit of economy and retrenchment. Nothing else is considered. The patriotic employees of the Postal Service who responded to the call of the President in June, 1916, for service in military or naval organizations were not immune from the ever-watchful eyes of the promoters of economy. Hardly were they on their way to the border before an order went forth from the department to drop them from the rolls of the Postal Service. Danger was seen in this order for the positions of these employees by Congress, and a provision was inserted in the Post Office appropriation bill approved by the President on July 28, 1916, directing the Post Office Department to hold the positions of these patriotic employees open for them. The officials, however, were not willing to give up their plans for a saving, and despite the law another order was issued in August, 1916, again directing that these men be dropped from the rolls. The whole purpose of the persistent efforts of the Post Office Department to have these men dropped from the rolls was to effect a scheme whereby a class of employees termed temporary regulars could be appointed, thereby saving approximately 7½ cents per hour.

Contrary to the classification act of 1907 regulating the salaries of post-office clerks and city letter carriers, the Post Office Department, through the First Assistant Postmaster General, in February, 1915, ordered all carriers assigned to collection duty reduced in salary to a maximum grade of $1,000 per annum. What hardships this order was responsible for can be estimated when we look back and remember what a storm of protest arose from the men affected by the order. The unfairness of this reduction in salary was recognized by the Congress when the matter was brought to their attention, and a resolution was appended to the Post Office appropriation bill for 1916 restoring these men to their former grades. This resolution corrected the injustice to the extent of placing the men back into their former grades of pay. However, the lost salary on account of the unmerited decrease covering a period of approximately nine months is not forthcoming, and there should be some provision made to have the amounts so deducted restored to the unfortunate employees who suffered by the adverse order of the department officials.

Just now complaints are reaching us that excessive overtime in post offices is being regularly required. The eight-hour law was put into effect with the object in view of giving these employees time in which to rest or otherwise devote to themselves and families. Now, through insufficient working forces these men must do overtime, for which very often they receive no pay. The very purpose for which the eight-hour law was enacted is defeated, and the growing practice should be eliminated. Overtime is sometimes necessary to the prompt handling of the mails, and in such emergencies the employees are ready and willing to do their part; but it is the unnecessary overtime which they are opposed to, and could be reduced to a minimum if the officials of the Post Office Department were so disposed.

In all of these arbitrary orders and rules of the post-office officials in experimenting with the service to make a surplus in the revenues we see hardships placed on the shoulders of the employees. The American people do not want a Postal Service reporting a big surplus if the employees are to pay for it through a physical and mental state of unrest, worry, and unfair working conditions.

Throughout the whole of the administration of the Postal Service by the present officials we see not one recommendation that had for its purpose the improvement of the conditions of the workers. Persistent efforts have been made to abolish the office of the assistant postmasters and do away with the positions altogether; the eight-hour law and the Sunday-closing law have been recommended for repeal; biennial promotions instead of annual advancement have been suggested; holiday service has been required when unnecessary for the satisfactory execution of the service; reduced pay for substitute carriers was recommended, and readjustments of postmasters' salaries were urged, which would mean in many cases a reduction.

We do not see any recommendations by these officials for a retirement measure to take care of the old and worn-out men and women in the service of the Government who have given the best years of their lives to the Postal Service and who are now being thrown out on the mercies of charity. Neither do we see a suggestion to look into the problem of the high cost of living and bring the salaries of these employees up to a fair standard. The Postmaster General, however, recommends to Congress that the four Assistant Postmasters General have their salaries raised from $5,000 to $7,200 per annum. No doubt the high cost of living as well as good service induced the Postmaster General to make these recommendations. I submit, however, that the low-salaried fellow is more in need of an increase in pay at this time of high prices than his more fortunate brother with an income of $5,000.

The Postmaster and his Fourth Assistant who are so inclined to criticize the organizations of these employees and their representatives could, if they so desired, learn just how much good to the employees their associations are and what burdens are lifted from the shoulders of the Government through the sick and death benefit features maintained by the employees through their organizations. Thousands of dollars are paid out each week in cases of sickness and accident by the benefit departments of these associations, and hundreds of familes have benefited through death benefits from their insurance organizations.

The officials of the Post Office Department could gain much advantageous information in the manner of treatment that should be accorded the employees if they were to pattern after a few of the Cabinet officers at the head of other departments. They could also gain much valuable knowledge of the relations that should exist between the department and the employees if they were inclined to seriously consider the declaration of President Wilson made at Shadow Lawn, N. J., September 22, 1916, to the Business Men's League, when he said:

> But the chief cloud that is on the domestic horizon is the unsatisfactory relations of capital and labor. There is only one way, gentlemen, in which the relations of capital and labor can be rendered satisfactory. That is by, in the first place, regarding labor as a human relationship of men with men; and, in the second place, to regard labor as a part of the general partnership of energy which is going to make for the success of business men and business enterprises in this country. So long as labor and capital stand antagonistic, the interests of both are injured and the prosperity of America is held back from the triumphs which are legitimately its own.
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> Labor is not a commodity. It is a form of cooperation, and if I can make a man believe in me, know that I am just, know that I want to share the profits of success with him, I can get ten times as much out of him as if he thought I were his antagonist. And his labor is cheap at any price. That is the human side of it, and the human side extends to his conception, that the laboring man is a partner of his employer.

The Postmaster General issued a public statement on December 30, 1916, showing the magnitude of the service performed by the United States Postal Service in handling the Christmas mail. It was estimated by the Post Office Department statisticians that approximately 125,000,000 parcels weighing about 2 pounds apiece were mailed during the two weeks before Christmas—that is, for every man, woman, and child in the land fully 2½ pounds of parcel-post mail was received and delivered through the facilities of the Postal Service. These figures do not take into account the many millions of Christmas letters and post cards and the great volume of second-class mail matter that was handled by the employees. This great volume of mail matter was handled in an expeditious manner notwithstanding the unfavorable weather conditions which seriously delayed rail transportation in the most thickly populated sections of the country.

The efficiency experts were hidden away and the efficiency systems were thrown into the discard when the Post Office Department officials were confronted with the problem of moving the mails in a prompt and efficient manner. The loyalty and devotion of the employees to the immense task that confronted them mastered the situation as it always does in every emergency or when the occasion demands. It is to be regretted that the occasion of the holiday rush in the post offices could not be utilized by placing the "efficiency engineers" to work in the useful occupation of juggling mail sacks or carrying heavy loads of mail on their backs for delivery through the cold and sleet and snow. Now that the heavy work is over and the postal business will get back to normal conditions, we will hear from the chief of the efficiency bureau of some new system that has been evolved to worry the employees and to make them miserable in their everyday work.

When men are required to work overtime the effects are shown in their efficiency by a loss of desire to perform their

work. The employees realize from experience that they are overcome with fatigue after peforming their regular day's work and they ask to be relieved of any unnecessary overtime. They are not desirous of working overtime for the extra pay they receive nor do they wish to make extra pay by being paid double time for all services performed in excess of eight hours. They prefer to do a fair day's work in a competent and efficient manner and would welcome the enactment of a penalty clause to the 8-in-10-hour law that would arbitrarily provide that their labor be finished at the end of eight hours. They realize, however, that contingencies arise which necessitates employees working beyond the eight-hour day in order that the mail shall be promptly collected, dispatched, and delivered. They are willing to do their fair share in emergencies of this kind and they do not complain of the ordinary necessities to be met in conducting the Postal Service. What the employees do object to is a vicious system which has grown up in the Postal Service during the past two years in which men are regularly required to work overtime. The purpose and intent for which the eight-hour law was enacted is destroyed through this system, and I trust that the Congress will enact legislation that will correct this abuse.

The postal employees are required to take rigid physical examinations before they can become eligible as applicants for the position of clerk or letter carrier. On account of this test the Postal Service is recruited with an exceptionally healthy and rugged body of men. Notwithstanding this, I desire to draw the attention of the House to the fact that there is an exceptionally large amount of time lost by these employees on account of sickness. This loss falls directly on the employees, as their pay ceases from the time they are unable to perform their duties. The fraternal organizations maintained by the postal employees have been under a serious drain on account of the excessive heavy demands that have been made on their sick-benefit funds. It is maintained that the health of these men break down prematurely on account of the increasing intensity of speed fostered by the efficiency system and the amount of overtime required to work. These two causes result first in fatigue and later in a breakdown of the human system.

The Postmaster General in his recent report drew the attention of Congress and the public to the fact that the Post Office Department has been conducted during the last fiscal year at a profit of approximately $5,000,000. If this surplus has been made at the expense of the health of the employees, it will not meet with the approval of the American people.

One of the most constructive pieces of legislation ever placed on the statutes was the new Federal workmen's compensation law, passed in the first session of the Sixty-fourth Congress, and which was signed by the President on September 7, 1916. I have heard it stated by those who have made a close study of workmen's compensation acts and who were particularly interested in the McGillicuddy bill that it is the most scientific and most liberal compensation act in any country. On a roll call of the House there were only three dissenting votes to the passage of this bill. It covers all of the Government's civil employees, which number approximately one-half million. The law provides the injured with reasonable medical, surgical, and hospital service and supplies. In case of death the new act grants 35 per cent of the wages to the widow and an additional 10 per cent for each child, up to 66⅔ per cent in all, to cease only when the widow dies or remarries or when the child dies, marries, reaches the age of 18, or, if over 18 and incapable of self-support, becomes capable of self-support; for total disability the act allows 66⅔ per cent of wages during disability and for partial disability it allows 66⅔ per cent of the loss of earning power. In commenting on the bill when it was under consideration in the Senate, Senator SMITH of Georgia, who is well informed on workmen's compensation laws, is quoted as making this statement:

> I regard it as one of the most admirably prepared measures ever brought to my attention. I think it is about the first bill of any length I have ever read to which amendments did not at once occur to me.

The standards embodied in this measure places the United States as a leader in caring for the civil employees in its service by compensation for personal injuries.

The Sixty-fourth Congress could round out its usefulness and complete its brilliant record by the enactment of a law that will provide for the retirement of its superannuated civil-service employees. While this question is awaiting the action of the Congress, I commend to the Members of the House the bill H. R. 6915, which bill provides for relief of the superannuated employees in the Postal Service. It is a just and meritorious measure, and I ask my colleagues to read the bill carefully in order to be prepared to register their views on the measure when it is brought before the House for their consideration.

Mr. MOON. Mr. Chairman, I yield the remainder of my time to the gentleman from Indiana [Mr. Cox].

Mr. COX. Mr. Chairman and gentlemen of the committee, I do not know that I can enlighten the members of this committee upon the many items in this bill more than what has been said to-day. I regret very much that any member of the committee at any time should undertake to bring politics into this bill. I think it is the inherent nature of my good friend from Minnesota, Mr. STEENERSON, to do so—that it is impossible for him to present his side of this bill without dragging the mire of politics into it.

I want to compliment the gentleman from Illinois [Mr. MADDEN], a Republican and a member of this committee. Never have I heard him in the committee or on the floor of this House bring politics into the discussion of this bill. The gentleman from Minnesota gravely announced that he was going to prove that Mr. Burleson was a liar.

Mr. STEENERSON. Will the gentleman yield?

Mr. COX. I decline to yield.

Mr. STEENERSON. The gentleman has no authority to say that, and I object to the remark.

Mr. COX. I refuse to yield.

Mr. STEENERSON. I call the gentleman to order. I make the point of order. The gentleman accused me of saying that some one was a liar and I never used those words.

Mr. COX. If the gentleman did not use the words, a fair inference from the statement was to that effect—to the effect that the Postmaster General had falsified his report and made a report that did not correspond with the facts in the case. Mr. Chairman, the present Postmaster General needs no defense at my hands or from any other. He stands preeminent as Postmasters General. He will go down in history as one of the greatest Postmasters General this Nation ever had. He has demonstrated his ability by taking hold of a losing proposition, put it on a paying basis, gave the people better service than they ever had, increased salaries, got through more constructive legislation than has been done in the last quarter of a century.

I served on this committee under Postmaster General Hitchcock. I think he was a great Postmaster General, and time and again in the four years I served under him I defended him on the floor of the House against assaults made upon him by members of my own party. The gentleman from Minnesota undertook to criticize the Postmaster General's report and to prove that it was false, and consumed 1 hour and 23 minutes of the time; it was an utter failure, for he never adduced a single fact or a single figure to show that Mr. Burleson's report was erroneous when it said that during the last four years he had turned into the Treasury of the United States a surplus.

The gentleman from Minnesota can "strain at a gnat and swallow a camel" as long as he pleases, but he never will be able to disprove the facts in the case, but that in the last four years Postmaster General Burleson has turned into the Treasury of the United States a clear surplus of $3,388,308.97, a thing no Postmaster General has done in the last 50 years.

Mr. STEENERSON rose.

Mr. COX. I refuse to be interrupted. There are some things in this bill that I can not stand for. One is the item that was put in it by my esteemed friend from Chicago, Mr. MADDEN, which proposes to increase the salaries by automatically promoting the clerks in the fifth and sixth classes within the first and second class post offices. I can not support it for this reason: In the first place, I do not know whether we are going to be favored with a rule to make in order the amendment—the 10 and 5 per cent increases—which has gone on the appropriation bills heretofore. I have inquired of the chairman of my committee as to whether or not the Rules Committee is going to bring in a rule, and I can not find out there. I inquired of the Rules Committee as to whether they proposed to present a rule here or not, and I can not find out there. I may be wrong, but I am figuring that when this bill goes to the Senate, if the Senate follows up what we put on the legislative bill, they will logically put the 5 and 10 per cent increase on over there in this bill. If they do, then what is known as the Madden amendment, which automatically promotes clerks in the fifth and sixth classes in first and second class post offices, ought not to remain on the bill, because it will give them a double increase.

Now, if the Madden amendment obtains and should become a law, it would add to the expense of this bill $882,175, the proof of which I will take the liberty of inserting as a part of my remarks.

The CHAIRMAN. The gentleman from Indiana asks unanimous consent to extend his remarks. Is there objection?

There was no objection.

The matter referred to is as follows:

OFFICE OF THE POSTMASTER GENERAL,
Washington, D. C., December 9, 1916.

Hon. W. E. COX,
Committee on the Post Office and Post Roads,
House of Representatives.

MY DEAR MR. COX: With reference to your request of the 8th instant as to the additional cost, the number of clerks affected, and the total additional cost to the Government should the following amendment to the postal bill be enacted, I beg to submit the following:

Madden amendment: Page 24, item 3, amend as follows:

"And to provide for the promotion of all the clerks in first-class post offices from the fifth to the sixth grade, and for the promotion of 25 per cent of the clerks in the sixth grade to the designation of 'special clerk' in the $1,300 grade, and for the promotion of 25 per cent of the designated 'special clerks' in the $1,300 grade to the designation 'special clerk' in the $1,400 grade, and to provide for the promotion of all the clerks in second-class offices from the fifth to the sixth grade: *And provided further*, That there may also be employed at first-class post offices foremen and stenographers at a salary of $1,300 or more per annum."

Post-office clerks, first class, 1,160 promotions from $1,100 to $1,200	$90,000
Post-office clerks, first class, 4,450 (25 per cent) promotions from $1,200 to $1,300	432,340
Post-office clerks, first class, 675 (25 per cent) promotions from $1,300 to $1,400	65,310
Total	587,650
Post-office clerks, first class, 6,285, total increase carried forward	587,650
Post-office clerks, second class, 275 promotions from $1,000 to $1,100	20,000
Post-office clerks, second class, 1,050 (25 per cent) promotions from $1,100 to $1,200	98,175
Total, 7,610 first and second class post offices	705,825

Relative to the cost to the Government should the following amendment be enacted and the number of carriers that will be affected, I beg to submit the following:

MADDEN'S second amendment: Page 31, item 13:

"Amend to provide for promotion of all letter carriers who are eligible for promotion in first-class post offices from the fifth to the sixth grade, and for the promotion of all letter carriers who are eligible in second-class post offices from the fourth to the fifth grade, and for the promotion of 25 per cent of the letter carriers in second-class offices from the fifth to the sixth grade."

Post-office carriers, first class, 852 promotions from $1,100 to $1,200	$66,075
Post-office carriers, second class, 195 promotions from $1,000 to $1,100	16,775
Post-office carriers, second class, 990 (25 per cent) promotions from $1,100 to $1,200	93,500
Total, 2,037 first and second class post offices	176,350
Grand total, clerks and carriers, first and second class post offices	882,175

Respectfully,

A. S. BURLESON,
Postmaster General.

Mr. STAFFORD. Will the gentleman yield?

Mr. COX. Yes.

Mr. STAFFORD. Can the gentleman inform me whether the committee framing the bill had in mind the horizontal raise of 5 and 10 per cent?

Mr. COX. I do not think the committee did.

Mr. STAFFORD. Did it make any recommendation for an increase, not considering the horizontal raise?

Mr. COX. Yes; that is what I am addressing myself to now. So when the bill is reached I shall make a point of order against that provision.

Mr. MADDEN. Will my colleague allow me?

Mr. COX. Yes.

Mr. MADDEN. I do not think it is subject to a point of order, and the gentleman may as well get ready for an argument. [Laughter.]

Mr. COX. We will cross that bridge when we get to it. Much has been said about pneumatic tubes. I shall discuss that very little. I want the Members who represent large cities to feel that I hold no animosity toward them whatever.

I am in favor of voting any provision which, in my judgment, will make the transportation of mails in the large cities more effective and efficient, but I am not in favor of voting a provision into this bill which, in my opinion, will not make the transportation of mail in the cities any more effective or efficent. There was a time when these pneumatic tubes no doubt served a very valuable purpose. That was a time before we had the auto trucks. The auto truck has revolutionized city deliveries in all branches of commercial life. That was true before the parcel-post system was worked out as thoroughly and as completely as it is now, and during that period of time it possibly may be that the pneumatic tubes served a valuable purpose in the transportation of first-class mail in the cities but the coming of the automobile and the working out of the parcel-post system as completely as it is to-day, in my opinion, and I base that on facts and opinions gathered by postal experts, has completely dispensed with the necessity for the pneumatic tubes in the various cities.

The pneumatic-tube service has had a varied and checkered career. It has had a hard and difficult time to attach itself to Post Office appropriation bills. It began in 1893. Just how and why the first tube of fifty-six one-hundredths of a mile was built in the city of Philadelphia I do not know, because we have no proof showing why it was built. That was turned over to the Government of the United States for one year free of charge. In 1894 the Government began to pay rent for that tube and paid that year $4,000 for this fifty-six one-hundredths of a mile. The Post Office appropriation bill for the year 1897 contained an item of $35,000 for the transportation of mail by the pneumatic tubes or otherwise, and here I want to call the attention of the Members specifically to one point and I hope they will remember it: The Second Assistant Postmaster General in his report in the year 1897 said that if it were possible to construct tubes large enough to convey a sack or a pouch of mail at a time they might be of some importance in the transportation of mail, but he said that was impracticable on account of the cost of construction. He said that if in some of the larger cities the pneumatic tubes were constructed 10 inches in diameter he thought in all human probability it would relieve from 65 to 70 per cent of the trips made by wagons in the large congested cities. I want to call the attention of the committee to the fact that we have no 10-inch tubes in force now. The Second Assistant Postmaster General at that time was asking for a tube that was large enough to carry a sack of mail through it. He said that was not practicable, and he said that if we could get a tube 10 inches in diameter in all human probability it would help some. We have never gotten a tube 10 inches in diameter, except for a few miles of tubes in the city of Boston which were originally constructed for commercial purposes and proved a dismal failure and were later dumped on the Government for mail purposes and are now proving to be worthless for this purpose. The tubes we have to-day are 8-inch tubes, with containers 6⅞ inches in diameter and 21 inches long.

The Post Office appropriation bill for the year 1898 carried an item of $150,000 for the extension of the pneumatic-tube service in various cities of the United States. In 1899 Congress, very suspicious of the pneumatic-tube process, very leary, very watchful as to whether it was going to be effective, incorporated a provision in the Post Office appropriation bill prohibiting the use of pneumatic tubes in these cities where they now have them. We had no pneumatic-tube service in the United States between the close of the fiscal year 1900 until the beginning of the fiscal year 1903, and so suspicious was Congress as to the success of the service that in 1898 it appointed a commission to study and investigate the question, composed of some of the ablest men in Congress. The men who investigated that in 1898 were headed by Edward O. Wolcott. I do not remember whether he was ever a Member of this House or not. Then, there were W. B. Allison, THOMAS S. MARTIN, E. E. Lloyd, W. H. Moody. There are men here now who served in this House with Mr. Moody, an excellent gentleman, a man of unquestioned ability, a man who went from this House to become the Secretary of the Navy, and who later went to the Supreme Court of the United States, and who was retired, if I recall correctly, two or three years ago, or perhaps more, by a bill passed by Congress, because of his failing health. Then, there were T. C. Catchings and W. H. Fleming. I have heard statements made here this evening time and again by various Members discussing this to the effect that every commission that has ever investigated the tube question reported in favor of it. I shall put in my speech the report of this committee recommending against the further extension of it, recommending against the continuance of it. That report was in 1901, and right in that connection I shall insert and make a part of my remarks some very interesting reading, and I hope some of the gentlemen here will take the time to read it. These companies have had rather rough sledding. They are coming to this Congress under suspicion.

At one time we had as Second Assistant Postmaster General a Mr. Nielson—I do not know him. It is a rather significant fact that within a period of about one month's time after he quit serving as Second Assistant Postmaster General he accepted employment at the hands of the pneumatic-tube people here in Washington, at a nominal salary of $1,000 a year, and was given $10,000 worth of stock for his service. I do not impute that condition of affairs is being carried forward to-day at all, but that is the way these tubes were originally fastened on the Government. They were originally conceived in sin and born in wickedness. You are asked to do a plain, open proposition here, and that plain proposition is this and no more, to vote to

continue this appropriation in order to make the stock of these pneumatic tubes worth 100 cents on the dollar. Are you willing to pay the price? One gentleman gets up here, and he argues in favor of the tubes on the ground that it facilitates the transportation of the mail. That is not so. That argument is completely destroyed and met by every fact in the case. Another gentleman undertakes to justify his vote upon the ground that unless we continue this appropriation this stock is going to be worthless. That may be true, but I have no sympathy or patience with any man who will invest his money in a one-man purchasing concern. Nobody can use these tubes except the Post Office Department. They were originally built for commercial purposes in the city of Boston, tried out, and found to be dismal failures.

Now, the argument has been made here, or it may be made, that foreign Governments have tubes. That is not so. Any man who has ever looked into it knows it is not so. It is made for the sole purpose of deliberately deceiving men when they come to vote upon this proposition. Here are the facts. Berlin, Paris, and London, and a few more foreign cities have a small, 3-inch tube, and the only mail that they carry is small telegrams, and they charge 6 cents for every telegram that goes through those tubes.

Mr. BENNET. Will the gentleman yield? Does not the gentleman know in London they are building now——

Mr. COX. No; I do not know it, and the gentleman does not know it. He does not know anything of the kind because they——

Mr. BENNET. Of six and a half miles——

Mr. COX. It is not true.

Mr. BENNET. Oh, the gentleman is entirely mistaken.

Mr. COX. No; I am not mistaken. I have looked this question up and the gentleman has not.

Mr. BENNET. I have looked it up.

Mr. COX. Mr. Chairman, I refuse to yield further. Here is what occurred, and here are the facts in the case. Before the European war broke out foreign representatives in Berlin, Paris, and London sent their representatives over here to study our system of 8-inch tubes. After they came here they turned them down cold, because they saw they were failures over here. I have no doubt but what those cities in Europe have contemplated building an underground railroad to carry mail. They have contemplated that, but they have never begun it. They have not done it, and the only tubes that are now being used by any foreign powers are exactly as I related—the little 3-inch tubes. I imagine they are very much like our Lampson conveyors used in the department stores and banks of this country. Now, that is about all there is in this tube business.

Mr. TILSON. Will the gentleman yield for one question?

Mr. COX. I can not yield but for a question.

Mr. TILSON. I just wish to ask the gentleman if there are any underground endless-chain carriers constructed for post-office work?

Mr. COX. No. If these tubes are a success, here is a great city like New York, which is practically tunneled, and if the commercial men in the city of New York thought they were a success, even for commercial purposes, everybody with a thimbleful of sense knows it would be a network of tubes in the subways of New York, but they know they are failures. Now, to sum the matter up, there is but one thing in this whole proposition, and when you come to vote for it you had better look it squarely in the face. If you want to vote to make this stock worth a hundred cents on the dollar and run your arm into the Treasury of the United States by your vote, you vote it. It is the only ground on which you can justify it. We might as well be plain about it.

Mr. TILSON. Has that been the basis upon which the vote was justified heretofore?

Mr. COX. Yes.

Mr. TILSON. Has not the gentleman voted for it?

Mr. COX. Yes; but I must confess I never knew as much about it as I think I know now.

Mr. STAFFORD. Will the gentleman yield? If the gentleman will permit me, I will say there were contracts entered into——

Mr. COX. That is true.

Mr. STAFFORD. Between the Post Office Department and these private companies that could be enforced in the Court of Claims if the money was not voted.

Mr. COX. As I said a moment ago, in 1908 the Post Office appropriation bill carried an item of $500,000 in obedience to the law which had been passed prior to that time, and the administration entered into a four-year contract which carried it to 1907. In 1906, the department entered into another contract for 10 years which carried it up to 1916, a year ago. Now, the contracts are dead, or will be on the 4th of March. This is not the only committee that has reported against these tubes. I have a lot of confidence in the post-office inspectors, and away back in 1907 the post-office inspector said: "This is the most expensive method of mail transportation at the present time in use, and the inspectors very much doubt whether the advantages obtained are commensurate with the heavy expense." That is not all. In 1912, Congress authorized a commission, still in doubt—still doubting the wisdom and propriety of appropriating money to carry the mail at a rate of $17,000 a mile—in 1912, Congress passed a Postal Commission to study these tubes with a view to see whether Congress should purchase them or not. On that committee were Senator SMITH of Georgia; Senator Guggenheim, of Colorado, who served but a short time and resigned; Senator Bradley, of Kentucky, who later died before making his report. On it was Mr. BLACKMON, of the House, and Mr. Victor Murdock, of Kansas.

Now, you have heard it said in the arguments—or you will hear it said before we get through—that every committee that has been appointed to look after this thing has always reported favorably on the pneumatic tubes. That commission was not appointed at all with a view of seeing whether the Government should continue the lease of these tubes, but it was appointed solely for the purpose of seeing whether the Government should buy these tubes outright or not. That was a divided report. Senator SMITH and Mr. Stewart, who was then Second Assistant Postmaster General, were in favor of it. Mr. BLACKMON reported squarely against it. Mr. Murdock—I have not been able to get his report, but he did not agree in the majority report. So the truth of the matter is that every commission, be it a congressional commission or a commission appointed by the Post Office Department, to look into the feasibility of the tubes, without a dissenting voice, as I recall now, has reported against their continuation. Now, there are 3,500 stockholders in these five concerns. There are two companies here. One owns the Philadelphia concern, one owns the Brooklyn, the New York, Boston, Chicago, and St. Louis concern. In these five cities there are five separate corporations, and those five separate corporations are held by a holding company again, so the truth of the matter is that there are six corporations operating in the cities of New York, Philadelphia, Brooklyn, Boston, Chicago, and St. Louis.

If you desire to vote to hold up a dying proposition and feel that you are justified in going into the Treasury of the United States to get the Treasury to pay the debt, so vote.

Mr. LEWIS. Will the gentleman yield for a question for information?

Mr. COX. For a question.

Mr. LEWIS. Does the gentleman say that these tubes have been costing $17,000 a mile?

Mr. COX. Absolutely.

Mr. LEWIS. That is more than the railroads get.

Mr. COX. It is argued here that these tubes have been the means of increasing the first-class mail. It is not so at all. Here are the facts: In the last 10 years the postal receipts of the city of New York have increased 92.08 per cent; Chicago, 108.93; Philadelphia, 76.14; Boston, 82.36; St. Louis, 42.25; Brooklyn, 77.71, or an average increase for the last 10 years of 89 per cent, and these are the cities, mark you, gentlemen, that have pneumatic tubes. What is the average postal increase in the six other largest cities that do not have these tubes? Cleveland, Ohio, in the last 10 years has increased its postal receipts 183.18 per cent; San Francisco, 103.91; Detroit, 162; Kansas City, 135.36; Cincinnati, 57.62; or an average of 114 per cent. And yet none of these six cities I have named have pneumatic tubes. What becomes of the argument that the pneumatic tube increases the first-class postage in the city where it is used? It falls to the ground when it is followed out to its last and logical conclusion.

I want to compliment my friend from Massachusetts, Mr. TAGUE. He has made a hard, determined, and conscientious fight from his viewpoint in order to maintain these tubes, both in the committee and on the floor of the House. I am not going to dispute at all the figures which he put in the RECORD the other day. But a commission of postal experts was appointed in 1916, composed of Joe P. Johnson, chief inspector, and J. C. Koons, W. S. Ryan, and I. T. Mullin, four men the very mention of whose names carries honesty, probity, justice, intelligence, knowledge, wisdom. These men have no interest in these tubes at all, but they have every interest in the efficiency and the efficacy of the mail service. And if these men believed for one moment that the pneumatic tubes increased mail deliveries in these cities, I have no doubt they would have reported in favor of them. What did they report? I hope some of you, at

least, will listen to this, because, while it is a small item—it is only about a half million of dollars, and that is all that you may be called upon to vote, and as we are voting here billions, it does not mean much; but, in my opinion, every dollar that is appropriated out of the Treasury of the United States should have a principle behind it.

By an actual test made by Joe P. Johnson, J. C. Koons, W. S. Ryan, and I. T. Mullen, a committee of postal experts appointed to make the test between tubes and automobiles in conveying mail in various cities where they have the tubes, in the test made at Chicago on July 6, 1916, on train No. 22, Chicago & Carbondale Railway post office, it required 25 minutes from the time the train arrived at the station to deliver the mail to the post office by tubes. On July 8, the same train, mail was dispatched by automobile from the depot and delivered into the workroom of the post office in 14 minutes. On July 6, Chicago & Huron Railroad, it required 33 minutes after the arrival of the train to deliver the mail to the post office by means of the tubes. On July 7, the same train arriving at the city of Chicago, the mail was dispatched from the train to the post office by automobile in 20 minutes. On July 6, Chicago & Minneapolis Railroad, it required 20 minutes to deliver the mail to the post office by tubes after the train arrived. On July 7, the same train arriving at Chicago, the mail was delivered by automobile at the post office in 13 minutes. On July 6, New York and Chicago railway post office, arriving at Chicago, it required 27 minutes to put the mail in the post office by tubes. On July 7, the same train, the mail was dispatched by automobile from the depot to post office in 11 minutes after the train arrived. On July 8, 1916, mail dispatched by pneumatic tubes from post office was received at the Twentieth Street Postal Station in 10 minutes. On July 10 an automobile carried the mail between these two points in the same time. From Chicago post office to Armour Postal Station it required the tubes 20 minutes to deliver the mail, while an automobile made the delivery in 14½ minutes. From the Chicago post office by tubes to the Stock Yard Station the tubes consumed 21 minutes, while the automobile delivered it in 17 minutes. From the Chicago post office to Chicago Avenue Postal Station tubes delivered the mail in 9 minutes, automobiles in 9½ minutes.

New York and Pittsburgh railway mail post office arrived at North Philadelphia and dispatched mail to the main office by tubes, requiring 24 minutes to deliver the mail after arrival of train. Same train on next day, mail delivered from depot to post office by automobile in 19 minutes.

Boston, Springfield, and New York R. P. O. arrived in Boston, mail dispatched from main office by tubes to South Station, requiring 4 minutes and 30 seconds time. On the same day a pouch of mail was dispatched by automobile from the post office to South Station, making the trip in 3 minutes and 40 seconds. The Rockport and Boston R. P. O.: On July 28 mail was dispatched from the post office to the train by tubes. Time required, 6 minutes and 30 seconds. On the same day mail was dispatched from the post office by automobile for the same train; time required, 5 minutes and 5 seconds. Boston and Albany R. P. O. arrived at Boston, mail was dispatched by tube to the post office; time required, 16 minutes and 50 seconds. On same day automobile carried the mail in 13 minutes.

In tests made from post office to Uphams Corner to dispatch by tubes it required 17 minutes and 60 seconds. On the same date to dispatch mail by automobile between the same two points, 13 minutes and 50 seconds. On July 30 mail from Boston-Providence R. P. O. was dispatched from depot to post office through tubes; time required, 42 minutes 53 seconds. August 6 same train mail was dispatched from depot to post office by automobile; time required, 14 minutes and 52 seconds.

Continuous flow is not characteristic of the movement of mail, which fluctuates according to the schedules of arrivals and departures of trains and the schedules of collections and delivery by carriers. This requires elasticity in the facilities for handling and transporting mail which is not provided sufficiently for by pneumatic tubes. For example, if 1,000 pounds of letter mail is received on one train for the main office a sufficient number of clerks may be assigned to its distribution to prepare it quickly for dispatch by pneumatic tubes, but the capacity of the tubes is inflexible and 50 minutes will elapse before the container with the last portion of such quantity is dispatched. If the distance to be traveled is 1 mile, an automobile truck traveling at the rate of 12 miles per hour will carry all this mail and the newspapers and parcels as well and reach the same destination before one-tenth of the attenuated column of tube containers can get under way.

If these tests are true, there is no question but what the tubes are worthless and should not be continued. The postmaster at St. Louis says by an additional expenditure of $4,700 for autos a saving of $29,000 per year can be effected. The postmaster at Boston says a saving of $86,000 per year can be made by dispensing with the tubes. The postmaster at Chicago says a saving can be effected there of $140,000 per year, and in none of the cities will the service be affected if these tubes be discontinued.

In 1901 the joint commission appointed by Congress to investigate the Postal Service made a report to Congress on pneumatic-tube service, which concludes as follows:

> While we believe that all reasonable means should be utilized to insure the most rapid transmission and delivery of mails possible, we do not believe that pneumatic-tube service in its present stage of development is sufficiently expeditious to warrant the enormous outlay of public money that must be called for if this service were generally extended. We might enter the field of discussion and suggest that if a tube could be constructed and operated which would transmit a full pouch of mail from post office to railroad station, or railroad station to post office, for a reasonable amount of money, or that a smaller and less expensive tube might be used for city service for the transmission of letters from post-office station to post-office station, which should bear an additional charge to reimburse the Government, that it might be for the best interests of the service and the people to continue an appropriation for that purpose.
>
> But we prefer to confine ourselves to present conditions, and the conclusions that we have reached from our examinations and the testimony before us. We therefore recommend that under existing conditions the pneumatic-tube service be discontinued.
>
> EDWD. O. WOLCOTT.
> W. B. ALLISON.
> THOMAS S. MARTIN.
> E. F. LOUD.
> W. H. MOODY.
> T. C. CATCHINGS.
> WM. H. FLEMING.
>
> (One member of the commission, Hon. William E. Chandler, dissented from this report.)

It is reported in the official record that a Mr. Milholland was one of the witnesses who testified before the commission. Mr. Milholland's testimony was taken on August 2, 1898, and may have had no small weight with the members of the joint commission who signed the report quoted above. He furnished first-hand information regarding the genesis of the pneumatic-tube mail contracts with the Government, and explained his connection with those undertakings both as a stockholder and officer of the two companies and as a contractor (in partnership with Congressman Belden, a member of the Appropriations Committee of the House of Representatives) for the construction of the pneumatic tubes in Brooklyn.

The importance of this investigation by Congress into the merits of the pneumatic-tube service was so great that the existing contracts were subsequently permitted to lapse on June 30, 1901, and for one year thereafter the service was entirely suspended.

The following excerpts are made from the testimony of Mr. Milholland before the commission on August 2, 1898:

> By Mr. MOODY:
>
> Q. What are the names of the corporations owning the various pneumatic tubes in New York City?—A. There are two, the Tubular Dispatch Co. and the New York Mail & Newspaper Transportation Co.
>
> Q. Which runs the Government service?—A. Both. The Tubular Dispatch Co. has the contract for the tube from the Produce Exchange to this office, and from here to Forty-second Street; and the Newspaper Mail Transportation Co. has the contract from this office over to Brooklyn, which was opened to-day.
>
> Q. Are the companies allied in any way?—A. Yes, sir; they are allied. I am speaking now, in one sense, as an outsider, as I am no longer the president of either company, my relations having ceased.
>
> Q. What is your connection with either or both companies?—A. I am a stockholder in both of them, but I ceased to be president of the company some weeks ago.
>
> Q. You were president of both companies?—A. No; I was president of the Tubular Dispatch Co.
>
> Q. That was the earlier one?—A. Yes; it was the one that did the work in the Borough of Manhattan. I was a director in the other company.
>
> Q. Have you ceased to hold either office?—A. I am no longer president of the Tubular Dispatch Company, Mr. Gould having succeeded me some weeks ago. I am a director in the New York Newspaper Mail & Transportation Co. still.
>
> Q. Are the corporations entirely independent?—A. They are distinct organizations.
>
> * * * * * * *
>
> Q. What is the length of the Brooklyn tube?—A. From here to Brooklyn post office, about a mile and three-quarters.
>
> Q. According as the tube runs, or the bee line?—A. It would be double that distance, the tube being over 3 miles in length, double circuit.
>
> Q. When you made the contract, which you did make at the beginning of this administration, what was the amount of the stock?—A. I think the Tubular Dispatch Co.'s stock at that time was precisely what it had been.
>
> Q. A million dollars?—A. I think there was no change, if I remember rightly; I don't think there was any change in the capital stock of the company.
>
> Q. Was it held very generally; was it distributed among a large number of persons or held by a comparative few?—A. It had been scattered considerably, and we tried to gather it up as much as we could, to get it into the hands of people who intended to do business.
>
> Q. The par value was $100 a share?—A. Yes, sir.

Q. Is there any requirement in the charter that the cash should be paid in for the shares?—A. Just the ordinary requirement of the law—the general law.

Q. Does the general law require that stock shall be paid for in cash by the shareholders?—A. Any stock has to be sold at par, cash or property.

Q. I suppose the patents are part of the property which went to pay for the stock?—A. Undoubtedly; yes, sir.

By Mr. FAULKNER:

Q. As I understand it, this million dollars of stock was issued by the original company and its owners prior to the time that you became interested in it?—A. All of it.

Q. And you obtained the ownership by the purchase of that original stock?—A. Yes; from the various holders.

Q. And the million dollars of stock that existed as the capital stock of the company at the time you took hold of it was the original stock, and had passed out of the treasury of the company into the hands of the holders?—A. There was no treasury stock at all.

Q. Has there been any increase of stock?—A. We increased the capitalization from a million dollars to a million and a half.

Q. Was that sold from the treasury?—A. Three hundred thousand dollars of that increase went to purchase the Batcheller patent.

Q. That is, you paid the holder of that patent right $300,000?—A. Yes, sir.

Q. Who was it?—A. The company that controlled these patents; that is, the Batcheller Pneumatic Tube Co., of West Virginia. That was for the right to use those patents here in New York City.

By Mr. MOODY:

Q. What becomes of the other $200,000 worth of shares?—A. Well, there was some of it went into construction. I could have answered that question with the utmost particularity if I had anticipated it.

Q. You mean that those who did the work were paid by the issuance of those shares?—A. Yes, sir.

Q. How many of those?—A. There was, to my knowledge, I think, $100,000 of that remaining stock went for the construction of the plant in part payment.

Q. Was it done by a construction company, or was it performed by the stockholders themselves?—A. It was a construction firm.

Q. Entirely independent of this corporation?—A. Yes, sir; it was not a construction company in the sense of being made up by the company.

Q. The transaction of taking this stock in part payment was considered an entirely legitimate business transaction?—A. Yes; most of it was paid in cash.

Q. The balance of the $500,000 increase went where?—A. $100,000 went for construction, and that was sold in cash, the stock selling at par.

Q. To old stockholders or new persons that became interested?—A. That went to a bond syndicate, the people who took the bonds.

Q. Then you issued bonds?—A. Yes, sir.

Q. How many bonds?—A. $600,000 of bonds were issued by the Tubular Dispatch Co.

Q. In return for what?—A. That was a mortgage on the plant.

Q. What was the consideration of the mortgage?—A. Sold it for cash.

Q. You mortgaged your plant, issued bonds secured by the mortgage, and you received dollar for dollar of the $600,000 secured?—A. The bonds didn't go at par.

Q. What did they go for?—A. The bonds were sold at 732.

By Mr. FAULKNER:

Q. 732 for each thousand?—A. The bonds were $1,000, and each one sold for 732 and accrued interest. The same amount would have been realized if the bonds had been sold at 90 and the stock had gone with the bonds as a bonus, but, as a matter of fact, the bonds were sold at 732 and the stock sold at par.

By Mr. MOODY:

Q. $600,000 worth of bonded indebtedness was held by certain persons, who at the same time received a certain amount of stock. How much stock?—A. $600,000 worth of bonds and $100,000 worth of stock.

Q. So that a person would receive six parts of bonds and one part of stock?—A. Yes, sir.

Q. In fact, that $100,000 worth of stock was given as a bonus? That was the $100,000 you spoke of as sold for cash?—A. $300,000 for licenses, $100,000 that I have just disposed of now, and the other $100,000 went to the construction company.

Q. In fact—and I don't use the expression offensively—in the $700,000 of stock and bonds there is $100,000 of water?—A. That stock was sold for par and cash paid, and the bonds were sold at the price——

Q. Bonds were sold at less than par. But, of course, we all understand that that is only a fiction, because we never hear of a case where bonds sell for less than stock if there is to be a sacrifice either way.—A. I wish to state the case just exactly as it was.

Q. You adopted the device of selling your bonds for less than par, in order that you might comply with the State law by selling stock to the same individuals at par?—A. That is a fair statement of the case.

Q. Of course, the effect of that is that there is $700,000 worth of obligations, stock and bonds together, for which the company received $600,000 worth of property?—A. I don't know about that.

Q. That is the fact. You owe upon your stock and bonds $700,000 and have received less than that sum for them.—A. That seems to be a fair statement of the case.

Q. I understand the reason why you made the sacrifice where you did.—A. Precisely. We had been trying for 10 years to do something, as the Post Office Department gave us to understand that they had been trying to get this thing on its feet.

Q. You went into the concern at the time it took on new life, I take it?—A. I had been working on the matter irregularly from 1890, trying to get it into some shape all that time.

Q. The stock, I suppose, was gathered in at a small price?—A. There was some good figures paid for some of it.

Q. Had it a market value, a listed value?—A. None of it has ever been listed.

Q. When did you begin the service under the first contract—the tubular contract?—A. October 7, 1897.

Q. So that you have not been at work quite a year on it?—A. No; we began the work in August, and we opened the line in October.

Q. That was the first line opened in New York City?—A. Yes, sir.

Q. I take it that your company has not been able to pay any dividends yet?—A. We have not.

Q. Have you some estimate of the cost of the construction of the plant up to the time you began operations?—A. I think the company has all of that data.

* * * * * * *

Q. (to witness). Now, then, the New York Mail & Newspaper Transportation Co.—what is the stock of that company?—A. One million dollars.

Q. Have there been any new issues of stock in that company?—A. The capital stock of the company was increased after we acquired it. When it went through it was $100,000 when we got hold of it. I know that it is now a million dollars, and I know that we raised it from $100,000.

Q. Was that by the issue of any stock?—A. Yes, sir.

Q. What consideration was received from the old stock?—A. To get hold of the rights to use the Batcheller patents on the other side of the river, over on the part of the city to which this tube leads.

Q. That is, you paid the $700,000 or $900,000 to the company that controls that patent?—A. Not all of it. Six hundred and five thousand of the stock went to acquire the right to use these patents on the other side of the river.

Q. What was the rest of it used for?—A. For construction. But there is some in the treasury to-day. I could not tell you just how much, but there is some in the company to-day. Some went for the construction of this line just finished.

Q. Were there any bonds issued?—A. Two hundred thousand dollars of bonds.

Q. What was the consideration of those?—A. Those bonds were all taken by the construction firm—the contractors.

Q. In payment for the construction of the line?—A. Yes, sir.

Q. Dollar for dollar?—A. Yes, sir.

Q. They were paid money, in addition to that?—A. The contractors took stock and bonds for the work.

Q. Did the constructors of this work have any relations to the stockholders of the company?—A. They were outside in the sense of not having corporate relationship.

Q. In the sense of being stockholders?—A. I know what you have in mind. It was no construction company.

Q. No inside construction company?—A. A firm of contractors took the work.

Q. And took these bonds and stock?—A. I did not mean to say that there was not any in the firm that was not in the company, because that would not be a fact.

Q. The construction company took the stock and bonds as a business transaction?—A. Yes, sir.

Q. For the rights in New York and Brooklyn you have paid the Batcheller Co. how much?—A. The company wanted to have the right to operate in Brooklyn, and we had to acquire those rights. They had to be bought from the Tubular Dispatch Co., because the Tubular Dispatch Co., outside of the bridge, owned all the Batcheller rights.

Q. You paid $605,000 to this Batcheller Co.?—A. No; you will recollect in regard to my explanation a few moments ago relative to the Tubular Dispatch Co. that they had the rights.

Q. Then the total amount paid to the owners of the patent was how much?—A. They had $300,000 of the Tubular Dispatch Co.'s stock, and then there was under the old arangement, I don't know——

Q. Are the owners of this Batcheller patent stockholders in either of these corporations?—A. I don't think there is any considerable number of them—the majority of the stock is held by people in Philadelphia.

Q. What did your plant cost you?—A. Do you mean the price for the construction?

Q. What did it cost you when you had it all up and in operation?—A. The line over the Brooklyn Bridge? The only way that the company could answer that, I suppose, would be by stating the price that was paid to the contractors.

Q. Was the contract in a finished condition, ready for operation?—A. Precisely. The contractors are under obligations to put it in complete and finished operation. They were to do that for $200,000 worth of bonds and $200,000 worth of stock. The company held the contractors responsible for the completion of the work. The contractors are turning it over to the company to-day, and the company to the Government.

Q. How much could these tubes have been built for if the payment had been made in cash instead of stock and bonds?—A. I don't know.

* * * * * * *

Q. I would like to have you send for the books, if you will; the stock books of both companies, the records of the corporation, the minutes.—A. I will take pleasure in doing so. You asked me in regard to public men, and I said to you that Mr. Belden held bonds of the company, the Tubular Dispatch Co., and the New York Mail & Newspaper Transportation Co. I simply want to say that he is one of the members of the firm of Belden & Co., and while there were several sales of bonds to Mr. Belden, he has always stipulated that he should be relieved of the stock; but the firm of Belden & Co. did hold some of the stock of the New York Mail & Newspaper Transportation Co., but that was with the stipulation that he would not be a stockholder at any time, and that he should, individually, always be relieved of that. I also wanted to say in regard to one other public man—Mr. Charles Neilson—that after his retirement as Second Assistant Postmaster General he came here and an arrangement was made to have him represent the company at Washington for one year. He was made a director of the company, and was to look after matters at Washington. An arrangement was made for one year, and he was paid for that one year's service a thousand dollars, that being allowed him for traveling expenses, and he was also given $10,000 of the stock of the company. I want to cover that point in every possible way.

By the CHAIRMAN:

Q. How long did this occur after his retirement from office?—A. It must have been a month or six weeks, or something like that.

Q. Was any arrangement made with Mr. Neilson at the time he was holding office?—A. None whatever.

Q. No discussion of this question whatever was had with him at that time?—A. None whatever; and furthermore, I would like to supplement what I said yesterday in regard to any Member of Congress being involved directly or indirectly in any manner with the company which would indicate any impropriety whatever. I wish to give any Member of Congress that I have ever had anything to do with complete exoneration.

By Mr. MOODY:

Q. What is Mr. Neilson's business now?—A. I think he is now in Washington, representing various interests. He has been identified

with the horseless wagon, or something of that nature; and I think he is doing something in connection with the Post Office Department, but I would not be positive about that.

Q. Did he receive any pay except the issuance of stock to him?—A. A thousand dollars in cash was allowed for his traveling expenses, and he was made a director in the company and attended all the meetings.

Q. Did he hold stock before?—A. No.

Q. The stock was given to him?—A. The stock was given to him for these services.

Q. Has the stock a market value?—A. The stock has never been listed.

Q. Has it an ascertainable market value?—A. The only sale of that stock that I can recall was in the summer; I think the stock was sold at 95 asked and 90 bid; but that was the only transaction that I can recall.

Q. When you gave that $10,000 stock to Mr. Neilson, how did you avoid the provision in reference to issuing stock only in return for cash payment?—A. That stock was full-paid stock.

Q. You mean that Mr. Neilson had a bill against the company for $10,000?—A. No; I do not. I mean this, that that stock was stock that was paid to Mr. Neilson that had already been paid for.

Q. Had already been issued—was it transferred from the treasury?—A. No; it was not paid directly. I think it went through Ryan & Co., but I know that it was full-paid stock that he received.

Q. What arrangement did the company make with the stockholder who gave him his individual stock?—A. Well, now, I could not tell just offhand. I know that there was some arrangement made whereby he was to receive full-paid stock.

Q. Now, in reference to Mr. Belden, since his name has already appeared, perhaps it had better appear more definitely; how many bonds has he?—A. I don't know how many bonds Mr. Belden has at the present time, but his firm received 200 bonds of the New York Mail & Newspaper Transportation Co.

Q. What was the consideration of these bonds?—A. He was one of the constructors—James Belden. The constructors were C. J. Ryan & Co. for New York, and for Brooklyn, Belden & Co.

Q. Then they received a corresponding amount of stock?—A. The contract for the building of the bridge line was $200,000 in bonds and $200,000 in stock.

Q. It went to Belden & Co.?—A. Yes, sir; they built the Brooklyn line.

Q. Belden & Co. receiving no cash?—A. No cash.

Q. Was Mr. Belden or his partner interested in the corporation before they took this contract?—A. Mr. Belden was not.

Q. Was his partner?—A. His partner was.

Q. How extensively?—A. His partner was pretty active; I am his partner.

Q. You are his partner?—A. Yes, sir.

Q. Then the firm that made the contract was Belden & Milholland, or Milholland & Belden?—A. Yes, sir; I was in the construction of both companies.

Q. That was a copartnership for this single transaction?—A. That is right.

Q. I understood you a little differently yesterday; that there was no construction company formed out of the stockholders?—A. I said that whoever went in did so by the consent of the stockholders and of the directors. Ours was a construction firm—not a company.

Q. Who was your partner in the other transaction?—A. Cornelius J. Ryan.

Q. Was he interested in the company?—A. No.

Q. Now, were you a practical constructor?—A. I have had some experience. The company wanted somebody that was responsible, some one whom they knew would not take advantage of them. I insisted on the consent of my associates before going into it, and you will find that a matter of record in the office books.

Q. Were there any other contractors besides these two firms—Belden & Milholland and Ryan & Milholland—doing this work in New York or Brooklyn?—A. No.

Q. They did it all?—A. Of course there were subcontractors.

Q. You made subcontracts?—A. We did, for different characters of work that had to be done.

* * * * * * *

Q. It is substantially true, then, that Mr. Belden became interested in this matter after he became a Member of Congress?—A. Well, Mr. Belden has been in Congress for a long time. I think Mr. Belden, if I recollect right, went in with McKinley in the last genearl election. His active interest would certainly date to his election to Congress, but the general talk that we had had with him extended back for a long time.

Q. He took no active steps in the matter, but became wholly identified with it after. I suppose it would perhaps be well to have it appear here that Mr. Belden is a man of affairs and large wealth?—A. One of the wealthiest men in the State.

Hon. William H. Moody, a member of the joint commission, on April 25, 1900, discussed in the House of Representatives the origin of the pneumatic-tube mail contracts as developed in the hearings quoted above. The following excerpts from his remarks relate to the manner in which the Government was committed in the beginning to a large annual expenditure for pneumatic-tube service:

Now, Mr. Chairman, I crave the attention of the House while I undertake to show how this ill-begotten appropriation began. I think it will be a warning to us to proceed with caution. Let me have your attention for but a few moments upon this proposition.

* * * * * * *

The post-office bill for the fiscal year 1895 contained a very innocent provision for an inquiry into the process of transferring mails by pneumatic tube. There was a small appropriation of $10,000 and a direction that the Postmaster General should report to Congress upon the subject. Whether he did report or not, I do not know. I have not had the opportunity to find out. But the project remained silent until it appeared in the appropriation bill passed June 9, 1896, and I invite your attention to that date. Upon that date Mr. Wilson was Postmaster General of the United States and Charles Neilson was the Second Assistant Postmaster General of the United States. The Second Assistant Postmaster General controls all transportation questions. In that bill was this appropriation:

"The Postmaster General may, in his discretion, use not exceeding the sum of $35,000 of this amount in the transportation of mail by pneumatic tube or other similar devices."

Up to that time there had been no appropriation for the pneumatic-tube service. There was a change of administration. Mr. Neilson left the office of Second Assistant Postmaster General and was succeeded by the able and accomplished gentleman who now holds that office.

I call the attention of the committee to the subsequent history of Mr. Neilson's connection with this enterprise. In the testimony taken by the postal commission there is contained the testimony given by Mr. John E. Milholland on the 2d day of August, 1898. He was examined with respect to the question of whether any public men were in any way interested in the pneumatic-tube service. He said:

"I also wanted to say in regard to one other public man, Mr. Charles Neilson, that after his retirement as Second Assistant Postmaster General he came here and an arrangement was made to have him represent the company at Washington for one year. He was made a director of the company"—

That is, the Pneumatic Co. of New York—

"and was to look after matters at Washington. An arrangement was made for one year, and he was paid for that one year's service a thousand dollars, that being allowed him for traveling expenses, and he was also given $10,000 of the stock of the company.

"Q. How long did this occur after his retirement from office?"

Mr. LITTLE. I hope we may have order. I am very desirous of hearing the statement the gentleman has made, and I wish he would repeat it.

Mr. MOODY of Massachusetts. It is only from a sense of public duty that I speak of these things. It is unpleasant for me to do it, but I do so because I have been charged by this House as a member of the Postal Commission to investigate the question. If the attention of the House could be secured to its consideration, this appropriation would die the death it ought to. [Applause.]

Mr. LITTLE. I will say to the gentleman that if he will smoke the scoundrels out this side of the House will stay with him.

Mr. MOODY of Massachusetts. I was stating that the first appropriation was made when Mr. Neilson was Second Assistant Postmaster General.

Mr. COOPER of Wisconsin. Under whose administration?

Mr. MOODY of Massachusetts. I do not want to bring any politics into it at all. Within six weeks at the outside after he left the office he was given a thousand dollars in cash and $10,000 in stock for his services at Washington during the succeeding year. What they were I do not know. What they could properly be I could not guess; but he was given this stock, and the testimony in regard to its value was this:

"Q. Has it now an ascertainable market value?—A. The only sale of that stock that I can recall was in the summer; I think the stock was sold at 95 asked and 90 bid."

Mr. BINGHAM. Dollars or cents?

Mr. MOODY of Massachusetts. Dollars.

That was the only transaction that I can recall.

Mr. LIVINGSTON. Will the gentleman allow me to interrupt him?

Mr. MOODY of Massachusetts. Let me finish just here. I ought in justice to put in this question and answer:

"Q. Was any arrangement made with Mr. Neilson at the time he was holding office?—A. None whatever."

Now I will yield to the gentleman from Georgia.

Mr. LIVINGSTON. What are you reading from?

Mr. MOODY of Massachusetts. I am reading from the testimony taken by the postal commission, given on the 2d day of August, 1896, the testimony of John M. Milholland, representative of the New York Pneumatic Tube Co.

Mr. LIVINGSTON. Now, may I ask if we can get that report?

Mr. MOODY of Massachusetts. I think the gentleman is entitled to have the whole report, and I think whatever else the postal commission does before this Congress adjourns, it ought to print and put at the disposal of Members all the evidence that it has.

Mr. BINGHAM. Will the gentleman permit me to make an inquiry?

Mr. GAINES. What did this man do in this matter, and who employed him down here?

Mr. MOODY of Massachusetts. The Pneumatic Tube Co. employed him.

Mr. SULZER. Is it not a fact that he is one of the editors of the New York Tribune?

Mr. MOODY of Massachusetts. I do not know whether he is or not, and I do not care whether he is or not.

Mr. SULZER. Well, he is.

* * * * * * *

But that is not all, Mr. Chairman, there was other testimony before the commission. I shall mention no names, and I regret extremely to have to speak upon this subject. But we found that the pneumatic-tube system in New York was constructed by contractors who took their pay in stock and bonds; that the only value which that stock and those bonds had was the contract with the Government. It was certainly unfortunate—I think nothing else, believe nothing else, but unfortunate—it was certainly unfortunate that a holder of the bonds and one of the contractors was a Member of this House and a member of the Committee on Appropriations.

A MEMBER. Give us his name.

Mr. MOODY of Massachusetts. I decline to state.

Mr. LIVINGSTON. Does the report develop that fact?

Mr. MOODY of Massachusetts. It does.

Mr. LIVINGSTON. Will the gentleman state his name?

Mr. MOODY of Massachusetts. I will not. As showing the methods employed by the New York company, I will state that a large block of the stock of this company as a New Year's present was sent to a near relative of an important and influential Member of the House. I am glad to say that the return mail was not allowed to depart from Washington without carrying back that dishonoring and dishonorable gift. [Applause.]

The CHAIRMAN. The time of the gentleman from Indiana has expired. All time has expired.

Mr. COX. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. HICKS. Mr. Chairman, I make the same request.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. BLACK. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD as a member of the committee.

The CHAIRMAN. The gentleman from Texas, a member of the committee, asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That the following sums be, and they are hereby, appropriated for the service of the Post Office Department, in conformity with the act of July 2, 1836, as follows.

Mr. STEENERSON. Mr. Chairman, I move to strike out the last word. The gentleman from Indiana [Mr. Cox] just before he closed made the statement that the Post Office Department for the last three fiscal years showed a surplus, and he disputed my statement to the contrary. I want to call the attention of the committee and the gentleman from Indiana to page 5 of the report of the Auditor for the Post Office Department for 1916, under the heading "Comparison of postal revenues, expenditures," and so forth. And the last three years are shown in the table. The table commences with 1837, and it gives the last three years, 1914, 1915, and 1916, under the heading of "Audited revenues."

Mr. MOON. Mr. Chairman, I desire to ask the gentleman from Minnesota if he is discussing this section?

Mr. STEENERSON. Certainly. This is the section that covers all the appropriations.

Mr. MOON. That is not the point. I suggest to the gentleman that he wait until he gets to a section where his remarks will be appropriate.

Mr. STEENERSON. I think this is appropriate.

Mr. MOON. I do not wish to shut the gentleman off, but I do want to say to him and others that I hope as we proceed with this bill the remarks will be appropriate.

Mr. STEENERSON. This table shows that for the last three years the audited revenues are so much, and then under the headings of "Audited surplus" and "Audited deficits"——

Mr. MOON. Mr. Chairman, I make the point of order the gentleman is not discussing the section.

The CHAIRMAN. The Chair would like to state that the practice of the House under general debate is that a Member can discuss any subject he sees fit; but under the five-minute rule where the point of order is made remarks must be confined to the amendment. The Chair will ask the gentleman to proceed according to the rule.

Mr. STEENERSON. I will try to confine my remarks to the amendment to strike out the last word. The surplus——

Mr. MOON. Mr. Chairman, I make the point of order the gentleman is not confining himself to the amendment.

The CHAIRMAN. The gentleman from Minnesota will suspend. The gentleman from Tennessee [Mr. MOON] makes the point of order that the gentleman is not discussing the amendment. The Chair is constrained to uphold the point of order.

Mr. STEENERSON. Mr. Chairman, I move to strike out the last word. Now, the last word may be in different documents. The last words of the gentleman from Indiana relate to the service.

Mr. MOON. Oh, no.

Mr. STEENERSON. The last words in this paragraph are "as follows."

Mr. MOON. Talk about the words "as follows."

Mr. STEENERSON. Mr. Chairman, I have only five minutes. [Laughter.]

The CHAIRMAN. The Chair can only ask the gentleman from Minnesota to keep in order under the rule, and confine himself to the amendment pending before the House, a point of order having been made.

Mr. STEENERSON. Well, I think these words "as follows" are legitimate for discussion. They are not hyphenated. [Laughter.] There is no hyphen there. [Laughter.]

Mr. MANN. Mr. Chairman, I ask unanimous consent that the gentleman from Minnesota [Mr. STEENERSON], the ranking Republican Member on the Committee on the Post Office and Post Roads, may proceed for five minutes. That need not be a precedent.

The CHAIRMAN. The gentleman from Illinois [Mr. MANN] asks unanimous consent that the gentleman from Minnesota [Mr. STEENERSON] be permitted to proceed for five minutes. Is there objection?

Mr. MOON. Reserving the right to object, Mr. Chairman, I desire to say that there is no disposition on the part of the committee to shut off the gentleman in discussion, but he is discussing a matter that is proper to be discussed in general debate or under another section of the bill.

Mr. MANN. There is no other section referring to it.

Mr. MOON. I must insist, Mr. Chairman, that in the progress of the bill we must all stand by the rule. But I will not interfere with the gentleman at this time.

Mr. MANN. There is no other place in the bill where it would be appropriate. I appreciate the position of the gentleman from Tennessee.

The CHAIRMAN. The gentleman from Illinois asks unanimous consent that the gentleman from Minnesota be allowed to proceed for five minutes. Is there objection?

There was no objection.

The CHAIRMAN. The gentleman will proceed.

Mr. STEENERSON. Mr. Chairman, under the heading of the document, "Report of the Auditor for the Post Office Department," page 5, "Audited postal surplus" and "Audited postal deficit," we find for the year 1914 a surplus of $4,376,463.05, and for the fiscal year 1916 a surplus of $5,829,236.07, making a total of $10,205,699.12 for the two years. But for 1915 there is a deficit of $11,333,308.97, making a net deficit, according to the figures, of $1,127,609.85.

These figures are official and have never been disputed by anybody, and the only difference between these figures and the Postmaster General's figures is that he did not claim to have deposited the whole amount. He deposited only $3,500,000 one year, and $5,200,000, instead of $5,800,000, in the last year. He deposited what he called the estimated surplus instead of the audited surplus.

The distinction I drew can not be said to have been arrived at by contradicting or calling anybody a liar. I explained that the Post Office Department report was wrong, because they claimed the financial results of the fiscal year 1913 when it did not belong to them. That year belonged to the Taft administration. There was a surplus put into the Treasury on account of that year of $3,800,000 that did not belong to this administration, as I tried to argue, and therefore the results of the financial operations of this administration are reduced by that amount. The three years 1914, 1915, and 1916 are the three first fiscal years of this administration, and we are now in the fourth year.

I also pointed out that, according to their own official communications, they have never paid the railroads the amount that I stated—$1,400,000—which is covered by a specific appropriation made by this Congress, and which is now in process of adjustment, nor have they paid the rural carriers the increased salary for 1915. That has been withheld, and Congress directed them to pay it last session, and it is estimated to amount to $3,000,000. Therefore, instead of a surplus, there is an actual deficit, according to their own figures, and nobody can successfully dispute it. The deficit will at least be five million when these bills are paid. The newspapers last year carried statements of a postal surplus, but in nearly all cases the $11,000,000 deficit was not mentioned. Everyone who has been reading the reports has been led to believe that there was a surplus and the deficit has been ignored.

The fact that they have put into the Treasury $3,800,000, $3,500,000, and $4,200,000 during the last four fiscal years, amounting to $12,500,000, has been heralded everywhere, when the official figures from the Treasury, which I showed to the House, and which I hold in my hand, and which I was ready to submit to the gentleman from Indiana [Mr. Cox], show that they have withdrawn the amount I have stated. I used no epithets. I called no names. I drew different inferences and conclusions. I disputed the results arrived at, and I repeat that if you examine the evidence that I have put into the RECORD, and which I have here in my possession, and to which I have already called attention, you will find that there has been no postal surplus, even if you ignore the bills that remained unpaid during the last three years, which are the only fiscal years which this administration can claim credit for. [Applause on the Republican side.]

It does not become the gentleman from Indiana [Mr. Cox] to say that I indulged in partisan speech when I was only refuting the unfair and partisan inferences and unfounded conclusions drawn by the Postmaster General in the part of the report that I read. That part was as follows:

Although the average increase in expenditures in the last three fiscal years was $16,673,525.44, due to enlarged postal facilities afforded the public, the rapid growth of the domestic parcel post, and salary increases required by legislation, the service was successfully carried on and its cost defrayed from the current postal revenues.

As stated in the last annual report, surpluses of $3,800,000 for the year 1913 and $3,500,000 for the year 1914 were paid into the general fund of the Treasury. The fiscal year 1915, due to adverse conditions over which the department had no control, showed a deficit of $11,333,308.97; but the audited revenues for the year just closed show a surplus of $5,829,236.07. Although the audited revenues do not completely represent the financial results of the year, for the reason that many obligations of the Postal Service, representing railroad transportation, payments of contractors for the carrying of mail, and purchases made near the close of the year must be paid after the close of the year, the actual surplus, as nearly as can be determined by careful consideration of the outstanding obligations, is $5,216,243.61, of which amount the sum of $5,200,000 has already been turned into the Treasury. The

total of payments to the Treasury during the past four years is therefore $12,500,000.

That the Postal Service is now self-sustaining is evidenced by the fact that for three out of the four years of the present administration audited surpluses aggregating $14,716,350.03 have been shown. Deducting the audited deficiency in 1915 of $11,333,308.97, the net surplus for the four-year period is $3,383,041.06, and but for the business depression occasioned by the European war the department would have undoubtedly secured a surplus of not less than $18,000,000. This is in marked contrast with the deficits for the eight years of the two preceding administrations, which drained the Treasury of $48,739,639.34 and $24,927,657.40, respectively.

TREASURY DEPARTMENT,
Washington, January 3, 1917.

Hon. H. STEENERSON,
House of Representatives.

MY DEAR CONGRESSMAN: By direction of the Secretary, I have the honor to acknowledge the receipt of your communications of December 26 and 29, requesting information relative to Treasury warrants issued to the Post Office Department during the fiscal years 1914, 1915, and 1916, and of dates and amounts paid into the Treasury by the Post Office Department for the same years.

In reply you are informed that the grants from the Treasury to the Post Office Department and the amount of surplus revenues of the Post Office Department paid into the Treasury for the years stated were as follows:

GRANTS FROM THE TREASURY TO THE POST OFFICE DEPARTMENT.

No grants were made to the Post Office Department from the Treasury for the fiscal year 1914.

	For the fiscal year 1915.	Month.	For the fiscal year 1916.
1915.		1915.	
Mar. 24	$1,000,000	Aug. 4	$500,000
Mar. 26	1,000,000	Aug. 5	500,000
Mar. 30	1,000,000	Aug. 6	500,000
June 22	500,000	Sept. 1	500,000
June 23	500,000	Sept. 2	500,000
June 24	500,000	Sept. 3	500,000
June 25	500,000	Sept. 21	500,000
June 26	500,000	Sept. 22	500,000
June 29	800,000	Sept. 23	500,000
	.....	Sept. 24	500,000
	.....	Sept. 27	500,000
Total	6,300,000	.....	5,500,000

No grants have been made to the Post Office Department from the Treasury for the current fiscal year (1917).

Payments were made from the Treasury for the Post Office Department during the fiscal year 1915 on account of deficiencies in postal revenues for prior years (none during 1914, 1916, or 1917) as follows:

Fiscal year charged with deficiency.	Date of payment from Treasury.	Amount.
1909	Mar. 2 and 4, 1915	$1,205.16
1910	Mar. 2, 1915	262.12
1911	Mar 2 and 4, 1915	2,102.97
1912	do	322,671.76
Certified claims of various prior years	do	14,494.01
		340,736.02
Less repayment into Treasury Feb. 25, 1915, on account of fiscal year 1908		4,143.42
Net payments as above, during fiscal year 1915		336,592.60

The Post Office Department paid into the Treasury as surplus revenues of the fiscal years 1913, 1914, and 1916 (no surplus reported for 1915) on dates and in amounts as follows:

June 30, 1914 (fiscal year 1914). Surplus revenues of Post Office Department for fiscal year 1913	$3,800,000.00
Mar. 29, 1915 (fiscal year 1915). Surplus revenues of Post Office Department for fiscal year 1914	3,500,000.00
Aug. 21, 1916 (fiscal year 1917). Surplus revenues of Post Office Department for fiscal year 1916	5,200,000.00
	12,500,000.00
Total payments from the Treasury as above ($6,300,000 + $5,500,000 + $336,592.60)	12,136,592.60
	363,407.40

Very truly yours,

WM. P. MALBURN,
Assistant Secretary.

Here is the letter from the Treasury, and you will observe that the report of the Postmaster General, while emphasizing the payment into the Treasury during the last four fiscal years of $125,000, carefully omits to mention that he drew out $12,136,592 during the same period. It is a grossly unfair statement and leads one to believe that the twelve and a half millions was clear gain or surplus, while more than twelve million—nearly all of it—was drawn out on alleged deficits. I here insert page 5 of the auditor's report, showing comparison of postal revenues and expenditures, and so forth, from 1837 to 1916.

Comparison of postal revenues, expenditures, etc., 1837 to 1916.

Fiscal year—	Estimated population.	Number of post offices.	Audited postal revenues.	Revenue per capita.	Audited postal expenditures.	Losses and contingencies—postal funds.	Audited postal surplus.	Audited postal deficit.
1837 [1]	15,655,000	11,767	$4,101,703.33	$0.26	$3,288,319.03	[2] $0.28	$813,384.58	.....
1838	16,112,000	12,519	4,238,733.46	.26	4,430,662.21	.....	.....	$191,928.75
1839	16,584,000	12,780	4,484,656.70	.27	4,636,536.31	.....	.....	151,879.61
1840	17,069,453	13,468	4,543,521.92	.27	4,718,235.64	.....	.....	174,713.72
1841	17,591,000	13,778	4,407,726.27	.25	4,499,686.73	.....	.....	91,960.46
1842	18,132,000	13,733	4,546,849.65	.25	5,672,751.76	[2] 1,688.81	.....	1,124,213.30
1843	18,694,000	13,814	4,296,225.43	.23	4,374,753.71	90.56	.....	78,618.84
1844	19,276,000	14,103	4,237,287.83	.22	4,298,512.70	115.25	.....	61,340.12
1845	19,878,000	14,183	4,289,841.80	.22	4,320,731.99	5,959.94	.....	36,850.13
1846	20,500,000	14,601	3,487,199.35	.17	4,076,036.91	44,480.66	.....	633,318.22
1847	21,143,000	15,146	3,880,309.23	.18	3,979,542.10	101,586.29	.....	200,819.16
1848	21,805,000	16,159	4,555,211.10	.21	4,326,850.27	53,609.36	174,751.47	.....
1849	22,489,000	16,749	4,705,176.28	.21	4,479,049.13	[2] 1,385.41	227,512.56	.....
1850	23,191,876	18,417	5,499,984.86	.20	5,212,953.43	291.49	286,739.94	.....
1851	23,995,000	19,796	6,410,604.33	.27	6,278,401.68	308.03	131,894.62	.....
1852	24,802,000	20,901	5,184,526.84	.21	7,108,459.04	[2] 909.35	.....	1,923,022.85
1853	25,615,000	22,320	5,240,724.70	.20	7,982,756.59	332.78	.....	2,742,364.67
1854	26,433,000	23,548	6,255,586.22	.24	8,577,424.12	30,862.08	.....	2,352,699.98
1855	27,256,000	24,410	6,642,136.13	.24	9,968,342.29	649.99	.....	3,326,856.15
1856	28,083,000	25,565	6,920,821.66	.25	10,405,286.36	2,581.82	.....	3,487,046.52
1857	28,916,000	26,586	7,353,951.76	.25	11,508,057.93	[2] 387.77	.....	4,153,718.40
1858	29,753,000	27,977	7,486,792.86	.25	12,722,470.01	[2] 833.45	.....	5,234,843.70
1859	30,596,000	28,539	7,968,484.07	.26	11,458,083.63	[2] 571.30	.....	3,489,028.26
1860	31,443,321	28,498	8,518,067.40	.27	19,170,609.99	[2] 3.93	.....	10,652,538.66
1861	32,064,000	28,586	8,349,296.40	.26	13,606,759.11	[2] 5,495.73	.....	5,251,966.98
1862	32,704,000	28,875	8,299,820.90	.25	11,125,364.13	601.12	.....	2,826,144.35
1863	33,365,000	29,047	11,163,789.59	.33	11,314,206.84	[2] 7,792.11	.....	142,625.14
1864	34,046,000	28,878	12,438,253.78	.37	12,644,786.20	198,282.30	.....	404,814.72
1865	34,748,000	20,550	14,556,158.70	.42	13,694,728.28	[2] 55,819.08	917,249.50	.....
1866	35,469,000	23,828	14,386,986.21	.40	15,352,079.30	[2] 31,241.99	.....	933,851.10
1867	36,211,000	25,163	15,237,026.87	.42	19,235,483.46	[2] 26,104.67	.....	3,972,351.92
1868	36,973,000	26,481	16,292,600.80	.44	22,730,792.65	107,156.35	.....	6,545,348.20
1869	37,756,000	27,106	17,314,175.72	.46	23,698,131.50	[2] 20,218.58	.....	6,363,737.20
1870	38,558,371	28,492	18,879,536.73	.49	23,998,837.63	[2] 21,446.79	.....	5,097,854.11
1871	39,550,000	30,045	20,037,045.42	.51	24,390,104.08	5,693.55	.....	4,358,752.21
1872	40,596,000	31,863	21,915,426.37	.54	26,658,192.31	6,328.17	.....	4,749,094.11
1873	41,677,000	33,244	22,996,741.57	.55	29,084,945.67	40,688.74	.....	6,128,892.84
1874	42,796,000	34,294	26,471,071.82	.62	32,126,414.58	102,565.31	.....	5,757,908.07
1875	43,951,000	35,547	26,791,313.54	.61	33,611,309.45	324.93	.....	6,820,320.84
1876	45,187,000	36,383	28,644,197.50	.63	33,263,487.58	27,962.96	.....	4,647,253.04
1877	46,353,000	37,345	27,531,585.26	.59	33,486,322.44	172,618.84	.....	6,127,356.02
1878	47,598,000	38,253	29,277,516.95	.62	34,165,084.49	17,461.74	.....	4,905,029.23
1879	48,866,000	40,588	30,041,982.86	.62	33,449,899.45	8,016.41	.....	3,415,933.00
1880	50,155,783	42,989	33,315,479.34	.66	36,542,803.68	[2] 5,370.86	.....	3,221,953.48
1881	51,316,000	44,512	36,785,397.97	.72	39,592,566.22	14,790.86	.....	2,821,959.11
1882	52,495,000	46,231	41,876,410.15	.80	40,482,021.23	140,465.35	1,253,923.57	.....
1883	53,693,000	46,820	45,508,692.61	.85	43,282,944.43	44,395.61	2,181,352.57	.....
1884	54,911,000	48,434	43,325,958.81	.79	47,224,560.27	8,455.83	.....	3,907,057.23

[1] The office of the Auditor for Post Office Department was created by act of Congress approved July 2, 1836.
[2] Amount of balances due late postmasters closed to "Suspense" in excess of losses.

Comparison of postal revenues, expenditures, etc., 1837 to 1916—Continued.

Fiscal year—	Estimated population.	Number of post offices.	Audited postal revenues.	Revenue per capita.	Audited postal expenditures.	Losses and contingencies—postal funds.	Audited postal surplus.	Audited postal deficit.
1885	56,148,000	51,252	$42,560,843.83	$0.76	$50,046,235.21	[1] $3,091.16	.....	$7,481,410.22
1886	57,404,000	53,614	43,948,422.95	.77	51,004,743.80	12,174.25	.....	7,068,495.10
1887	58,680,000	55,157	48,837,609.39	.83	53,006,194.39	[1] 23,566.80	.....	4,145,018.20
1888	59,974,000	57,376	52,695,176.79	.88	56,468,315.20	[2] 672.38	.....	3,772,466.03
1889	61,289,000	58,999	56,175,611.18	.92	62,317,119.36	27,596.26	.....	6,169,104.44
1890	62,622,250	62,401	60,882,097.92	.97	66,259,547.84	23,314.52	.....	5,400,764.44
1891	63,947,000	64,329	65,931,785.72	1.03	73,059,519.49	22,876.36	.....	7,150,610.13
1892	65,191,000	67,119	70,930,475.98	1.09	76,980,846.16	60,605.79	.....	6,110,975.97
1893	66,456,000	68,403	75,896,933.16	1.14	81,581,681.33	32,040.58	.....	5,716,788.75
1894	67,740,000	69,805	75,080,479.04	1.11	84,994,111.62	63,882.74	.....	9,977,515.32
1895	69,043,000	70,064	76,983,128.19	1.12	87,179,551.28	34,019.04	.....	10,230,442.13
1896	70,365,000	70,360	82,499,208.40	1.17	90,932,669.50	10,740.21	.....	8,444,201.31
1897	71,704,000	71,022	82,665,462.73	1.15	94,077,242.38	19,799.76	.....	11,431,579.41
1898	73,060,000	73,570	89,012,618.55	1.22	98,033,523.61	33,646.69	.....	9,054,551.75
1899	74,433,000	75,000	95,021,384.17	1.28	101,632,160.92	19,358.85	.....	6,630,135.60
1900	76,126,000	76,688	102,354,579.29	1.34	107,740,267.99	24,669.40	.....	5,410,358.10
1901	77,708,000	76,945	111,631,193.39	1.43	115,554,920.87	57,793.23	.....	3,981,520.71
1902	79,298,000	75,924	121,848,047.26	1.53	124,785,697.07	23,520.10	.....	2,961,169.91
1903	80,897,000	74,169	134,224,443.24	1.66	138,784,487.97	26,932.43	.....	4,586,977.16
1904	82,503,000	71,131	143,582,624.34	1.74	152,362,116.70	33,276.81	.....	8,812,769.17
1905	84,118,000	68,131	152,826,585.10	1.81	167,399,109.23	21,802.99	.....	14,594,387.12
1906	85,742,000	65,600	167,932,782.95	1.96	178,449,778.89	25,945.82	.....	10,542,941.76
1907	87,373,000	62,658	183,585,005.57	2.11	190,238,288.34	38,748.70	.....	6,692,031.47
1908	89,013,000	61,158	191,478,663.41	2.15	208,351,886.15	37,056.25	.....	16,910,278.99
1909	90,662,000	60,144	203,562,383.07	2.24	221,004,102.89	38,050.65	.....	17,479,770.47
1910	92,318,000	59,580	224,128,657.62	2.43	229,977,224.50	32,915.07	.....	5,881,481.95
1911	93,983,000	59,237	237,879,823.60	2.53	237,648,926.68	11,778.80	$219,118.12	.....
1912	95,656,000	58,729	246,744,015.88	2.58	248,525,450.08	4,088.90	.....	1,785,523.10
1913	97,337,000	58,020	266,619,525.65	2.74	262,067,541.33	41,333.41	4,510,650.91	.....
1914	99,027,000	56,810	287,934,565.67	2.91	283,543,769.16	14,333.46	4,376,463.05	.....
1915	100,725,000	56,380	287,248,165.27	2.85	298,546,026.42	35,447.82	.....	11,333,308.97
1916	102,431,000	55,935	312,057,688.83	3.04	306,204,033.14	24,419.62	5,829,236.07	.....

[1] Amount of balances due late postmasters closed to "Suspense" in excess of losses.

Note that the largest deficit that ever occurred was in the administration of James Buchanan, in 1858, when it was more than 55 per cent of the total expenditures. During Cleveland's first term the deficit rose to 15 per cent. The highest in Roosevelt's administration was a little over 7 per cent. From this table it also appears that the first surplus in nearly 30 years was under Taft, in 1911.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

For salaries of post-office inspectors: For salaries of 15 inspectors in charge of divisions, at $3,000 each; 30 inspectors, at $2,400 each; 20 inspectors, at $2,250 each; 32 inspectors, at $2,100 each (an increase of 2 submitted in lieu of 2 assistant superintendents, Railway Mail Service, at $2,350 each; to be transferred from the office of the Second Assistant); 20 inspectors, at $2,000 each; 30 inspectors, at $1,900 each; 90 inspectors, at $1,800 each; 60 inspectors, at $1,700 each; 60 inspectors, at $1,600 each; and 65 inspectors, at $1,500 each; in all, $783,700.

Mr. STAFFORD. Mr. Chairman, I move to strike out the last word. I wish to direct the attention of the chairman of the committee to the words in parentheses, in lines 8 to 11, on page 2, which are clearly explanatory. I wish to ask the gentleman whether he desires to have that language remain in the bill.

Mr. MANN. The language is not only explanatory, but it is erroneous.

Mr. MOON. It says—

To be transferred from the office of the Second Assistant.

Mr. MANN. But there is no transfer. There is no increase in the number of inspectors.

Mr. MOON. No; it is exactly the same amount and the same number.

Mr. MANN. And the two superintendents are carried in another place in the bill, in the proper place.

Mr. MOON. That is correct. Let those words be stricken out.

Mr. MANN. The gentleman should move that those words be stricken out.

Mr. MOON. I move to strike out the words in parentheses, in lines 8 to 11, inclusive.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 2, line 8, after the word "each," strike out the language "(an increase of 2 submitted in lieu of 2 assistant superintendents, Railway Mail Service, at $2,350 each; to be transferred from the office of Second Assistant)."

The amendment was agreed to.

The Clerk read as follows:

Assistant superintendents of mails, cashiers, superintendents of delivery, superintendents of mails, and superintendents of stations, 30, at not exceeding $2,500 each.

Mr. BENNET. Mr. Chairman, I move to strike out the last word, for the purpose of asking the chairman of the committee if in these higher supervisory positions there are any increases in the number which would be in fact increases in salary over last year?

Mr. MOON. No; I think not.

Mr. MANN. There is an actual decrease in the number.

Mr. STAFFORD. There are increases in the other grades. For instance, in the $2,200 grade the number is increased from 50 to 55, an increase of 5; in the $2,000 grade, from 130 to 175, an increase of 45; in the $1,800 grade, from 140 to 165, an increase of 25. If the gentleman wants the other figures I can give them to him.

Mr. MOON. The total increases in compensation that the gentleman from Wisconsin speaks of amount to $1,000,000. If the gentleman from New York [Mr. BENNET] will look at the hearings on pages 11–21, he will find a statement of the facts.

Mr. BENNET. That is set out in the hearings, is it, on pages 11–21?

Mr. MOON. Yes.

The Clerk read as follows:

Superintendents of finance, bookkeepers, superintendents of mails, superintendents of stations, foremen, special clerks, and stenographers, 1,575, at not exceeding $1,400 each.

Mr. MOON. Mr. Chairman, I move to strike out lines 23 and 24, on page 8, and lines 1 and 2, on page 9.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment by Mr. MOON: Beginning in line 23, with the word "superintendents," strike out lines 23 and 24, on page 8, and lines 1 and 2 on page 9.

Mr. MOON. That item is included in the next section, and is superfluous here.

The amendment was agreed to.

The Clerk read as follows:

Assistant cashiers, assistant superintendents of delivery, assistant superintendents of mails, assistant superintendents of money order, assistant superintendents of registry, assistant superintendents of stations, bookkeepers, cashiers, chief mailing clerks, chief stamp clerks, special clerks, examiners of stations, finance clerks, foremen of crews, stenographers, superintendents of carriers, superintendents of delivery, superintendents of mails, superintendents of money order, superintendents of registry, superintendents of second-class matter, and superintendents of stations, 1,710, at not exceeding $1,400 each.

Mr. BENNET. Mr. Chairman, I move to strike out the last word, for the purpose of asking the chairman of the committee a question. As I understand it, when promotions of clerks are to be made above the grade of $1,200—for instance, from $1,300 to $1,400—they are carried in the paragraph that is now under consideration. Is that correct?

Mr. MOON. I think so.

Mr. MADDEN. These are supervisory grades.

Mr. MOON. Will the gentleman ask his question again?

Mr. BENNET. All the increases that there are from $1,300 to $1,400 are found in this paragraph that is now under consideration, are they not?

Mr. MOON. I think the gentleman is correct about that.

Mr. BENNET. I will apologize for asking this question, because if I had read the hearings I would not have to ask it, probably. How many clerks in the entire Postal Service are authorized to be promoted this year from $1,300 to $1,400?

Mr. MOON. I do not know just the number.

Mr. BENNET. Is that to be found on the same page?

Mr. MOON. On the same page of the hearings the gentleman will find that.

The Clerk read as follows:

Assistant superintendents of stations, clerks, clerks in in charge of stations, stenographers, superintendents of carriers, and superintendents of second-class matter, 3,300, at not exceeding $1,000 each.

The CHAIRMAN. The Chair will call the attention of the gentleman from Tennessee to page 10, line 3, where the word "in" is repeated.

Mr. MOON. I move to strike out the word "in" in line 13.

The motion was agreed to.

The Clerk read as follows:

And to provide for the promotion of all the clerks in first-class post offices from the fifth to the sixth grade, and for the promotion of 25 per cent of the clerks in the sixth grade to the designation of "special clerk" in the $1,300 grade, and for the promotion of 25 per cent of the designated "special clerks" in the $1,300 grade to the designation of "special clerk" in the $1,400 grade, and to provide for the promotion of all the clerks in second-class post offices from the fourth to the fifth grade, and for the promotion of 25 per cent of the clerks in second-class offices from the fifth to the sixth grade: *And provided further*, That there may also be employed at first-class post offices foremen and stenographers at a salary of $1,300 or more per annum; in all, $49,740,000.

Mr. COX. Mr. Chairman, I make a point of order on the paragraph beginning line 23, page 10, and ending with the word "grade," line 8, page 11.

Mr. MADDEN. I would like to have the gentleman state the reasons for his point of order.

Mr. COX. It changes existing law.

Mr. MADDEN. Mr. Chairman, I would like to be heard on the point of order after the gentleman from Indiana gets through his discussion of it.

The CHAIRMAN. The Chair would like to have the gentleman state the grounds for his point of order.

Mr. COX. I have stated it, that it changes existing law. I call attention to the current law, page 5, which provides for the promotion of 75 per cent of clerks in the first-class post offices from the fifth to the sixth grade, and for the promotion of 5 per cent of the clerks in the sixth grade to the designation of "Special clerk" in the $1,300 grade, and for the promotion of 5 per cent of the designated "special clerks" in the $1,300 grade to the designation of "special clerk" in the $1,400 grade, and to provide for the promotion of 75 per cent of the clerks in second-class offices from the fourth to the fifth grade, and for the promotion of 5 per cent of the clerks in second-class offices from the fifth to the sixth grade.

Now, I do not remember just how long it has been since the classification law was passed.

Mr. MADDEN. It was passed in 1907.

Mr. COX. The classification law was passed in 1907, and it has been the law ever since, and the permanent law as well as the current law provides for the promotion only of 75 per cent of the clerks. This amendment proposes to provide for a promotion of all the clerks in the first-class post offices from the fifth to the sixth grade and the promotion of 25 per cent of the clerks from the sixth grade to the designation of "special clerks." The current law only provides for the promotion of 5 per cent of clerks from the $1,300 grade to the $1,400 grade. This provides for the promotion of 25 per cent and provides for the promotion of all clerks in the second-class post offices from the fourth to the fifth grade. That is a change of existing law, a change of the classification law passed eight or nine years ago, and is a change of the current law that is now in force.

Now, Mr. Chairman, I contend, seriously contend, although I may be mistaken, that the provision in the pending bill is clearly subject to a point of order because it violates the classification law which has been the law for the last eight or nine years. It changes the current law in this: That the current law only permits 5 per cent of the clerks to be promoted from the $1,300 grade to the $1,400 grade, and this undertakes to promote 25 per cent from the $1,300 grade to the $1,400 grade. If that is not a change of existing law, a change of basic law, a change of the current law, I must confess that I do not know what a change of law is.

Mr. MADDEN. Mr. Chairman, I think the gentleman from Indiana is mistaken in his position that this item is subject to a point of order. The salary classification act of March 2, 1907, divided post-office clerks and letter carriers into six salary grades. This act provides for successive annual promotions of $100 until the $1,100 grade is reached in offices of the first class, and until the $1,000 grade is reached in offices of the second class. The act left to the discretion of Congress the number of promotions to be authorized each year to the sixth grade, and Congress has been exercising that discretion ever since the act was passed. The first year it began by promoting 50 per cent of the men from the fifth to the sixth grade, and later on it began to appropriate for 75 per cent of the men from the fifth to the sixth grade. This amendment provides for the promotion of all the men from the fifth to the sixth grade. That is the only difference. Now, if the contention made by the gentleman from Indiana is good it would apply not only to this section of the bill but to every section of the bill that has been read, because every section of the bill so far read appropriates for a greater number of men than the current law does. And that must be the case, because of the exigencies of the situation in the development of the business of the post office. It would not be just to say that the Postmaster General should not have the right or that Congress ought not to authorize him to promote men from grade to grade or to increase the number of men in any single grade to meet the needs of the growing business of the post office. In 1912 the Congress commenced to appropriate, as I say, for the promotion of 75 per cent of these employees in the two grades that are referred to. The pending amendment proposes to make it possible to promote them all, all of the clerks and carriers in the first-class offices, to the $1,200 grade instead of 75 per cent of them.

The Chair will bear in mind that the grade is authorized by the fundamental law known as the classification act, passed in 1907, and that all of the clerks and carriers in the second-class offices, instead of 75 per cent of them, are proposed by this amendment to be promoted to $1,100, just as promotions are now made in all the other grades, which are authorized by the law of 1907. It is also proposed by this section of the bill, to which the gentleman from Indiana [Mr. Cox] has made the point of order, to promote 25 per cent of the clerks and carriers in the second-class offices from $1,100 to $1,200 per annum, although the classification act—and I want to call the special attention of the Chair to this, for I am sure the gentleman from Indiana does not recall that or he would not have made the statement he did—provides specifically for a $1,200-salary grade in the second-class offices. But it was not until the last session of Congress that provision was made for any promotions to that grade. During the last session of Congress on the recommendation of this committee the current law provided for the promotion of 5 per cent of these clerks and carriers in the second-class offices to the $1,200 grade, and the $1,200 grade in these offices was created by the classification act of 1907.

I submit, Mr. Chairman, that there is ample authority of law for the proposal contained in this section of the bill to which the gentleman has made the point of order. It is also proposed in this section of the bill to promote 25 per cent of the clerks in the $1,200 grade to be special clerks at $1,300, and 25 per cent of the special clerks to the $1,400 grade, classed as special clerks.

Congress at the last session provided for the promotion of only 5 per cent of the men in these two grades. I call the attention of the Chair to the fact that the designation "special clerk" was created by the act of Congress in 1907 and is the fundamental law upon which this provision of the bill is based; and the salaries of the special clerks which were created in 1907 in the classification act were fixed then at $1,300 and $1,400 per annum. So that the provision for promotion of 25 per cent of the men from $1,200 to $1,300 is not a change of law, but is simply carrying the law into effect as passed by the Congress of 1907, and the promotion of 25 per cent of the men from the $1,300 to the $1,400 grade as special clerks is not a change of law, but is simply a case of long-deferred justice under the law to promote the men into the grades that were created by the law.

The CHAIRMAN. The Chair would like to ask the gentleman a question. Does the classification act of 1907 place any limitation upon or deal with the number of clerks that may be promoted in any one year?

Mr. MADDEN. No; it does not limit the number. It simply provides that there shall be a special-clerk class, and fixes the compensation, but the Congress in its wisdom has not on some occasions provided for any promotions into these grades. On other occasions it has provided for the promotion of 5 per cent and 50 per cent and 75 per cent of the men, and now the committee comes to the House with a recommendation for the promotion of 25 per cent of the men into the grades that were created then by law without any limit upon the right of Congress as to the number of men that shall go into either of these grades and for the promotion of all the men into the grade for which provision has heretofore been made for but

75 per cent of the men. I submit that the point of order made by the gentleman from Indiana is not well taken.

Mr. STAFFORD. Mr. Chairman, if the Chair is in doubt as to the paragraph being in order I would like to supplement the observations made by the gentleman from Illinois [Mr. MADDEN].

The CHAIRMAN. The Chair will be glad to hear the gentleman.

Mr. STAFFORD. What I say will be entirely supplementary to the views advanced by the gentleman from Illinois. The classification act of March 2, 1907, provided for six grades for clerks and carriers in the first and second class offices. It provided compulsory promotion in the case of clerks and carriers connected with first-class offices to the fifth grade. It provided compulsory promotion of clerks and carriers connected with second-class offices to the fourth grade, but it made no reference whatsoever as to the number of promotions that should be made into the additional sixth grade in first-class offices or to the additional grades of fifth and sixth from second-class offices, the intendment being to leave to Congress the determination of the number that should be promoted to those respective grades. The grades are clearly established, as the Chair will notice by looking at page 1206 of the Thirty-fourth Statutes at Large, which contains that act. It says:

After June 30, 1907, clerks in the office of first and second classes and carriers in the City Delivery Service shall be divided into six grades, as follows—

And then goes on with the provision providing for compulsory promotion, making no provision whatever for compulsory promotion to those grades to which I have just referred.

Now, as to the consideration of the question of special clerks. If the gentleman from Indiana [Mr. Cox] had made his point of order to the paragraph found on page 9, which carries the classification of special clerks, I would have to argue that the point of order would be well taken, because all those designations virtually are subject to the point of order; but the Chair will notice that on page 9 in the classification of the $1,400 grade, the classification on the same page of the $1,300 grade, the grade of special clerk is provided. If the Chair wishes to have me designate the special line, I will say that in the $1,300 classification it is in line 19 and in the $1,400 grade in line 7. It was subject to the point of order there, as well as to various others of these various designated offices; but the point of order was not taken, and therefore authority has been granted, so far as this bill is concerned, as the grade of special clerk is unknown to any classification act except as contained in an appropriation bill. As there is authority in the bill under consideration for the grade of special clerk, no point of order having been made to it, Congress can, of course, determine the number of clerks that may be promoted to the $1,300 and $1,400 grades, respectively. I can not see how the Chair can escape ruling that this paragraph is in order, in view of the classification act of 1907 and the fact that special clerks are already included in the paragraphs relating to the salaries of $1,300 and $1,400 grades.

Mr. COX. Mr. Chairman, I do not desire to take up any further time——

The CHAIRMAN. The Chair will be very glad to hear the gentleman from Indiana.

Mr. COX. Mr. Chairman, as I said before, I think it is clearly subject to the point of order under the classification act of 1907. Section 299—I assume that is what the Chair has?

The CHAIRMAN. Yes.

Mr. COX. Of the postal laws and regulations of the Sixty-second Congress, third session, it says:

Clerks in offices of the first and second grades shall be divided into six grades, as follows: First grade, salary $600; second grade, salary $800; third grade, salary $900; fourth grade, salary $1,000; fifth grade, salary $1,100; sixth grade, salary $1,200.

Now, down to that point the classification act sets out these different grades. I will return to that later on.

Clerks at first-class offices shall be promoted successively to the fifth grade.

It says they shall be promoted "successively to the fifth grade." Now, what does that mean? Mr. Chairman, that means and can only mean one thing—that it is to be an automatic promotion by some other agency than Congress. What is that other power beyond the power of Congress to promote except the Post Office Department? Now, by this proposed amendment we are taking that authority entirely away from the Post Office Department, or the Postmaster General, and we are undertaking to assume that authority ourselves by automatically promoting all these clerks. It goes on to say:

Clerks at first-class offices shall be promoted successively to the fifth grade and clerks at second-class offices shall be promoted successively to the fourth grade.

Now, that is the organic law. That is the law which Congress passed. Congress at the time it passed this law did not do this promoting itself. It delegated its authority to the Post Office Department.

And it said to the Post Office Department that it was its duty to promote from the fourth to the fifth grade, and so forth. Now, here by this amendment we are wiping away all that authority which Congress heretofore has given to the Post Office Department, and by one step forward we ourselves are destroying that law and assuming the power of promoting, which heretofore, under the classification act, was lodged exclusively in the province of the Post Office Department. I contend, Mr. Chairman, it is subject to a point of order.

The CHAIRMAN. The Chair confesses that he has some doubts about the point of order, but as the Chair sees it, the classification act simply classified certain postal employees, and the law did not require any number to be promoted in one year. The last appropriation bill provided that 75 per cent of these particular carriers and clerks might be promoted.

Mr. COX. That in my opinion was clearly subject to a point of order, if it had been made at that time.

The CHAIRMAN. The Chair was simply calling attention to that in answer to that part of the argument of the gentleman from Indiana [Mr. Cox] in which he stated that the current law provided for the promotion of 75 per cent of these clerks. The Chair was going to say that that was not permanent law; but it was simply to obtain during that current law. The Chair is of the opinion that as this section authorizes the promotion of clerks within those classes that the point of order is not good.

Now, the Chair is not free from doubt as to this ruling, but feels in deciding against the point of order he is simply putting it in the power of the committee itself to determine whether or not the legislation is advisable. If the Committee of the Whole does not care to pass this legislation, it is for them to determine. Therefore, the Chair overrules the point of order.

Mr. COX. Then, Mr. Chairman, I move to strike out lines 23, 24, 25, on page 10, and all on page 11, down to and including the word "grade," in line 8.

The CHAIRMAN. The gentleman from Indiana offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. Cox: Page 10, strike out all of lines 23, 24, and 25, and all of lines 1, 2, 3, 4, 5, 6, 7, and down to and including the word "grade," in line 8, page 11.

Mr. MOON. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

The committee accordingly rose; and Mr. HOUSTON having assumed the chair as Speaker pro tempore, Mr. CRISP, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 19410) making appropriations for the service of the Post Office Department for the fiscal year ending June 30, 1918, and for other purposes, and had come to no resolution thereon.

WITHDRAWAL OF PAPERS.

Mr. CLINE, by unanimous consent, was granted leave to withdraw from the files of the House, without leaving copies, the papers in the case of William P. Blackburne, House bill 3142, Sixty-fourth Congress, no adverse report having been made thereon.

HOUR OF MEETING TO-MORROW.

Mr. MOON. Mr. Speaker, I ask unanimous consent that when the House adjourns to-day it adjourn to meet at 11 o'clock a. m. to-morrow.

The SPEAKER pro tempore. The gentleman from Tennessee asks unanimous consent that when the House adjourns to-day it adjourn to meet at 11 o'clock a. m. to-morrow. Is there objection?

There was no objection.

Mr. MANN. Mr. Speaker, it is the expectation, as I understand, to have a report from the Commtitee on Rules the first thing to-morrow?

Mr. KITCHIN. That is the first thing to-morrow, and the immigration conference after that.

LEAVE TO PRINT.

Mr. MOON. Mr. Speaker, I ask unanimous consent that all those who have spoken on this bill, and who may speak on it hereafter, have leave to extend their remarks in the RECORD.

The SPEAKER pro tempore. The gentleman from Tennessee asks unanimous consent that all those who have spoken on the Post Office appropriation bill, and all who may speak hereafter, may have leave to extend their remarks in the RECORD. Is there objection?

There was no objection.

ADJOURNMENT.

Mr. KITCHIN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 30 minutes p. m.) the House, under its previous order, adjourned until to-morrow, Friday, January 12, 1917, at 11 o'clock a. m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1. A letter from the Secretary of War, suggesting changes in existing legislation that are deemed to be in the interest of the military service (H. Doc. No. 1917); to the Committee on Military Affairs and ordered to be printed.

2. A letter from the Secretary of the Treasury, transmitting a tentative draft of additional legislation deemed necessary in connection with the proposed archives building in the city of Washington (H. Doc. No. 1918); to the Committee on Public Buildings and Grounds and ordered to be printed.

3. A letter from the Secretary of the Treasury, submitting draft of a bill intended to punish persons who falsely assume or pretend to be agents of the Secret Service Division of the Treasury Department (H. Doc. No. 1919); to the Committee on the Judiciary and ordered to be printed.

4. A letter from the Secretary of War, transmitting a draft of a bill granting authority to the Secretary of War to procure printing and binding for the military forces of the United States in case of actual or threatened hostilities (H. Doc. No. 1920); to the Committee on Military Affairs and ordered to be printed.

5. A letter from the Secretary of the Treasury, transmitting copy of a communication from the Secretary of War, submitting estimates of deficiencies in appropriations for support of the National Home for Disabled Volunteer Soldiers for the fiscal year, 1917 (H. Doc. No. 1921); to the Committee on Appropriations and ordered to be printed.

6. A letter from the Secretary of the Treasury, transmitting copy of a communication from the Secretary of War submitting estimates of deficiencies in appropriations required by the Ordnance Department to complete the service of the fiscal year 1917 (H. Doc. No. 1922); to the Committee on Appropriations and ordered to be printed.

7. A letter from the Secretary of the Treasury, transmitting copy of a communication from the Secretary of War submitting an estimate of deficiency in the appropriation for Gettysburg National Park for the fiscal year 1917 (H. Doc. No. 1923); to the Committee on Appropriations and ordered to be printed.

8. A letter from the Acting Secretary of Commerce, transmitting copy of petition addressed to the Commissioner of Lighthouses by the master and engineer of relief light vessel *No. 53* requesting an increase in the salaries of officers on that vessel; also an increase in the subsistence allowance to the officers and crew (H. Doc. No. 1924); to the Committee on Appropriations and ordered to be printed.

9. A letter from the Secretary of War, transmitting with a letter from the Chief of Engineers report on preliminary examination of Black Lake Harbor, on Macatawa Bay, Mich., from piers to point 200 feet east of Graham & Morton Dock, 16 feet, with a view to establishing car-service ferry (H. Doc. No. 1925); to the Committee on Rivers and Harbors and ordered to be printed.

10. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers submitting abstracts of proposals received during the fiscal year ended June 30, 1916, for material and labor in connection with works under the Engineer Department (H. Doc. No. 1926); to the Committee on Expenditures in the War Department and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. RANDALL, from the Committee on the Post Office and Post Roads, to which was referred the bill (H. R. 18986) to exclude alcoholic liquor advertising from the United States mails, reported the same without amendment, accompanied by a report (No. 1275), which said bill and report were referred to the House Calendar.

Mr. HAYDEN, from the Committee on the Public Lands, to which was referred the bill (H. R. 18826) to relieve the owners of mining claims who have been mustered into the service of the United States as officers or enlisted men of the Organized Militia or National Guard from performing assessment work during the term of such service, reported the same without amendment, accompanied by a report (No. 1276), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. CARAWAY, from the Committee on the Judiciary, to which was referred the bill (H. R. 19299) to create a new division of the northern judicial district of Texas and to provide for terms of court at Wichita Falls, Tex., and for a clerk of said court, and for other purposes, reported the same with amendment, accompanied by a report (No. 1277), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. BURNETT, from the Committee on Public Buildings and Grounds, to which was referred the bill (H. R. 19686) to confirm and ratify the sale of the Federal building site at Honolulu, Territory of Hawaii, and for other purposes, reported the same with amendment, accompanied by a report (No. 1278), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. TAGUE, from the Committee on the Post Office and Post Roads, to which was referred the joint resolution (H. J. Res. 332) authorizing the Postmaster General to provide the postmaster at St. Paul, Minn., with a special canceling die for the winter-sports carnival of that city, reported the same without amendment, accompanied by a report (No. 1279), which said joint resolution and report were referred to the Committee of the Whole House on the state of the Union.

Mr. RAKER, from the Committee on the Public Lands, to which was referred the bill (H. R. 15523) to punish persons who make false representations to settlers and others pertaining to the public lands of the United States, reported the same with amendment, accompanied by a report (No. 1280), which said bill and report were referred to the House Calendar.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, the Committee on Military Affairs was discharged from the consideration of the bill (H. R. 19866) for the relief of Ed W. Ramage, and the same was referred to the Committee on War Claims.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

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

By Mr. MONDELL: A bill (H. R. 20000) for the construction of a system of trails and bridle paths in the Yellowstone National Park, Wyo.; to the Committee on Appropriations.

By Mr. SINNOTT: A bill (H. R. 20001) to provide for the construction of the Owyhee project, Oreg.; to the Committee on Irrigation of Arid Lands.

By Mr. SHERWOOD: A bill (H. R. 20002) providing for pensions for all American citizens who have reached the age of 65 years and who are incapable of manual labor and whose incomes are less than $200 per annum; to the Committee on Labor.

By Mr. HENSLEY: A bill (H. R. 20003) to purchase a site for the erection of a post-office building in the city of Fredericktown, Mo.; to the Committee on Public Buildings and Grounds.

By Mr. DIXON: Resolution (H. Res. 439) for the relief of Susan O. McConnell, widow of James I. McConnell; to the Committee on Accounts.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ADAIR: A bill (H. R. 20004) granting an increase of pension to Jonas Bratton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 20005) granting an increase of pension to Isaac O'Neal; to the Committee on Invalid Pensions.

By Mr. ANTHONY: A bill (H. R. 20006) granting a pension to James Abrahams; to the Committee on Pensions.

By Mr. AUSTIN: A bill (H. R. 20007) granting a pension to James C. Lynch; to the Committee on Invalid Pensions.

By Mr. BEAKES: A bill (H. R. 20008) granting an increase of pension to Henrietta Nokes; to the Committee on Invalid Pensions.

By Mr. BENEDICT: A bill (H. R. 20009) granting an increase of pension to Llewellyn A. Cole; to the Committee on Pensions.

By Mr. BRUMBAUGH: A bill (H. R. 20010) granting an increase of pension to John S. Skeels; to the Committee on Invalid Pensions.

By Mr. BURKE: A bill (H. R. 20011) granting an increase of pension to Charles G. Ginther; to the Committee on Invalid Pensions.

By Mr. BYRNES of South Carolina: A bill (H. R. 20012) granting a pension to Mrs. M. J. Harris; to the Committee on Pensions.

By Mr. CANNON: A bill (H. R. 20013) granting an increase of pension to Albert G. Dow; to the Committee on Invalid Pensions.

By Mr. DARROW: A bill (H. R. 20014) granting a pension to George W. Parker; to the Committee on Invalid Pensions.

By Mr. EMERSON: A bill (H. R. 20015) granting a pension to Charles W. Johnson; to the Committee on Pensions.

By Mr. FERRIS: A bill (H. R. 20016) to confirm the title to certain land formerly included in the allotment of Horace P. Jones, deceased, in the Kiowa, Comanche, and Apache Indian Reservation in Oklahoma, and providing for the issuance of a patent therefor; to the Committee on Indian Affairs.

By Mr. GARD: A bill (H. R. 20017) for the relief of Edward C. McGonigal; to the Committee on Claims.

By Mr. HAMLIN: A bill (H. R. 20018) granting a pension to James L. Coffman; to the Committee on Invalid Pensions.

By Mr. HAYES: A bill (H. R. 20019) granting an increase of pension to Callie Hitchcock; to the Committee on Invalid Pensions.

By Mr. HENSLEY: A bill (H. R. 20020) granting an increase of pension to George W. Elders; to the Committee on Invalid Pensions.

By Mr. KENNEDY of Rhode Island: A bill (H. R. 20021) granting an increase of pension to Charles H. Collins; to the Committee on Invalid Pensions.

By Mr. KREIDER: A bill (H. R. 20022) granting an increase of pension to Sibby L. Myers; to the Committee on Invalid Pensions.

By Mr. LANGLEY: A bill (H. R. 20023) for the allowance of certain claims for difference in pay growing out of service in the Army during the Civil War, as reported by the Court of Claims; to the Committee on War Claims.

By Mr. LESHER: A bill (H. R. 20024) granting an increase of pension to Josephine L. Benscoter; to the Committee on Invalid Pensions.

By Mr. McARTHUR: A bill (H. R. 20025) granting a pension to Edward T. Balch, to the Committee on Pensions.

By Mr. McGILLICUDY: A bill (H. R. 20026) granting an increase of pension to Ivory W. Emerson; to the Committee on Invalid Pensions.

By Mr. RAUCH: A bill (H. R. 20027) granting an increase of pension to William Harrold; to the Committee on Invalid Pensions.

Also, a bill (H. R. 20028) granting an increase of pension to George E. Busby; to the Committee on Invalid Pensions.

Also, a bill (H. R. 20029) granting a pension to Robert Newton; to the Committee on Pensions.

By Mr. RIORDAN: A bill (H. R. 20030) granting a pension to Bridget McCarthy; to the Committee on Invalid Pensions.

By Mr. SHERLEY: A bill (H. R. 20031) granting an increase of pension to Alexander Frazier; to the Committee on Invalid Pensions.

By Mr. STAFFORD: A bill (H. R. 20032) granting a pension to August Wehe; to the Committee on Invalid Pensions.

By Mr. SMITH of Michigan: A bill (H. R. 20033) granting an increase of pension to Clarion D. Smith; to the Committee on Pensions.

By Mr. STEELE of Iowa: A bill (H. R. 20034) granting an increase of pension to John C. Ruthroff; to the Committee on Invalid Pensions.

By Mr. STINESS: A bill (H. R. 20035) granting an increase of pension to Martha A. Whitford; to the Committee on Invalid Pensions.

By Mr. SWIFT: A bill (H. R. 20036) for the relief of Frank Bowers; to the Committee on Claims.

By Mr. TIMBERLAKE: A bill (H. R. 20037) for the relief of Guy A. Richards, Jesse L. Robbins, Isaac M. C. Grimes, William L. Irvine, and David Cox; to the Committee on the Public Lands.

PETITIONS, ETC.

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

By Mr. BAILEY: Petition of Lucius F. C. Garvin, of Lonsdale, R. I.; Edmund Vance Cooke, of Cleveland, Ohio; and Allan Farquhar, of Sandy Spring, Md., for the passage of House bill 13281, to promote better trade relations with Latin America; to the Committee on Ways and Means.

Also, memorial of Insurance Federation of Pennsylvania, in re item in Post Office appropriation bill; to the Committee on the Post Office and Post Roads.

Also, petition of J. M. Gates, N. A. Lohr, George Fuller, A. F. Crain, M. W. Claar, Everett Giles, Harry Cummings, J. M. Baumgardner, M. L. Stinson, Wallace Hutzel, J. Merrill Croyle, Cloyd Gochnour, W. N. Graffius, Julius Link, Richard Wills, jr., C. R. Koontz, F. Blazanckij, Frank Musagis, Edward Roberts, Ben Claar, Charles Grigg, John Waters, Joseph Bush, Morris B. Burk, William Cummins, H. A. Dettry, James Kline, Fred Eisenhardt, William Crago, W. F. George, Walter E. Brewer, J. M. Keelan, Evan Reese, Norman Joll, William Vivian, Emory F. Botteicher, W. H. Bennett, Elijah Thomas, William Truscott, Clarence E. May, L. J. Harrington, Fred Thomas, Millard F. Closson, Joseph Gage, Thomas Clifford, Lemon Yoder, Michael Harris, and C. E. Dunmire, all of South Fork; Philip Davis, of Mineral Point; and Evan Reese, of Portage, all in the State of Pennsylvania, for an embargo on the exportation of farm products, clothing, and other necessaries of life; to the Committee on Interstate and Foreign Commerce.

By Mr. BARCHFELD: Petitions of the Pittsburgh Lodge, No. 46, Loyal Order of Moose, 7,000 members; the Homestead Order of Eagles, 418 members; the Clairton Order of Eagles; the Carrick Order of Eagles, 270 members; McKees Rocks Order of Eagles, 406 members; and the Coraopolis Order of Eagles, 267 members, all of Pennsylvania, against the proposed increase in postage of second-class mail by establishing zone-mailing districts for periodicals and magazines; to the Committee on the Post Office and Post Roads.

By Mr. BENEDICT: Petition of California Retail Dry Goods Association, asking for more equitable postal rates for their line of business; to the Committee on the Post Office and Post Roads.

Also, petition of Loyal Order of Moose and Fraternal Brotherhood, of Los Angeles, Cal., protesting against increased postal rates on fraternal magazines; to the Committee on the Post Office and Post Roads.

Also, petition of Anna Walter Speakman and others, of Pasadena, Cal., favoring an act to give full force to the migratory bird-protection treaty; to the Committee on Agriculture.

Also, petition of Woodrow Wilson Independent League of Southern California, opposing bills relative to the leasing of water-power sites; to the Committee on the Public Lands.

Also, petition of National Association of Life Underwriters, Los Angeles (Cal.), branch, in favor of a bill to incorporate that association; to the Committee on the Judiciary.

By Mr. BRUCKNER: Petition of Chamber of Commerce of the State of New York, relative to cooperation with the Tariff Commission for study; to the Committee on Ways and Means.

Also, petition of Chamber of Commerce of the State of New York, relative to cooperation for export trade; to the Committee on Ways and Means.

Also, memorial of Chamber of Commerce of the State of New York, relative to inadequate salary of United States Tariff Commission; to the Committee on Ways and Means.

Also, petition of Chamber of Commerce of State of New York, relative to congressional inquiry into interstate transportation; to the Committee on Interstate and Foreign Commerce.

Also, petition of New York Building Managers' Association, relative to shortage of coal supply; to the Committee on Interstate and Foreign Commerce.

Also, petitions of L. Sidney Fried and Albert L. Kurtz, of New York City, favoring passage of the Lobeck bill, House bill 16060; to the Committee on Agriculture.

Also, petition of American Specialty Manufacturers' Association, relative to Federal food standards; to the Committee on Agriculture.

Also, petition of Marks & Clerk, New York City, relative to pneumatic mail-tube service; to the Committee on the Post Office and Post Roads.

Also, petition of New York Post-Office Laborers' Benevolent Association, Branch No. 1, relative to increase in pay; to the Committee on the Post Office and Post Roads.

Also, petition of G. H. Muller, of The Bronx, N. Y., favoring increase in pay of post-office employees; to the Committee on the Post Office and Post Roads.

Also, petition of George A. Reed, favoring passage of House bill 19185, relative to medal-of-honor pension; to the Committee on the Merchant Marine and Fisheries.

By Mr. BRUMBAUGH: Petitions of John R. Girard, Edward Prior, Mathias Neff, Nicholas Strauss, George Andres, P. J. Gloechner, George Farrell, C. Schirtzinger, and many other citizens of Columbus, Ohio, against prohibition bills; to the Committee on the Judiciary.

By Mr. BURKE: Petition of 336 business men and citizens of Sheboygan, Wis., protesting against passage of an amendment to the United States Constitution providing for nationwide prohibition; to the Committee on the Judiciary.

By Mr. CHARLES: Petition of Women's Missionary, of Emanuel Baptist Church, Schenectady, N. Y., favoring prohibition; to the Committee on the Judiciary.

Also, petition of Schenectady (N. Y.) Order of Eagles, against increase in postage on second-class matter; to the Committee on the Post Office and Post Roads.

By Mr. CLINE: Petitions of Indiana citizens, opposing section 10 of House bill 19410; to the Committee on the Post Office and Post Roads.

By Mr. DALE of New York: Petition of E. La Montague's Sons, of New York, opposing House bill 18986 and Senate bill 4429; to the Committee on the Post Office and Post Roads.

Also, petition of Woman's World, of New York, and the Corrugated Bar Co., of Buffalo, N. Y., opposing increase in second-class postage rate; to the Committee on the Post Office and Post Roads.

By Mr. DENISON: Petition of citizens of Cairo, Ill., against House bill 18986, Senate bills 4429 and 1082, House joint resolution 84, and House bill 17854; to the Committee on the Judiciary.

By Mr. EAGAN: Petitions of sundry citizens of the State of New Jersey, against prohibition bills, etc.; to the Committee on the Judiciary.

Also, petitions of sundry citizens of the State of New Jersey, favoring suffrage amendment; to the Committee on the Judiciary.

By Mr. ESCH: Petition of Adolph Mosher and 57 others, of La Crosse, Wis., against prohibition bills; to the Committee on the Judiciary.

By Mr. FITZGERALD: Petition of Orange Chapter, Daughters of the American Revolution, of Orange, N. J., favoring the education of adult foreigners throughout the United States from the surplus of money received from the naturalization of these foreigners; to the Committee on Appropriations.

By Mr. FINLEY: Papers to accompany House bill for relief of L. Raymond Thompson, insane; to the Committee on Pensions.

By Mr. FULLER: Petition of A. B. Jackson, of Golconda, Ill., favoring House bill 18531, concerning proofs of widowhood in claims for pension; to the Committee on Invalid Pensions.

Also, memorial of United Business Men's Association, of Philadelphia, Pa., against abandonment of the pneumatic-tube mail service; to the Committee on the Post Office and Post Roads.

Also, petition of Champaign County (Ill.) Farm Bureau opposing embargo on foodstuff; to the Committee on Interstate and Foreign Commerce.

Also, petition of Happy Hill Aerie, Fraternal Order of Eagles, of Morris, Ill., against increase of postage on second-class matter; to the Committee on the Post Office and Post Roads.

By Mr. GALLIVAN: Petitions of sundry publishing companies and others of the United States against zone postal system; to the Committee on the Post Office and Post Roads.

By Mr. GARD: Petition of E. H. Munch and other residents of Dayton, Ohio, protesting against the passage of House bill 18986, Senate bills 4429 and 1082, House joint resolution 84, and House bill 17850; to the Committee on the Judiciary.

Also, petition of Albert Greth and others, residents of third congressional district of Ohio, protesting against the passage of House bill 18986, Senate bills 4429 and 1082, House joint resolution 84, and House bill 17850; to the Committee on the Judiciary.

By Mr. GORDON: Petition of Mr. Simon Lustig, Cleveland, Ohio, and 1,471 other citizens of Cuyahoga County, Ohio, against prohibition bills; to the Committee on the Judiciary.

By Mr. HOLLINGSWORTH: Memorial of Mead Pulp & Paper Co., of Dayton, and Glass Bottle Blowers' Association, of Bellaire, Ohio, against prohibition in the District of Columbia; to the Committee on the Judiciary.

Also, memorial of Smith & Lamar, publishing agents, Methodist Episcopal Church South, Nashville, Tenn., against increase in postage on second-class matter; to the Committee on the Post Office and Post Roads.

Also, papers to accompany House bill 17049 for increase of pension for Josiah Dock; to the Committee on Invalid Pensions.

Also, papers to accompany House bill 17539, granting pension to William Reed; to the Committee on Pensions.

By Mr. HOPWOOD: Petition of 101 citizens of Somerset County, Pa., favoring Christian amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. KAHN: Petition of 191 residents of San Francisco, Cal., protesting against House bill 18986 and Senate bill 4429, mail-exclusion bills, etc.; to the Committee on the Post Office and Post Roads.

Also, petition of Golden Gate Aerie, No. 61; San Francisco Aerie, No. 5, Fraternal Order of Eagles; Eagles' Hall Association, and John L. Hergert, all of San Francisco, Cal., protesting against increase of postage on second-class mail and fraternal magazines; to the Committee on the Post Office and Post Roads.

Also, petition of Methodist Book Concern, San Francisco, Cal., protesting against proposed increase of postage on second-class matter; to the Committee on the Post Office and Post Roads.

Also, telegrams from J. R. Molony, president Insurance Federation of California, and Charles A. Shurtleff, of San Francisco, Cal., protesting against the enactment of section of Post Office appropriation bill providing a guaranty fund; to the Committee on the Post Office and Post Roads.

Also, telegrams from Western Canner and Packer and Pacific Wine and Spirit Review, both of San Francisco, Cal., protesting against adoption of mail-exclusion bill, House bill 18986; to the Committee on the Post Office and Post Roads.

By Mr. KEISTER: Petition of sundry residents of New Alexandria, Latrobe, and Westmoreland County, Pa., protesting against nation-wide prohibition, etc.; to the Committee on the Judiciary.

By Mr. KETTNER: Petition of P. T. Griffith, National City, Cal., and Lyman Grimes, secretary, League to Enforce Peace, San Bernardino,, Cal., favoring world-wide peace; to the Committee on Foreign Affairs.

Also, petition of Dixon Van Blarcom, general secretary, San Francisco Association for Study and Prevention of Tuberculosis, San Francisco, Cal., and Miss Mary E. Kershaw and Miss Daisy M. Hanscom, school nurses, San Diego, Cal., favoring House bill 11864, the Kent bill, providing subsidy for care of indigent nonresident tuberculous patients; to the Committee on Interstate and Foreign Commerce.

Also, petition of G. W. Harvey, Fillmore, Cal.; Miss Helen H. Landis, Palm City, Cal.; and J. B. Bledsoe, Judson, Cal., protesting against high cost of living; to the Committee on Ways and Means.

Also, petition of William H. Myers, Rosedale, Kans.; B. B. Tuttle, San Francisco, Cal.; William Prescott, La Mesa, Cal.; A. J. Kelley, Soldiers' Home, Sawtelle, Cal., and 9 other residents, favoring passage of Civil War volunteer officers' retirement bill; to the Committee on Military Affairs.

Also, petition of M. A. Stevens, San Diego, Cal., favoring old-age pension bill; to the Committee on Appropriations.

Also, petition of A. E. Dodson, San Diego, Cal., favoring passage of Indian war pension bill; to the Committee on Pensions.

Also, petition of Mrs. Agnes M. Higgins, San Diego, Cal., favoring passage of Senate bill 4535, for longevity pay due Army officers and their widows; to the Committee on Pensions.

Also, petition of Jesse A. Ivy, Thermal, Cal., favoring increase in salaries of fourth-class postmasters; to the Committee on the Post Office and Post Roads.

Also, petition of A. D. Skillman and J. P. Bowers, of Ontario, Cal.; H. N. Petch and 9 other post-office clerks and carriers; A. P. Hammerschmedt and 9 others, of Fullerton; Nelson R. Phillips and 18 other employees of Anaheim post office, Cal.; and Charles Smith and 4 others, of Imperial post office, Cal., favoring increase in salaries of post-office clerks; to the Committee on the Post Office and Post Roads.

Also, petition of Isidor Jacob, California Canneries Co., San Francisco, Cal., favoring increase in salaries of internal-revenue collectors; to the Committee on Appropriations.

Also, petition of Bob Blankenship, of San Diego, Cal., favoring increase in salaries of customs service employees; to the Committee on Appropriations.

Also, petition of M. V. Hill, manager California Electric Railway Association, Los Angeles, Cal., and Paul Shoup, president Pacific Electric Railroad, Los Angeles, Cal., favoring amendment in Cullop bill exempting interurban and street railways from eight-hour provision; to the Committee on Interstate and Foreign Commerce.

Also, petition of Harry L. Titus, manager of San Diego & Arizona Railway Co., San Diego, Cal., protesting against House bill 9216; to the Committee on Interstate and Foreign Commerce.

Also, petition of Albert H. Allen, University of California Press, Berkeley, Cal.; Charles P. Douglass, San Diego, Cal.; and Ansel F. Hall, Forestry Club, Berkeley, Cal., favoring appropriation of $300,000 for Yosemite Park, enlargement of Sequoia National Park, and creation of Grand Canyon National Park; to the Committee on Public Buildings and Grounds.

Also, petition of James M. Parker, engineer, and 7 other residents of National City, Cal., favoring Nolan minimum-wage bill; to the Committee on Appropriations.

Also, petition of John D. Twohy and L. J. Wilde, San Diego, Cal., favoring amendment affecting Federal reserve banks; to the Committee on Banking and Currency.

Also, petition of Charles W. Dempster, supreme secretary of the Fraternal Brotherhood, Los Angeles, Cal., protesting against bill proposing to raise the pound rates on official papers of fraternal societies to 2 cents; to the Committee on the Post Office and Post Roads.

Also, petitions of Frank B. Peterson Co., San Francisco, Cal.; S. Glen Andrus, secretary-manager Chamber of Commerce, Sacramento, Cal.; and George W. Colton, secretary Auto Tire Co., San Diego, Cal., favoring 1-cent drop-letter postage; to the Committee on the Post Office and Post Roads.

Also, petitions of F. A. Binney, San Diego, Cal.; W. J. Arnold, Santa Ana, Cal.; and John L. Summers, Riverside, Cal., favoring reduced postage rate on manuscripts; to the Committee on the Post Office and Post Roads.

Also, petition of F. C. DeLano, secretary Los Angeles Wholesalers' Board of Trade, Los Angeles, Cal., favoring repeal of bankruptcy law; to the Committee on Banking and Currency.

Also, petition of William S. Post, associate member A. S. C. E., San Diego, Cal., favoring introduction of compulsory military service; to the Committee on Military Affairs.

Also, petition of Mrs. W. F. Eschbacher, corresponding secretary California Congress of Mothers and Parent-Teacher Associations, Oakland, Cal., favoring House bill 399 and Senate bill 703, vocational education; to the Committee on Education.

Also, petition of Mrs. Harriet M. des Granges, National Society Daughters of the American Revolution, Fullerton, Cal., favoring the purchase of Monticello, former home of Thomas Jefferson; to the Committee on Public Buildings and Grounds.

By Mr. LIEB: Petition of Alois Wilzbacher, Floyd B. Meadows, George Otto, Ed. Elmendorf, A. H. Kroener, John Alexander, Albert Westfall, J. W. Kirkpatrick, Fred Hohenberger, Richard Peva, Pat Hart, Martin Sherry, William H. Liter, Sam Childers, H. J. Dillman, Frank Graul, Harrie M. Goedde, William H. Stock, C. E. Ealisto, George Blackburn, Oscar Damenberg, Loran Carleton, Thomas J. Onzis, L. A. Scheller, R. Ingram, O. F. Lauren, Jacob Wender, Walter Egli, Rentice Barnett, Wayne Perkins, Edward C. Kratz, Gustav Scutze, Fred Fessler, Oscar Kleaman, Finas Jackson, Fred Fessler, sr., L. E. Iliff, Henry Frei, Thomas J. Cobb, Clarence Mutt, Robert Woodall, Philip Kratz, John Singel, Charles McGinness, Anseln Eble, William F. Lenges, Joseph L. Morell, Jacob Huler, A. G. Hayden, George Maier, Herman C. Regel, G. A. Kenngott, Fred Gerkensmeier, John Poelhuis, Adam J. Fink, jr., John S. Hammerstein, Walter Meier, J. W. Sitzmann, Val. Belzer, Joseph Pfeifer, William S. Kamm, Ed. Thienes, E. F. Schentrup, Ray Ehrman, Herman Koenig, Clarence Hamel, Jessie Moore, Fred Forster, Emil Euler, Louis Bailey, Jack Maky, Dewey Hornbrook, Nick Tindall, H. W. Kuhn, Carl Winiger, Ben. J. Reding, Charles Gerkensmeier, William L. Miller, Arthur Grotius, F. A. G. Reichert, M. R. Taylor, George Livell, H. M. Graves, Frank Berger, Henry A. Weibert, C. W. Regel, Peter Tafel, Jacob Chapp, Joseph Feli, H. Needemeyer, James Crawford, H. Schnell, George Stenkle, C. Schoenbacher, George Taft, Henry Fretz, Clem J. Deig, Jacob Salzman, Oliver Rhodes, C. E. Bilderback, R. Bockstege, George Lindenschmitt, Edwin Powell, Carl Martin, J. N. Metcalfe, George Smith, Henry Kleiman, George J. Hirsch, William Thomas Judd, Frank Behermann, Jacob Wagner, Bart Flagler, William Bishman, Fred H. Huck, L. Metcalf, Julius Schoenbachler, John Schmitt, Charles Clark, John F. Maier, Peter C. Miller, Walter Seng, Edward Winder, Jerome Schaefer, John Hess, Fred Regaldo, O. H. Elliott, Fred Schnacke, Otto Maienschein, J. R. Dellman, Ed. Egli, Henry Wagner, Joseph A. Mandel, Frank Frielinghausen, John McGregor, Anthony L. Rushe, Theodore Wiggers, John Schaad, Charles D. Maes, Karl Topp, Charles Reutter, Frank Benme, Walter Wotsey, J. E. Hagan, Charles Matz, Charles M. Trageser, Edwin Conen, L. W. Holmes, D. G. Tevault, B. S. Wirtz, and Jake Morell, all of Evansville, Ind., protesting against the passage of Randall mail-exclusion bill, Bankhead mail-exclusion bill, Sheppard District of Columbia prohibition bill, Webb nation-wide prohibition bill, and Howard bill to prohibit commerce in intoxicating liquors between the States; to the Committee on the Judiciary.

Also, petition of Anthony F. Hirsch, Robert F. Worldridge, Harvey Whitby, W. L. Becker, John Linzy, L. Hosselback, Roy Hoel, Walter Foster, Seth Collins, Joe Gerdenhire, Otto Hohl, John Rider, William F. Schmidt, Henry Berkmeier, Al. Zenthorfer, Jack Perry, Theodore Englers, Urban Birk, Ransom Street, A. C. Peek, William J. Lennenstoll, Albert S. Fisher, Fred H. Melcher, Joseph Birk, Fred Dietzel, Harry Martin, E. G. Senfer, D. A. Thomas, Bis Wolpert, C. R. Green, Edward C. Schafer, Peter Berg, John Zuber, Walter Pligge, A. W. Cline, C. Fehrenbach, David Zuber, P. Bauer, William W. Smith, J. Umla, Paul Persohn, William Spillman, Joe Beach, Edw. F. Barr, John Wilson, Sam Angersmeier, Tom Fugato, Henry Klenck, James Litterall, Albert Wandus, Adam J. Fink, Claude Burns, Joseph H. Lantz, jr., A. Riedy, Benjamin C. Sachs, Moses Nathan, Jacob Sifig, John Busch, H. C. Miller, Joe Strehl, H. C. Miller, J. D. McCarty, Frank Scott, Julius Schmidt, Al. Salisbury, C. E. Hopkins, W. Kasper, Charles Morell, O. Klein, Michael Rapp, Howard Beeson, L. S. Salerton, P. F. Duber, George Hoplich, Henry Kunath, Louis J. Rahm, William Lowell, Henry Heppen, W. C. Roesner, Frank Dillmann, Jacob Wender, Theodore Verger, John Timberlake, Henry Wingert, Edward F. Boesche, E. E. Blackburn, Cliff Wittshire, Jeff Tevault, William Armstrong, Albert Butts, W. H. Moore, John Wuetherich, Fred Young, Ferdinand Sauer, Louis Fritsch, William Wemkener, Fred Baker, Fred Love, John Abbing, Fred Bickel, Richard Johnson, Charles F. Mitchell, Laryl Lacky, William Moore, Harvey Bexley, Leonard Bickel, Ed. Greek, A. H. Yaser, John H. Trunck, Ernst Senfer, Jess M. Ulrich, Calvin Eckers, Frank Spnger, Paul Dalp, Jake Matz, H. Gonnerman, Karl Feldlery, Arthur Anders, and Michael Angel, all of Evansville, Ind., protesting against the passage of Randall mail-exclusion bill, Bankhead mail-exclusion bill, Sheppard District of Columbia prohibition bill, Webb Nation-wide prohibition bill, and Howard bill to prohibit commerce in intoxicating liquors between the States; to the Committee on the Judiciary.

Also, petition of George Lindenberg, Walter Strohel, Otto Patterson, Kunze Zeidler, Robert Tinsley, George Shanks, Chester Nan, James McDaniel, Joe Bollinger, Jacob Matthew, Fred Schmitt, Charles Wainman, Erwin Chweitzer, John Mates, Frank Killian, Herman Wingert, C. McKunnae, R. W. Scher, John Kohl, George Kohl, Robert Mestle, William Kohl, William Schuble, Charles Schwertzer, Charles H. Hummert, John Weber, Louis A. Heger, Victor Zeigler, Edward Ohning, George Neutzel, William Pierre, E. N. Morrison, Charles Hayden, L. Hartman, William M. Heilman, Max Ritter, jr., William C. Hofendorfer, Jules Enders, Fred H. Gritter, Arthur F. Herrmann, Emil Lery, R. M. Van Daly, Wilfred Merrimer, John W. Wimberg, H. B. Spetz, J. L. Taylor, Arthur G. Dunn, William G. Kerth, A. C. Bawkins, John F. Gilman, Frank Belry, John J. Schulte, A. M. Morris, Henry Crese, William Habbe, A. Lawrence, W. R. Phillips, H. Buente, Phil. C. Jones, Enoch J. Weir, Herman Haltman, Henry L. Rose, Robert Francerell, George Schmitt, John Hummel, A. J. Veneman, P. B. Arey, John Allbecker, Joseph Pedes, Newton W. Thrall, John W. Knerr, C. P. Beard, Edward P. Kramer, Samuel A. Urnn, August L. Riechmann, William H. Basank, T. B. Armistead, Neal W. Kerney, S. Kaltenbacher, N. Rumacke, A. Ziemer, J. Streker, William Fach, Henry J. Fisher, Henry Schimenn, Valentine Dirschhotz, C. M. Kerbrandt, William Doing, William Rosenberger, Fred G. Denker, B. A. Robertson, Charles Fred Geiger, W. M. Sweat, Jacob H. Kuriger, Charles Grinn, Edgar Corn, C. O. Comm, Theodore Spitzmeller, L. P. Hughes, George Forest, B. Miller, Ben. Botzum, Ralph Ehrmann, August Becker, R. E. Williams, R. P. Surell, R. D. Pender, Otto Strange, James N. Goad, L. Smith, S. Schauer, G. C. Bruner, H. J. Mand, P. Price, James Walker, J. M. Tucker, J. Stiegelbauer, John Kraft, Harry Banks, A. H. Brand, W. M. Talbott, P. Drain, C. H. Sterne, T. Haneah, Arthur Sohn, Fred Hammerstein, Gotfried Wilhelm, Joe Strohmeyer, Henry Wartman, George Bridges, Frank Anderson, Rufus Stanton, George Martin, Frank Freihaut, C. E. Krietemeyer, Claud Market, John C. Vaughn, Peter N. Trageser, Albert Sweat, H. Schlenske, Fred E. Karges, W. R. Woods, H. C. Heberer, E. N. Tarsse, A. C. Richardt, Tony J. Lucitelle, F. A. Reitz, H. R. Cook, John G. Wimberg, W. F. Richardt, H. W. Weiribacher, E. B. Oslage, Love Oreisch, George B. Hinson, H. C. Linkinhenni, E. F. Oslage, A. R. Gerhart, B. Newman, jr., and Joe Griener, all of Evansville, Ind., protesting against the passage of the Randall mail-exclusion bill, the Bankhead mail-exclusion bill, the Sheppard District of Columbia prohibition bill, the Webb nation-wide prohibition bill, and the Howard bill to prohibit commerce in intoxicating liquors between the States; to the Committee on the Judiciary.

Also, petition of Max Ritter, Joseph Brentano, William H. Bosse, Charles Lipscomb, William L. Wintery, Frank Ostermann, Joseph H. Plock, W. Koltinsky, Herbert Shull, Frank Schmitt, George Rhenhunts, Walter J. Ries, P. H. Kiely, John J. Casey, Ben Bartlett, George A. Barnard, Tony L. Bryan, Edgar Schmidt, William Blain, Edward F. Ossenberg, George L. Covey, Charles Schave, William S. Perrett, Alfred Niemeyer, Michael J. Kelly, Alfred Steene, George Hewig, Pete Vogt, Ernest E. Tidington, John Heeger, Fred Henke, E. T. Shrode, John H. Jack, V. C. Henderson, William Jegler, Will Shergood, George Grassmann,

Arthur H. Schneider, J. H. Moeller, Walter L. McCordle, John B. Allis, Alta Payne, Alfred J. Winzeler, Edward A. Street, Joseph W. Bussings, Richard Kiley, Pete Heitzman, John Jervis, Ernest Ferington, Cornelius Cross, John Birnoi, M. Smith, W. M. McPhillips, Alexander Pritchett, C. H. Bussin, L. Gastennel, A. H. Bunkwinkel, Louis Leechner, Joseph Klein, Charles Baff, Thomas Floyd, F. J. Schmitt, C. F. Grier, A. N. Gilead, Reuben Ruston, Benjamin Fleirlage, Clyde Bittoeff, Gus Kertzman, George Rice, Fred W. Habbe, Charles F. Doerr, R. F. Collins, George Hertweck, E. O. Hopkins, Henry Herndorn, I. A. Wernert, G. C. Jones, Jacob Dulez, E. R. Lett, Henry Desch, Charles R. Bussing, W. C. Lett, R. Quinn, L. J. Gabelman, W. H. Stallings, Otto Korn, T. Siorn, Edward Henke, Ernst Rahm, A. C. Ekerburch, S. Richarson, Ray Ahlering, Henry Buchwinkel, F. Mangold, Fred Hoehl, J. Schentrup, Tony Mathews, Edwin C. Ritt, Nick Lannert, Jacob Haller, Louis Trapp, Henry Johnson, August Schuch, Valentine Weber, P. Paul Schatz, F. Drote, Henry P. Fuchs, Phillip H. Fuchs, Frank Herman, John Kalser, Andrew Fisthmister, Bieford Wakins, John Hanz, Fred Werre, F. H. Kratz, F. X. Becker, John Bell, William Kureger, Oscar Tegtmeier, John Armstrong, C. L. Canturter, J. E. Stickelman, Joseph A. Kewer, Christ Wimduheh, W. Smith, F. J. Schlinter, U. G. Redman, Ernest J. Robertson, John D. Hillenbrand, J. McCaw, E. Rauchmeier, H. A. Kenn, jr., John Beol, George Scholen, W. D. Arnold, J. W. Irons, and Charles Rettinger, all of Evansville, Ind., protesting against the passage of Randall mail-exclusion bill, Bankhead mail-exclusion bill, Sheppard District of Columbia prohibition bill, Webb nation-wide prohibition bill, and Howard bill to prohibit commerce in intoxicating liquors between the States; to the Committee on the Judiciary.

By Mr. LINTHICUM: Petition of Townsend, Grace & Co., of Baltimore, Md., in reference to supply of peroxide of sodium; to the Committee on Foreign Affairs.

Also, memorials of sundry organizations of Baltimore, Md., opposing Steenerson amendment to Post Office appropriation bill affecting catalogues; to the Committee on the Post Office and Post Roads.

Also, petition of Baltimore Aerie, No. 5, Fraternal Order of Eagles, opposing increase in second-class postage rates; to the Committee on the Post Office and Post Roads.

Also, petition of sundry citizens of the State of Maryland, favoring 1-cent letter postage; to the Committee on the Post Office and Post Roads.

Also, petition of John G. Murray & Co., Oswald Pfau, W. Scheffenacker, and others, of Baltimore, Md., against mail-exclusion bills; to the Committee on the Post Office and Post Roads.

Also, petitions of International Union of the United Brewery Workmen of America and Baltimore Photo Engravers' Union, against prohibition bills; to the Committee on the Judiciary.

Also, petitions of Baltimore Federation of Labor and the Albrecht Co., of Baltimore, Md., against passage of House bill 18986; to the Committee on the Post Office and Post Roads.

Also, petition of Young Women's Christian Association, favoring woman's department in the Department of Labor; to the Committee on Labor.

Also, petitions of sundry business concerns of the United States, favoring support of the water-diversion bill at Niagara Falls, N. Y.; to the Committee on Rivers and Harbors.

Also, petition of Charles W. Hess, of Baltimore, Md., favoring increase in pay of railway mail clerks; to the Committee on the Post Office and Post Roads.

Also, petitions of sundry business men of Baltimore, Md., favoring appropriation for improvement of Chesapeake and Delaware Canal; to the Committee on Rivers and Harbors.

By Mr. MOORES of Indiana: Petition of 1,425 citizens of Indianapolis, Ind., protesting against House bill 18986, House joint resolution 84, and House bill 17850; to the Committee on the Post Office and Post Roads.

By Mr. MORIN: Petition of Miss Jeannette M. Eaton, principal of the Belmar School, of Pittsburgh, Pa., and signatures of 41 others, with reference to Federal suffrage amendment; to the Committee on the Judiciary.

By Mr. OAKEY: Memorial of sundry citizens of Farmington, Conn., favoring national prohibition; to the Committee on the Judiciary.

By Mr. OLNEY: Petition of citizens of Sharon, Mass., favoring national prohibition; to the Committee on the Judiciary.

By Mr. PRATT: Petition of Hornell Aerie, 701, Fraternal Order of Eagles, Hornell, N. Y.; Elmira Aerie, 941, Fraternal Order of Eagles, Elmira, N. Y.; and Ithaca Aerie, Fraternal Order of Eagles, Ithaca, N. Y., opposing section 10 of the Post Office appropriation bill, "unless first paragraph is amended to exclude from the operation of the bill fraternal magazines published by fraternal orders not for profit but solely for education and information"; to the Committee on the Post Office and Post Roads.

By Mr. SMITH of Michigan: Petition of H. H. Clarkson, of Hillsdale, Mich., against zone rate in Post Office appropriation bill; to the Committee on the Post Office and Post Roads.

Also, petition of A. R. Rodgers and 300 citizens of Kalamazoo, 275 citizens of Coldwater, 32 citizens of Hillsdale, and 299 citizens of Battle Creek, all in the State of Michigan, against Post Office appropriation bill increasing rate on fraternal magazines; to the Committee on the Post Office and Post Roads.

By Mr. SNELL: Memorial of Frank L. Baker, president, and Henry Larock, secretary, Local Union (Plattsburg, N. Y.) No. 1042, V. B. of C. and J. of A., protesting against the adoption of mail-exclusion bills; to the Committee on the Post Office and Post Roads.

By Mr. SNYDER: Petitions of sundry citizens of the thirty-third district of New York, favoring woman suffrage: to the Committee on the Judiciary.

Also, petition of Pesidents L. Hommedieu and Moy, of the Baptist and Methodist Episcopal Churches of Herkimer, and Men's Bible Class of Plymouth Church, Utica, N. Y., favoring prohibition; to the Committee on the Judiciary.

Also, memorial of Empire Society, Sons of American Revolution, of New York, and Schenectady Chapter, Daughters of the American Revolution, favoring national park on the site of the battle field of Oriskany; to the Committee on Military Affairs.

Also, petition of Utica (N. Y.) Order of Eagles, against increasing postal rates on second-class matter; to the Committee on the Post Office and Post Roads.

By Mr. STINESS: Petition of Rhode Island Press Club, against changing the system and rate for carriage of second-class mail matter; to the Committee on the Post Office and Post Roads.

Also, petition of Warwick (R. I.) Aerie, No. 1313, Fraternal Order of Eagles, against changing system and rate for carriage of second-class mail matter; to the Committee on the Post Office and Post Roads.

Also, petitions of sundry citizens of the second Rhode Island district, against any prohibition bill; to the Committee on the Judiciary.

Also, papers to accompany House bill 19773, for relief of Thomas F. Jennison; to the Committee on Invalid Pensions.

By Mr. TREADWAY: Petition of sundry citizens of North Adams, Mass., favoring suffrage amendment; to the Committee on the Judiciary.

By Mr. WARD: Petition signed by 160 residents of Kingston, N. Y., protesting against the passage of House bill 18986, Randall mail-exclusion bill; Senate bill 4429, Bankhead mail-exclusion bill; Senate bill 1082, Sheppard District of Columbia prohibition bill; House joint resolution 84, Webb nation-wide prohibition bill; and House bill 17850, Howard bill, to prohibit commerce in intoxicating liquors between the States; to the Committee on the Judiciary.

By Mr. WILLIAMS of Ohio: Petition of members of the I. B. E. W., against prohibition bills; to the Committee on the Judiciary.

Also, petition of 135 citizens of Akron, Ohio, against prohibition bills; to the Committee on the Judiciary.

SENATE.

FRIDAY, *January 12, 1917.*

The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the following prayer:

Almighty God, we come to Thee for the great gift of life, for the fuller and more abundant life Thou hast revealed to us in Thy Word. Thou hast given to us in our power of self-expression something of the Divine. We pray that our hearts may be so attuned to the Divine Nature as that their outward expressions may be Godlike. Give to us Thy grace that our lives may be conformed to Thy will, and that the acts of our lives may stand the test that Thou hast given to us, a test which brings in its train the blessings of civilization and all the higher blessings and comforts and happiness of life. Hear us in our prayer for the forgiveness of sins and for the Divine guidance. For Christ's sake. Amen.

The PRESIDENT pro tempore. The Secretary will read the Journal of the proceedings of the preceding day.

Mr. GALLINGER. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.