the word "such," to strike out "notes and obligations" and insert "bonds"; in line 17, after the word "The," to strike out "corporation" and insert "Corporation"; and, in line 23, after the words "of the," to strike out "corporation" and insert "Corporation," so as to make the section read:

SEC. 10. That any and all bonds issued by the Corporation shall be exempt, both as to principal and interest, from all taxation now or hereafter imposed by the United States, any State, or any of the possessions of the United States, or by any local taxing authority, except (a) estate or inheritance taxes, and (b) graduated additional income taxes, commonly known as surtaxes, and excess profits and war-profits taxes, now or hereafter imposed by the United States, upon the income or profits of individuals, partnerships, associations, or corporations. The interest on an amount of such bonds the principal of which does not exceed in the aggregate $5,000 owned by any individual, partnership, association, or corporation shall be exempt from taxes provided for in subdivision (b) of this clause. The Corporation, including its franchise and the capital and reserve or surplus thereof and the income derived therefrom, shall be exempt from all taxation now or hereafter imposed by the United States, any State, or any of the possessions of the United States, or by any local taxing authority, except that any real property of the Corporation shall be subject to State, county, or municipal taxes to the same extent, according to its value, as other real property is taxed.

The amendment was agreed to.

The PRESIDING OFFICER. This completes the amendments except those passed over.

Mr. SIMMONS. As all the amendments of the Finance Committee have been agreed to except those that have gone over, I move that the Senate adjourn.

The motion was agreed to; and (at 5 o'clock and 15 minutes p. m.) the Senate adjourned until to-morrow, Friday, March 1, 1918, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES.

THURSDAY, *February 28, 1918.*

The House met at 12 o'clock noon.

Rev. John Compton Ball, pastor of the Metropolitan Baptist Church, Washington, D. C., offered the following prayer:

Our Heavenly Father, before the mountains were brought forth or Thou hadst formed the earth or the world, even from everlasting to everlasting Thou art God, and we come to join with all nature this morning in recognizing Thy majesty and Thy wisdom and Thy power. We thank Thee, O God, for the wonderful prominence Thou hast given us among the nations of the earth, for the marvelous way in which Thou hast led us. We thank Thee for the great men of the past who founded the Nation upon the Book of God, and we come to pray that we may be worthy sons of worthy sires. Let Thy blessing, we pray, rest upon this Legislative Hall this day, and may all that is done be done to Thy honor and glory. Lead us in the way of life, and help us to stand for religious liberty, for peace, and for the uplift of humanity. For Jesus Christ's sake. Amen.

The Journal of the proceedings of yesterday was read and approved.

SENATE BILLS REFERRED.

Under clause 2 of Rule XXIV, Senate bills of the following titles were taken from the Speaker's table and referred to their appropriate committees, as indicated below:

S. 3915. An act to reimburse Benson County, N. Dak., for money expended in the care of three insane Indians; to the Committee on Indian Affairs.

S. 2776. An act providing for the classification of lands under the stock-grazing homestead act in certain States, and for other purposes; to the Committee on the Public Lands.

DESIGNATION OF SPEAKER PRO TEMPORE FOR SUNDAY.

The SPEAKER. The Chair designates Mr. TILSON, of Connecticut, to preside next Sunday.

CHANGE OF REFERENCE.

Mr. MOON. Mr. Speaker, by direction of the Committee on the Post Office and Post Roads I move a change of reference of House bill 10239, authorizing the Post Office Department to acquire and extend the telephone system of the District of Columbia; to insure the Government complete control of such means of communication in safeguarding its military and executive affairs within the seat of government; and to promote the service to the public, from the Committee on the District of Columbia to the Committee on the Post Office and Post Roads.

Mr. MADDEN rose.

The SPEAKER. For what purpose does the gentleman from Illinois rise?

Mr. MADDEN. I want to make the point of no quorum, Mr. Speaker.

The SPEAKER. Do you make it?

Mr. MADDEN. Yes, sir.

The SPEAKER. The gentleman from Illinois makes the point that there is no quorum present, and the Chair will count. [After counting.] One hundred and seventy-five gentlemen are present, not a quorum.

Mr. CRISP. Mr. Speaker, I move a call of the House.

Mr. MOON. I move a call of the House.

The SPEAKER. The gentleman from Georgia and the gentleman from Tennessee move a call of the House. The question is on agreeing to that motion.

The motion was agreed to.

The SPEAKER. The Doorkeeper will close the doors, the Sergeant at Arms will notify the absentees, and the Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Britten	Fairchild, G. W.	Jones, Tex.	Ragsdale
Campbell, Kans.	Flynn	Kahn	Riordan
Capstick	Focht	Kraus	Robbins
Chandler, N. Y.	Glass	Kreider	Rowland
Copley	Graham, Ill.	LaGuardia	Sanders, N. Y.
Curry, Cal.	Gray, N. J.	Lobeck	Scott, Iowa
Dallinger	Gregg	Longworth	Scully
Dent	Hamilton, N. Y.	McKeown	Sisson
Dill	Heintz	Maher	Smith, T. F.
Drukker	Helvering	Mason	Snell
Dunn	Hollingsworth	Mondell	Stephens, Nebr.
Eagan	Hood	Nelson	Wilson, La.
Eagle	Howard	Nicholls, S. C.	
Fairchild, B. L.	Johnson, S. Dak.	Porter	

The SPEAKER. On this vote 37 Members, a quorum, answered to their names.

Mr. CRISP. Mr. Speaker, I move to suspend further proceedings under the call.

The motion was agreed to.

The SPEAKER. The Doorkeeper will open the doors.

Mr. MOON. Mr. Speaker, in order to explain this motion I ask unanimous consent that the gentleman from Kentucky [Mr. JOHNSON] and myself shall each have five minutes.

The SPEAKER. The gentleman from Tennessee asks unanimous consent that on this motion to rerefer a bill he shall have five minutes and the gentleman from Kentucky [Mr. JOHNSON] five minutes. Is there objection?

Mr. JOHNSON of Kentucky. Mr. Speaker, reserving the right to object, I ask that I be permitted to divide my five minutes with the gentleman from Michigan [Mr. MAPES].

Mr. MOON. I will amend my motion so as to enable us both to divide our time with the gentleman from Michigan.

The SPEAKER. The gentleman from Tennessee amends his motion so that both he and the gentleman from Kentucky will have the right to subdivide the time. Is there objection?

There was no objection.

Mr. MOON. Mr. Speaker, this motion raises a question of jurisdiction over the bill H. R. 10239 between the Committee on the District of Columbia and the Committee on the Post Office and Post Roads. I will read two sections of the bill, so that the House may have the facts before it on which to determine the legal question under the rule. This bill provides in the first section—

That in order to promote the Postal Service the Postmaster General of the United States is hereby vested with a monopoly of the function and means of electrical communication for hire by telephone within the District of Columbia.

And in the second section—

SEC. 2. That the telephone systems and networks within the District of Columbia employed in the transmission of communications for hire and the central-office equipment, underground cables, underground conduits, aerial cables, aerial wires, poles, building cables, subscribers' stations, including indoor wiring and drops to premises of subscribers, private branch-exchange switchboards, land, buildings, furniture and fixtures, tools and teams, stores and supplies, and all other property used in the telephone service and appropriate and necessary for the operation of the same by the United States within the District of Columbia, are hereby declared to be, and the same are hereby, condemned and appropriated to and for the use of the United States of America, to be used by it for such public purposes as may be proper.

Mr. Speaker, this bill is one that provides for additional facilities of the Post Office Department by taking over telephone companies of the District of Columbia. It provides for an appropriation for the payment to the owners of the telephone company, and an issue of bonds is provided and a direct appropriation in dollars and cents for a partial payment.

Then there are other provisions which provide for the control by the Postmaster General of this telephone system in connection with other postal facilities, and a telephone commission is provided to pass upon questions of dispute between the Government and the telephone companies. I may say here that the Postmaster General requests me to say that he is willing and ready to operate the telephones under the direction and by the

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

authority of Congress, and that he has made no other suggestions.

Mr. SHERWOOD. What is the amount of the bonds to be issued?

Mr. MOON. Seven million dollars of bonds is provided in the bill. I state these facts as bearing on the question of jurisdiction. This House has never yet held to what committee questions affecting the telephone system of the United States goes.

Before discussing the rule itself, which in positive terms determines this question, let us look at the reason and the authority by which the Congress of the United States exercises control over the telephone and telegraph. It is under those simple words of the Constitution that Congress shall have power "to establish post offices and post roads." And under the well-known interpretation it has the power to pass all necessary laws to carry into effect the express grants of the Constitution or those fairly implied from it. Under that, it controls the transportation of mails, it controls the roads over which mails may pass, and the whole Postal Service. Therefore, in making the rules of the House for the distribution of the powers of Congress between the committees, the House provided that all subjects relating to the Post Office and post roads, including appropriations therefor, should be submitted to the Committee on the Post Office and Post Roads. That defines the jurisdiction of that committee. It provided further that all subjects relating to the District of Columbia, other than appropriations therefor, should go to the Committee on the District of Columbia.

The Committee on the District of Columbia brings into this House a bill that in the very first section of it provides for a postal facility, a means of communication, by which it undertakes to control the Postal Service, to pass a law in reference to it, to give this new and additional facility to the Postal Department of the United States. Whence comes this power? The fact that we propose to take the telephone system in the District of Columbia does not give jurisdiction. The extent of the territory involved does not determine the jurisdiction. The jurisdiction is determined by the subject matter over which you seek to legislate. The subject matter in this instance is postal. The telephone is an adjunct to the Postal Service. Upon that very theory this House once held that the Committee on the Post Office and Post Roads had exclusive jurisdiction of questions affecting the postal telegraph. And what is the postal telegraph? It is a means of communication to be provided for in the Post Office Service. The telephone is only another means. If we have any power to take over and handle either, it is the result of that clause of the Constitution to which I have referred, and the committee that has jurisdiction to determine it is the committee to which that power has been delegated by this section of the rules.

Now, you will see in a moment that if that were not true, still the Committee on the District of Columbia could not handle this appropriation, because its power goes to those things of a municipal nature alone within the specified territory of the District of Columbia.

The SPEAKER. The time of the gentleman has expired.

Mr. MOON. I ask unanimous consent for two minutes more.

The SPEAKER. The gentleman asks for two minutes more. Is there objection?

There was no objection.

Mr. MOON. The power of the Committee on the District of Columbia goes to those things that affect the municipality of this territory. This is not a municipal question. This is a postal question, that affects the whole Government, and one section of this bill provides for the handling of this service between the States.

Now, another view: Under the rules of the House this Committee on the District of Columbia is absolutely destitute of any power to make an appropriation for anything. The power to appropriate for a postal facility belongs, by the terms of the rule, to the Committee on the Post Office and Post Roads. I suggest that if this were a bill that provided for a reduction or increase of rates, or for the betterment of the telephone system in the District of Columbia as a public utility, then it would be a municipal question, and that committee might legislate in reference to it; but it makes it a postal facility, and the telephone is a postal facility that would not operate alone in the District of Columbia. If it did, the power would still be in the Committee on the Post Office and Post Roads. The Committee on the District of Columbia might just as well undertake to assume jurisdiction over a pneumatic tube, or over the screen-wagon service, or over any other postal facility in the District. It is not a question affected by territory. It is the subject matter with which this House must deal—that determining the question of jurisdiction.

The power of Congress to take over the telegraph and telephones arises, as I said, from the provisions of the Constitution that enable it to establish post offices and post roads. These instrumentalities must be taken over as a means of communication—as a part of the Postal System. They can not otherwise be constitutionally obtained. The committee that has the right to legislate and appropriate money for the Postal Service under the rules of the House is the committee that properly has jurisdiction to report a bill on this question. Inasmuch as these instrumentalities can be obtained only as postal facilities, no bill could be drafted under the rules over which any committee except the Post Office and Post Roads Committee would have jurisdiction, unless, possibly, the instrumentalities might be taken over under the war power of Congress by a bill from the Military Committee.

Mr. DUPRÉ. May I ask the gentleman a question?

The SPEAKER. The time of the gentleman from Tennessee has expired.

Mr. JOHNSON of Kentucky. Mr. Speaker, I desire the Chair to notify me when I have used four minutes of my time.

The gentleman from Tennessee [Mr. MOON] has asked for the transfer of this bill from the District Committee to the Post Office Committee, because he says the bill deals with post offices and post roads. I assert that it does nothing of the sort. It deals only with telephones and telegraphs, and it deals only with those institutions in the District of Columbia. The provision of the bill is for the District of Columbia to take over the telephones and the telegraphs only within the District of Columbia.

Mr. MOON. That is for the Postal Service, however.

Mr. JOHNSON of Kentucky. The gentleman from Tennessee believes that because the Postmaster General is named in the bill as the one to manage it, therefore it becomes a postal matter. I say that it does not. Anybody else might have been named just as well. The Attorney General, the Secretary of the Navy, the Secretary of War, or anybody else might have been named instead to take charge of the local telephones after they have been acquired. The man in the moon might have been named to take charge of them after they were acquired by the District of Columbia, but even that would not permit the bill to go to the "Moon committee." The District of Columbia Committee has jurisdiction of legislation pertaining to the District of Columbia, and this bill does not undertake to go beyond the District of Columbia. I say it is a clear proposition that the Committee on the District of Columbia has jurisdiction over this question. I wish to impress that; because the bill says that the telephones shall be controlled by the Postmaster General, that fact does not make it a post-office matter. Any other department of the Government or any individual, whether a Government official or not, might be named in this bill to take charge of these telephones and operate them after the District of Columbia has acquired them.

The gentleman refers to the question of appropriations. If the gentleman makes the point that the District of Columbia Committee has no right to make the appropriation, in return I say that the Committee on the Post Office and Post Roads has no right to make the appropriation for this purpose, because, if the motion should prevail at all, it should be that this bill go to the Committee on Appropriations. The gentleman's committee has a right to make appropriations for post offices and post roads, but not for taking over telephones. Would the Committee on Public Roads, of which the gentleman from Missouri [Mr. SHACKLEFORD] is chairman, have jurisdiction to take control of a bill to open a road within the District of Columbia, or to improve a road within the District of Columbia? By no means. The Department of Justice would not have jurisdiction over a local court, that the Committee on the District of Columbia for a hundred years has been conceded to have jurisdiction over.

Mr. MOON. Will the gentleman allow me to ask him a question?

Mr. JOHNSON of Kentucky. Provided he does not break into my four minutes.

Mr. MOON. The very first sentence of your bill is—

That in order to promote the "Postal Service."

Mr. JOHNSON of Kentucky. That is surplusage.

Mr. MOON. Telephones are in promotion of the Postal Service.

Mr. JOHNSON of Kentucky. They may be or may not be. The Postmaster General has been designated in this bill to operate these phones in the District of Columbia after they have been acquired.

Mr. MOON. In connection with the Postal Service.

Mr. JOHNSON of Kentucky. The gentleman from Tennessee himself could be named in that bill instead of the Postmaster

General, and it would not thereby take the matter to his committee any more than it would with the Postmaster General's name.

Mr. MAPES. Mr. Speaker and gentlemen of the House, without regard to the merits of the legislation proposed in the bill in question, I submit that if the motion of the gentleman from Tennessee [Mr. MOON] prevails and the principle of that motion is adopted as the permanent policy of the House, the District Committee will be practically relegated to that class of committees that has little or nothing to do, about which we heard so much yesterday.

The rules of the House provide that all proposed legislation pertaining to all subjects relating to the District of Columbia, except appropriations, shall be referred to the District Committee. They provide also that all proposed legislation pertaining to all subjects relating to the post office and post roads, including appropriations for their support, shall go to the Post Office Committee.

The bill which the gentleman from Tennessee desires to take away from the Committee on the District of Columbia and have referred to the Committee on Post Offices and Post Roads, of which he is chairman, provides for taking over the telegraph and telephone lines of the District of Columbia and putting them under the control of the Post Office Department. It is true that the subject matter of the bill deals incidentally with a subject relating to the service of the Post Office Department, but only incidentally, and there is scarcely a subject within the jurisdiction of the District Committee which does not incidentally touch upon the jurisdiction of some other committee as much as this bill does on the jurisdiction of the Committee on Post Offices and Post Roads.

I submit that under the rules of the House this bill was properly referred to the District Committee. I read from Hinds' Precedents, section 4277:

The Committee for the District of Columbia reports bills proposing legislation as to the general municipal affairs of the District.

The Committee for the District of Columbia has a general and usually an exclusive jurisdiction of all bills proposing legislation relating to the affairs of the District of Columbia, and reports on such subjects as the extension of streets, affairs of the schools and teachers, control of railroads, police and fire department, etc.

The rules of the House of Representatives provide that all proposed legislation pertaining to all subjects relating to the alcoholic liquor traffic shall be referred to the Committee on Alcoholic Liquor Traffic. At the same time the Committee on the District of Columbia has exercised general jurisdiction of bills for the regulation of the sale of intoxicating liquors in the District of Columbia. (Hinds' Precedents, sec. 4281.) In the last Congress it reported the bill providing for prohibition in the District. No one has ever questioned the jurisdiction of the District Committee over such legislation. The Agricultural Committee has jurisdiction of and has reported the pure-food legislation. At the same time the subject of the adulteration of food, drugs, and so forth, in the District is within the jurisdiction of the Committee for the District of Columbia. (Hinds' Precedents, sec. 4280.)

Again, the rules of the House provide that all proposed legislation pertaining to all subjects relating to river and harbor legislation shall be referred to the River and Harbor Committee, but the Precedents say that the harbor regulations for the District have been within the jurisdiction of the Committee on the District of Columbia. (Hinds' Precedents, sec. 4286.)

If this is an appropriation bill, then the subcommittee on the District of Columbia of the Appropriations Committee has jurisdiction of it and not the Committee on the Post Office and Post Roads. The subject of this bill pertains to the telephone and telegraph lines within the District of Columbia and to no other subject.

Mr. MOON. Will the gentleman yield?

Mr. MAPES. I can not yield in three minutes. The Post Office Committee has jurisdiction of post offices and post roads, but up to date the subject of this bill does not relate at all to the Post Office Department. The Post Office Department is merely the vehicle for handling postal matters and has nothing to do with the merits of legislation such as is proposed in this bill. I submit, gentlemen of the committee, without regard to the merits of the legislation, that it comes within the jurisdiction of the District Committee under the rules of the House and that the motion of the gentleman from Tennessee should be voted down. [Applause.]

The SPEAKER. The question is, Shall the House bill 10239 be rereferred to the Committee on the Post Office and Post Roads?

The question was taken; and on a division (demanded by Mr. MADDEN and Mr. MOON) there were—ayes 149, noes 102.

Mr. JOHNSON of Kentucky. I demand tellers.

Mr. CARY. Mr. Speaker, I demand the yeas and nays.

The SPEAKER. The gentleman from Wisconsin demands the yeas and nays. All those in favor of taking the question by yeas and nays will rise. [After counting.] Forty-three, not a sufficient number.

Mr. MAPES. I ask for the other side.

The other side was taken.

The SPEAKER. Two hundred and fourteen gentlemen have arisen. Forty-three is not a sufficient number. The yeas and nays are refused and the motion prevails.

FEDERAL CONTROL OF RAILROAD TRANSPORTATION.

Mr. SIMS. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the railroad bill.

Mr. CLARK of Florida. Mr. Speaker, I ask unanimous consent for the present consideration of the bill H. R. 10022, a bill to arrange for the purchase of the Arlington property by the Treasury Department.

Mr. SIMS. I object.

The SPEAKER. The question is on going into Committee of the Whole to consider the railroad bill.

The motion was agreed to.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union, with Mr. GARRETT of Tennessee in the chair.

The CHAIRMAN. The House is now in Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 9685) to provide for the operation of transportation systems while under Federal control, for the just compensation of their owners, and for other purposes. When the committee rose last Tuesday it was about to divide on the amendment proposed by the gentleman from Iowa [Mr. SWEET]. Tellers had been ordered, and the gentleman from Iowa [Mr. SWEET] and the gentleman from Tennessee [Mr. SIMS] will take their place as tellers.

Mr. STAFFORD. Mr. Chairman, I ask that the amendment be again reported.

Mr. FOSTER. I object.

The committee divided; and the tellers reported that there were 164 ayes and 157 noes.

So the amendment was agreed to.

Mr. COOPER of Ohio. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Mr. COOPER of Ohio moves to amend as follows: On page 12, line 9, strike out the words "But no process" and all of lines 10 and 11 and insert in lieu thereof the following:

"No process, mesne or final, shall be levied against any property under Federal control or, in connection with any suit or proceeding that may properly be brought against the carrier under this section, against any property belonging to the owner of a railroad or system of transportation; but the President shall, by regulation, provide for the payment out of the operating revenue derived from Federal control or, if that is insufficient, out of the revolving fund of any judgments or awards, and for the enforcement of any decrees or orders that may be rendered against the United States in any such suit or proceeding."

Mr. COOPER of Ohio. Mr. Chairman, I believe this is one of the most important sections of this bill. I am not just so partial to the amendment that I have offered as to insist upon it being adopted. I understand there will be offered other amendments, which will probably change this section as I would like to have it changed, but the first part of the section relates to the liability of common carriers. It says that the common carriers shall be liable as they now are under the State and Federal laws. On page 12, in line 2, I wish to call attention to the words "or with any order of the President." I touched on this in general debate a few days ago. It seems to me that the wording of this section makes it very clear that the carrier shall be liable for an injury or for damages, providing such injury or damages were not caused by an order of the President or by some one else who had governmental authority. Then, in lines 9, 10, and 12, you will find that in case the injured party received a judgment against the carrier there is no way by which he can collect the judgment, for it is provided—

That no process, mesne or final, shall be levied against any property under such Federal control.

It seems to me that when judgment is rendered, that is conclusive evidence that the injured party ought to be paid, but under the wording of the section there is no way whatsoever by which the party receiving judgment can have the same executed. The amendment I have offered provides that whenever a judgment is rendered the President shall be empowered to pay such judgment out of the revolving fund or out of the earnings of the railroad company. I believe that this amendment is fair. I believe in justice to the thousands of railroad employees in this country there ought to be some way of protecting them, as they are now protected under State and Federal laws, and if

they recover judgment in the courts I believe that that judgment ought to be paid. If you leave this section the way it is now, there will be no way in which you can have the judgment executed. There will be other amendments offered. I do not know whether this is the best one or not, but I do hope there will be something done along this line before we leave this question.

Mr. PARKER of New Jersey. Mr. Chairman, will the gentleman yield?

Mr. COOPER of Ohio. Yes.

Mr. PARKER of New Jersey. Mr. Chairman, I sympathize with the gentleman's object, but has he not used the language "judgment against the United States" in his amendment, when, as a matter of fact, he means to say "judgment against the carrier"? Will the Clerk read the amendment again?

The CHAIRMAN. Without objection, the Clerk will again report the amendment.

There was no objection, and the Clerk again reported the amendment.

Mr. COOPER of Ohio. Mr. Chairman, I ask unanimous consent to amend the amendment by substituting the word "carrier" for the words "United States," to conform with the suggestion of the gentleman from New Jersey.

The CHAIRMAN. The gentleman from Ohio asks unanimous consent to modify his amendment by striking out the words "United States" and inserting the word "carrier." Is there objection?

There was no objection.

Mr. SIMS. Mr. Chairman, I desire to ask the gentleman from Ohio if his amendment does not provide to pay a judgment out of the revolving fund or out of the operating revenues received by the Government for causes arising prior to the taking over of the railroads?

Mr. COOPER of Ohio. I think so.

Mr. SIMS. I think it does, if I heard it read correctly. If the payment of judgments which have been rendered is confined to those rendered against the road while the Government is in control, they would be paid immediately. I understood from the reading of it that a judgment rendered against the railroad company for a cause arising prior to the taking over of the railroads must be paid.

Mr. COOPER of Ohio. Yes.

Mr. SIMS. The bill itself does not prevent and will authorize the President to pay anything for which the Government is liable during Government control.

Mr. COOPER of Ohio. I would be very much obliged to the chairman if he will tell me where such a provision is in the bill.

Mr. SIMS. The Government takes them over, and it is responsible for everything that happens after it takes them over, and therefore would have to pay the judgment.

Mr. COOPER of Ohio. I want to ask the chairman of the committee a question. Does it not say in lines 9, 10, and 11 that no process shall be levied against any property under such Federal control?

Mr. SIMS. Yes.

Mr. COOPER of Ohio. Now, where do you provide in the bill that the President shall pay a judgment?

Mr. SIMS. The property of the United States is never levied on in order to collect a debt owing by the United States. This property after it is taken over is in the hands of the Government and must be operated for war purposes. A judgment rendered against the carrier for a cause of action arising after it is in Government control is a judgment in effect against the President of the United States, and you would not want to levy on a train or an engine and stop it from running or carrying troops, because the Government will pay the judgment without anything of that sort. That is a dangerous amendment and does not do any good.

Mr. COOPER of Ohio. I want to say to the gentleman that my amendment does not provide that you can levy on a train or equipment. It is the very opposite of that.

Mr. SIMS. Let me ask the gentleman. The gentleman strikes out this language:

> But no process, mesne or final, shall be levied against any property under such Federal control.

Does not the gentleman strike that out? Of course he does.

Mr. COOPER of Ohio. But I put it in again in the amendment I have offered.

Mr. SIMS. That is exactly what you strike out.

Mr. COOPER of Ohio. The wording of this section, as the Chair knows, is:

> And in any suit against the carrier no defense shall be made thereto upon the ground that the carrier is an instrumentality or agency of the Federal Government.

Mr. SIMS. Certainly; that is right and it ought to be.

Mr. COOPER of Ohio. If defense can not be made, how are you going to levy?

Mr. SIMS. You do not want to levy; the Government will pay, because it is liable.

Mr. COOPER of Ohio. Where in the bill does it authorize the President to pay the judgment when it has been rendered by the courts?

Mr. SIMS. Because the Government pays a standard return, and certainly when a railroad is being operated through a governmental agency, through the Director General, and a cause of action arises growing out of his action, of course the Government is liable.

Mr. COOPER of Ohio. I want the gentleman to point to the specific provision where the President is authorized to pay a judgment when it is rendered by the courts.

Mr. SIMS. When a judgment has been rendered against the Director General, or the railroad since the Director General has taken them over, it does not require any further authorization any more than to pay the standard return. We do not provide here that a railroad may bring suit for its standard return.

Mr. COOPER of Ohio. The gentleman is taking for granted the President or the Director General will pay.

Mr. SIMS. It will be a liability, just the same as wages of employees.

Mr. COOPER of Ohio. Why did not the gentleman put such a provision in the bill?

Mr. SIMS. If you put everything in the bill, it will be as long as from here to Jericho.

When you specify you have to include everything, and when you begin to specify you must specify everything, or thereby you exclude everything that is not specified. This amendment is wholly unnecessary and can not possibly do any good, because there is no thought of avoiding liability for anything growing out of the operation of railroads during the Federal control.

Mr. HAMLIN. Will the gentleman yield?

Mr. SIMS. I will.

Mr. HAMLIN. The gentleman is laboring under a very wrong impression as to the provision of the amendment offered by the gentleman from Ohio. He does strike out of the bill the words prohibiting the issuance of any process against any property under such Federal control, but he puts them back in his amendment, and it is in there.

Mr. SIMS. There is no use lumbering this up. There is nothing to keep the Government from being liable for what happens in the way of an accident or such matter while the railroads are under Federal control.

Mr. HAMLIN. Why does the gentleman object to the Government paying out of the operating expenses or the revolving fund obligations in the shape of judgments now existing against railroads when they were taken over by the Government——

Mr. SIMS. That is provided——

Mr. HAMLIN (continuing). When the Government takes the roads over under your bill and John Smith has a valid judgment against the Pennsylvania Railroad, for instance, he can not collect it as long as the road remains under Government control.

Mr. SIMS. It will be paid out of what is going to the railroad at the end of Government operation.

Mr. HAMLIN. There is no provision in the bill to that effect.

Mr. SIMS. I hope the amendment will be voted down.

The CHAIRMAN. The time of the gentleman has expired.

Mr. KEARNS. Mr. Chairman, after a careful reading of this bill I am constrained to believe that the amendment offered by the gentleman from Ohio [Mr. COOPER], or one similar in character, ought to be adopted and made a part of this bill. Without such an amendment there seems, to my mind, no question but it would be a futile matter for any litigant to bring suit against a railroad company. This matter is not only important to every employee of the railroad company but it is important to every man, woman, and child in the United States who may receive an injury at the hands of any railroad company taken over by the Government. It is important to the traveling public as well as it is to those in the employment of a railroad company. If the chairman of this committee is right in his contention, there would be no necessity for this amendment, but the bill itself is absolutely silent. What authority have we to say, if it is not written in the bill, that the Government will interpret the bill as does the chairman of this committee? What reason can he urge if he wants that idea in his bill for not having a clause in the bill that will make it plain after it is enacted into law? This is very important. We ought not to leave it to chance, because every Member of the

Congress of the United States is directly interested in this piece of legislation. There is not a Member of this House but what every time he takes passage upon a railroad is taking a chance of an injury, and if that injury is caused by the neglect of the company, the company ought to be made to respond in damages, and as this bill is written there is no way that the injured person can collect damages after he has prosecuted his claim to a finality.

Mr. SWITZER. Will the gentleman yield?

Mr. KEARNS. I will.

Mr. SWITZER. As I understand the gentleman's proposal is to put in language by which you can enforce the judgment after it is rendered?

Mr KEARNS. That is what we want written in this law.

Mr. SWITZER. There is no use having a judgment if you can not enforce it.

Mr KEARNS. Your judgment, unless it can be cashed, is absolutely worthless, and under this bill I can not help but believe, and I believe it is the consensus of opinion of the lawyers of this House, that the judgment would be a mere scrap of paper, nothing more.

Mr. HARDY. Will the gentleman yield just for information?

Mr. KEARNS. Yes.

Mr. HARDY. Has the gentleman carefully read the amendment, and can he say whether or not it would authorize or require the payment of judgments for causes arising prior to the taking over of the road?

Mr. KEARNS. I do not think it does, but it ought to do so. If you have a judgment against the railroad company, and that judgment is now pending, and to-morrow the railroad shall be taken over by the Government, the mere fact that that railroad company is taken under Government control to-morrow ought not to defeat your rights under your judgment.

Mr. HARDY. But would the gentleman have that judgment paid out of the $500,000,000 we contribute here?

Mr. KEARNS. I would have it paid out of any receipts that might in the future come into the hands of the Government from the railroad companies.

Mr. HARDY. From the operation of the railroad companies?

Mr. KEARNS. From the operation of the railroad companies.

Mr. HARDY. But not out of this $500,000,000?

Mr. KEARNS. No; not out of this $500,000,000.

Mr. HARDY. The gentleman qualifies that. I understand all that you mean is that if there is not enough property of the road and from the operating receipts of the road the gentleman would take from this $500,000,000 to pay it?

Mr. KEARNS. No; I have not said that. I have said that this amendment ought to be so constructed that this judgment should be paid out of any receipts from that road that might be in the hands of the Government or might hereafter come into the hands of the Government.

Mr. DEWALT. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman is recognized in opposition to the pro forma amendment.

Mr. DEWALT. Mr. Chairman and gentlemen of the committee, I recognize very fully the importance of this proposed amendment, and were it worded somewhat differently I would unhesitatingly support it. I grant that this bill does not in express terms provide for the payment of a judgment which may be obtained against the companies even during Federal control. And I also grant, for the purposes of the argument, that it nowhere in explicit terms provides for the payment of judgments, awards, and decrees which have been obtained prior to Federal control. Judgments, awards, or decrees for the payment of money against carriers are charged up primarily against operating expenses and income. All railroad accounting is based upon that theory and upon those facts. This bill does provide that out of the standard return obtained by operating the railroads and the calculation of the standard return all expenses and legal expenditures shall be provided for and taken out of that standard return. But even there the language is not quite explicit enough, because it says:

> That for the purposes of providing funds requisite for maturing obligations—

Judgments obtained for personal injuries, we will say, would not be maturing obligations—

> or for other legal and proper expenditures—

It might be included under that broad term, but it is followed by the words—

> or for reorganizing railroads in receivership, carriers may, during the period of Federal control, issue such bonds and notes, equipment trust certificates, stock, and other forms of securities.

But I doubt whether the courts would construe that general phraseology, "or other legal and proper expenditures," as inclusive of judgments obtained for such character of cases as that in the mind of the proponent of this amendment.

But the objection—and permit me to address myself to my colleague on the committee, the gentleman from Ohio [Mr. COOPER]—the objection to this amendment is that you propose to take the payment of these judgments out of the revolving fund, because your amendment says that it shall be the payment out of the operating revenue derived from Federal control, or, if that is insufficient, out of the revolving fund.

Now, this revolving fund——

Mr. CARAWAY. May I ask the gentleman a question?

Mr. DEWALT. Certainly.

Mr. CARAWAY. If the Government takes over the carrier, and so operates it that the return will not pay all the legal liabilities of the company, why should it not pay it out of the revolving fund? Suppose a man is working for the company and he is injured? He is entitled to compensation. He obtains a judgment against it, but the Government so operates the road that there is no revenue out of which it can be paid. Now, then, why should he not be paid out of the revolving fund or any other revenue?

Mr. DEWALT. I do not object to the primary construction given by the gentleman from Arkansas [Mr. CARAWAY], but I am referring to section 6, in which the revolving fund of $500,000,000, as already agreed to and passed by this House, is specifically devoted to certain purposes, and that is that, together with funds available from any funds of the carrier, it may be used by the President for the purpose of paying the expenses of the Federal control, and, so far as necessary, the amount of just compensation, and to provide for terminals, motive power, cars, and other necessary equipment. Now, that exclusively confines that $500,000,000 to the purpose of paying expenses during Federal control. And what is no doubt in the mind of the gentleman from Arkansas [Mr. CARAWAY] and in the mind of the gentleman from Ohio [Mr. KEARNS] is to pay judgments which were obtained even before Federal control. Do I understand it correctly?

Mr. KEARNS. No; that was not my intention.

Mr. CARAWAY. Will the gentleman pardon me a minute?

Mr. DEWALT. Certainly.

Mr. CARAWAY. There is not anything in this bill that, in my opinion, authorizes judgments for injuries occurring before the Government took over the railroads, or, in express terms, for those that may occur during Government control.

Mr. DEWALT. I think I said so.

Mr. CARAWAY. I beg your pardon.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. DEWALT. Mr. Chairman, I ask for a minute more.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. LITTLE. May I ask the gentleman one question?

Mr. DEWALT. Certainly.

Mr. LITTLE. Under your system, would the stockholders——

Mr. DEWALT. If the gentleman will permit me just one moment, I wish to say that if the gentleman from Ohio [Mr. COOPER] will reconstruct his amendment in the line of the thought I have tried to present, I will try to give it my support.

Mr. LITTLE. Under your system, would a stockholder of the road receive his compensation before a creditor of the road would receive his pay?

Mr. DEWALT. Oh, no.

Mr. KEARNS. Mr. Chairman, will the gentleman yield?

Mr. LITTLE. On the contrary, is not that the explicit result of it if you are going to pay him out of the $500,000,000 and not pay the other fellow?

Mr. DEWALT. No. The gentleman is either reasoning in a circle or he did not catch the right point and, therefore, he does not get the right conclusion. I yield to the gentleman from Ohio [Mr. KEARNS].

Mr. KEARNS. I think the statement of the gentleman from Pennsylvania is clear, but I was busy reading the bill part of the time. What is the gentleman's opinion on the payment of the judgment?

Mr. DEWALT. There is nothing in the bill that explicitly provides for that, but——

Mr. KEARNS. Would the gentleman be willing to amend the bill so that the prior judgments would be held on the pending judgments?

Mr. DEWALT. When the judgment is final.

The CHAIRMAN. The time of the gentleman from Pennsylvania has again expired.

Mr. SHERLEY. Mr. Chairman, I ask that the gentleman may proceed for five minutes more.

The CHAIRMAN. Is there objection to the gentleman's request?

There was no objection.

Mr. SHERLEY. Will the gentleman yield?

Mr. DEWALT. Yes; I yield to the gentleman.

Mr. SHERLEY. Here was the thought that I was trying to suggest to the gentleman: That any money that should be paid to the railroads for their use and occupancy by the Federal Government, when so paid, would be subject to the payment of any judgment that had been rendered in favor of any person or corporation against such railroad.

Mr. DEWALT. Certainly, sir. The gentleman from Kentucky is exactly right. If he buys a piece of property with a mortgage resting upon it, he buys the property subject to the mortgage, and this would be a lien——

Mr. SHERLEY. A man holding a judgment against the railroad could collect that judgment out of that fund as against any claim of any stockholder.

Mr. DEWALT. There is no question about that.

Mr. LITTLE. Mr. Chairman, will the gentleman yield?

Mr. DEWALT. Yes.

Mr. LITTLE. You now state that the creditors who were creditors before the road passed into the hands of the Government would be paid out of the $500,000,000 fund.

Mr. DEWALT. No; I did not say that.

Mr. LITTLE. I think you did. You say the minute the money is due from the revolving fund it becomes liable for the railroad's debts. Now, you say the money due the railroads out of the revolving fund could not be liable to the debts of the road after it had passed into the hands of the Government.

Mr. DEWALT. No; the gentleman is mistaken. The gentleman did not start with the right premise. If he had started with the right premise he would have come to the right conclusion. The gentleman said I said this was to be paid out of the revolving fund. I did not say anything of the kind.

Mr. LITTLE. This money that the gentleman from Kentucky referred to comes out of the revolving fund.

Mr. DEWALT. No; he was not referring to that at all.

Mr. LITTLE. It comes out of the $500,000,000.

Mr. DEWALT. No. If the gentleman had listened to him and to me he would have understood.

Mr. LITTLE. It is the gentleman who is reasoning in a circle, not I. You say the compensation will be due from the Government to the railroads. From that you agree to pay, according to your theory, a deficit that accrued before the matter passed into the hands of the Government. Is that correct?

Mr. DEWALT. We do not agree to do it, but in all honesty we provide that the President shall make regulations by which those just debts should be paid, not by execution but by regulations of the President.

Mr. LITTLE. Why not pay it out of the $500,000,000?

Mr. DEWALT. There is no objection to that except that the $500,000,000 fund is devoted to specific purposes.

Mr. PARKER of New Jersey. Mr. Chairman, will the gentleman yield?

Mr. DEWALT. Yes.

Mr. PARKER of New Jersey. I think this matter has been confused by speaking of judgments recovered before the Government takes over the railroads. It should be judgments obtained after the Government had taken control of the roads.

Mr. DEWALT. Yes. That is stated by the gentleman from Ohio [Mr. COOPER].

Mr. PARKER of New Jersey. No. All operating expenses due on bills not rendered are expected to be paid out of the operating expenses in the ordinary course of accounts. Is not that a fact?

Mr. DEWALT. Yes. I have stated that in my remarks heretofore.

Mr. PARKER of New Jersey. Ought not that to be stated in the bill definitely?

Mr. DEWALT. Yes; I agree with the gentleman on that. I have stated to the gentleman from Ohio [Mr. COOPER] that if he will re-form his amendment along the line indicated I will give it my support.

Mr. PARKER of New Jersey. Will you not aid in that way?

Mr. DEWALT. I will if I can.

Mr. CARAWAY. Answering the question before, the gentleman said that moneys paid out for injuries, in satisfaction for injuries, were part of the operating expenses?

Mr. DEWALT. Yes.

Mr. CARAWAY. Does not your bill provide that the carrier shall receive certain fixed compensation, which, of course, will pass to its stockholders? Now, if that comes by agreement with the carrier and is not a fund out of which this money can be paid and the judgment paid, will not the party with the judgment against the railroad lose it? I do not know that I am making myself clear.

Mr. DEWALT. The bill provides that the company shall be paid according to the standard return. Do not forget that portion.

Mr. CARAWAY. I will remember that.

Mr. DEWALT. Now, the standard return is made up in a certain way. How is the standard return made up? It is made up by taking the "annual railway operating income, including therein such income of lines acquired by, leased to, or consolidated with it," and in addition to that the United States may, by deductions from the standard return, or by other proper means and charges, be reimbursed for the cost of any addition, repairs, renewals, and betterments, and so forth. There are to be certain deductions made, and "in the computation of such income, debits, and credits arising from the accounts called in the monthly reports to the Interstate Commerce Commission equipment rents and joint facility rents shall be included. The standard return and the cost of such additions, betterments, or road extensions are to be ascertained by the Interstate Commerce Commission from the reports, books, and other pertinent data of such carrier and certified by it to the President. Its certificate shall, for the purpose of such agreement, be taken as conclusive of the amount of such average annual railway operating income and of such cost." Now, all that process is gone into, and these operating expenses are deducted from the income, and the net result makes the standard return.

The CHAIRMAN. The gentleman from New York [Mr. DEMPSEY] offers a substitute. The pro forma amendment is withdrawn.

Mr. DEMPSEY. Mr. Chairman, I have decided not to offer my amendment.

Mr. LENROOT. Mr. Chairman, I offer the following as a substitute.

The CHAIRMAN. The gentleman from Wisconsin offers a substitute for the amendment, which the Clerk will report.

The Clerk read as follows:

Page 12, line 11, at the end of the line, insert the following:

"The President shall by regulation provide for the payment out of the operating revenue derived from Federal control, or, if that is insufficient, out of the revolving fund, of any judgments or awards, and for the enforcement of any decrees or orders, that may be rendered against such owners in any suit of such a character that but for Federal control (a) it could be brought against the owner of any railroad or system of transportation; and (b) any amount paid in compromise thereof or in satisfaction of a judgment or decree therein could be charged to operating expenses or to railway tax accruals under the Interstate Commerce Commission of classification of accounts in force on December 27, 1917. The President shall also provide for the payment, out of operating revenues or out of the revolving fund, of any loss accruing to any owner by reason of any process levied against any property of such owner in connection with any suit of the character above described."

Mr. SIMS. Is this to be a substitute for the entire amendment of the gentleman from Ohio [Mr. COOPER]?

Mr. LENROOT. It is now; yes.

Mr. SIMS. One other question: Does it provide for the payment of judgments for causes of action against the railroad arising prior to Federal control?

Mr. LENROOT. It does not.

Mr. SIMS. Then I am certainly in favor of the substitute.

Mr. JOHNSON of Kentucky. I desire to offer an amendment.

The CHAIRMAN. Does the gentleman from Wisconsin yield for that purpose?

Mr. LENROOT. I should like to take a few minutes in the discussion of it.

The CHAIRMAN. The gentleman from Kentucky will have his opportunity later.

Mr. SIMS. The gentleman from Kentucky has an amendment to which I think there will be no objection.

Mr. JOHNSON of Kentucky. I want to offer an amendment to the amendment of the gentleman from Wisconsin.

Mr. LENROOT. That is all right. The gentleman will have his opportunity later.

I do want to discuss the clear necessity, as it seems to me, of adopting some amendment, either of the character of the one proposed by the gentleman from Ohio [Mr. COOPER] or the one that I have now proposed as a substitute, for this reason: That the bill as it now stands prohibits, or attempts to prohibit, any carrier from making any defense that would otherwise be permitted, on the ground that the carrier is an instrumentality or agency of the Federal Government. It seems very clear that we have no right, that we can not constitutionally prevent the carrier from making the defense that negligence charged was

not that of the carrier as an agent but was due wholly to an order of the President of the United States acting through the Director General of Railroads.

Mr. SIMS. I meant to be understood as accepting the substitute on behalf of the committee.

Mr. LENROOT. I did not know whether the gentleman would accept the amendment as amended by the substitute.

Mr. SIMS. I supposed that was all I had to do.

Mr. DEWALT. Will the gentleman yield for a question?

Mr. LENROOT. Yes.

Mr. DEWALT. Let me ask this concrete question: Does your substitute for the Cooper amendment intend to pay judgments or executions thereon out of any portion of the revolving fund?

Mr. LENROOT. Yes.

Mr. DEWALT. Then I should have to oppose it. If you confine it to operating expenses, that is all right.

Mr. LENROOT. If the operating expenses are not sufficient to pay the judgments; but I want to state—I do not think the gentleman will disagree with me—that my amendment provides that no judgment shall be paid out of either operating expenses or the revolving fund unless it is a judgment arising out of a cause of action accruing during Federal control and is of such a character that under the Interstate Commerce Commission classifications of accounts it would be chargeable to operating expenses.

Mr. DEWALT. That is all right then, but——

Mr. LENROOT. So it would come out of the revolving fund only in the event that there were not sufficient revenues to pay the judgment.

Mr. DEWALT. I wish the gentleman could see his way clear to express the intent that it shall not be paid out of the revolving fund at all, because the revolving fund is explicitly devoted to other purposes.

Mr. LENROOT. I will very frankly state why I do not do that. If we are to prohibit the carrier from making any defense that it is not an agency of the Federal Government, we must give to that carrier a complete remedy so as to make the carrier only a nominal defendant in fact. The carrier must be assured that while the judgment is rendered against it in form, full provision is made for the payment of it. When it is of such a character that it must be charged to operating revenue——

Mr. REED. Will my colleague yield for a question?

Mr. LENROOT. Yes.

Mr. REED. I understood the chairman of the committee to say that as to those judgments or liabilities arising prior to Government control the parties entitled to recover would have no remedy until after Government control ceased.

Mr. LENROOT. That is true only so far as enforcement of the lien upon the property taken over by the Government is concerned. They could at once levy upon this compensation that we are paying the railroads. They could levy upon any property that was not taken over by the Government belonging to the railroad. They could levy upon any money in the treasury of the railroad corporation.

Mr. REED. I did not so understand the chairman of the committee [Mr. SIMS].

Mr. SIMS. The statement of the gentleman from Wisconsin is correct.

Mr. WINGO. Do I understand the gentleman's statement to be that a man who recovered judgment against the railroad could levy upon this fund in the hands of the United States Government?

Mr. LENROOT. No. I expressly stated the contrary.

Mr. WINGO. I knew the gentleman did not intend to, but I think he did make that statement.

Mr. LENROOT. If I did, I want it corrected. I was saying that they would have the right to levy upon the money that we pay over to the carrier the moment that money gets into the possession of the carrier.

Mr. WINGO. Into the carrier's hands.

Mr. LENROOT. Yes.

Mr. WINGO. But, of course, they could not levy upon anything in the hands of the Government.

Mr. LENROOT. No; certainly not.

Mr. WINGO. That was the reason I asked the question. I did not think the gentleman intended that.

Mr. LENROOT. I thank the gentleman for correcting me if I made that statement.

Mr. COOPER of Ohio. I should like to ask my colleague [Mr. LENROOT] in what way his amendment differs from the one that I offered? I am asking for information.

Mr. LENROOT. There are two differences. In the first place, the amendment that the gentleman offers will cover not only judgments arising out of causes of action accruing before we took over the control of the railroads, but it also covers every judgment rendered against the carrier, whether that judgment would be chargeable to operating expenses or not.

Mr. JOHNSON of Kentucky. In my time, Mr. Chairman, I would like to ask the gentleman from Wisconsin [Mr. LENROOT] whether his amendment would not take care of causes of action arising before the Federal control commenced?

Mr. LENROOT. If the amendment is adopted?

Mr. JOHNSON of Kentucky. Just as it is.

Mr. LENROOT. Just as it is, it will not, out of the money in the hands of the Government, or in the hands of the carrier as an agency of the Government.

Mr. JOHNSON of Kentucky. Does not the gentleman think, then, that that language in his amendment had better come out?

Mr. LENROOT. No; I think all judgments will be collected without the slightest question out of the money in the treasury of the corporation from the property of the corporation. I do not think there will be the slightest difficulty about that.

Mr. LITTLE rose.

Mr. DILLON. Mr. Chairman, I ask recognition as a member of the committee.

Mr. LITTLE. If the gentleman from South Dakota will excuse me, I will be through in a minute.

Mr. SIMS. Mr. Chairman, I ask unanimous consent that all debate on this amendment and amendments thereto close in 10 minutes.

Mr. KEARNS. Mr. Chairman, I think this is one of the most important amendments proposed to this bill.

The CHAIRMAN. It is not debatable, the question is on the request of the gentleman from Tennessee.

Mr. STAFFORD. Can not the gentleman from Tennessee give us a little more time so that the gentleman from Ohio can have some time?

Mr. SIMS. I will make it 15 minutes.

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent that all debate on the amendment and amendments thereto close in 15 minutes. Is there objection?

Mr. WINGO. I object, unless we have more time, so as to get information on this important question.

Mr. SIMS. Then, Mr. Chairman, I move that all debate on the amendment and amendments thereto close in 15 minutes.

The CHAIRMAN. The gentleman from Tennessee moves that all debate on the amendment and amendments thereto close in 15 minutes.

The question was taken; and on a division (demanded by Mr. WINGO) there were—30 ayes and 7 noes.

Mr. WINGO. Mr. Chairman, I make the point of no quorum.

The CHAIRMAN. The Chair will count.

Mr. SIMS. Mr. Chairman, if the gentleman from Arkansas wants time for himself, I will be glad to ask for more time and give him such time as he wishes. The gentleman did not state that he wanted it.

Mr. WINGO. I am not so constituted that I care to jockey over an important matter in the division of time where the gentleman in control shows no disposition to heed any protest and makes no answer to courteous protests against shutting off proper discussion.

Mr. SIMS. I tried to find out how many wanted time and tried to make provision for them.

The CHAIRMAN. All this discussion is out of order unless the gentleman from Arkansas desires to withdraw his point of order.

Mr. WINGO. I do not, Mr. Chairman.

The CHAIRMAN. The Chair will count. [After counting.] Ninety-three Members present, not a quorum.

Mr. SIMS. Mr. Chairman, I move that the committee do now rise.

The question was taken, and the Chairman announced that the noes seemed to have it.

Mr. SIMS. I demand tellers.

Tellers were ordered; and the Chair appointed as tellers the gentleman from Tennessee [Mr. SIMS] and the gentleman from Ohio [Mr. KEARNS].

The committee divided; and the tellers reported that there were no ayes and 123 noes.

So the committee refused to rise.

The CHAIRMAN. A quorum is present. The vote on the motion of the gentleman from Tennessee was 30 in favor and 7 in the negative. The motion prevails, and the gentleman from South Dakota is recognized.

Mr. WINGO. Mr. Chairman, what was the motion of the gentleman from Tennessee that has been adopted?

The CHAIRMAN. That all debate on the amendment and all amendments thereto close in 15 minutes.

Mr. WINGO. The gentleman from Tennessee simply moved to close debate.

The CHAIRMAN. The gentleman from Tennessee moved to close debate on the amendment and all amendments thereto.

Mr. WINGO. And the Chair rules that debate is closed on the particular amendment?

The CHAIRMAN. On the amendment offered by the gentleman from Ohio [Mr. COOPER] and all amendments thereto.

Mr. WINGO. And unless a gentleman can get time he can not offer an amendment?

The CHAIRMAN. He can offer an amendment.

Mr. WINGO. I would be glad to, but that would be a vain offer on a question of this importance, if sufficient time is not allowed to explain it and discuss it on its merits.

Mr. LITTLE. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. LITTLE. I asked the Chair for the floor, and the Chair recognized me for five minutes, and then the gentleman from South Dakota said he was a member of the committee and asked to be recognized.

Mr. DILLON. Mr. Chairman, I waive my right in favor of the gentleman from Kansas.

The CHAIRMAN. The gentleman from Kansas is recognized.

Mr. LITTLE. Mr. Chairman, I think there has been a confusion of terms here that has misled some of us. It has bothered me, but I suppose older Members can get around it. I find on looking at the bill that section 6 says:

That the sum of $500,000,000 is hereby appropriated out of any moneys in the Treasury not otherwise appropriated, which together with any fund available from any operating income of said carriers may be used by the President as a revolving fund for the purpose of paying the expenses of Federal control, and so far as necessary the amount of just compensation, and to provide terminals—

And so on. The $500,000,000 appropriated and operating income constitute the revolving fund. The gentleman from Pennsylvania and the gentleman from Wisconsin have been misled in their use of the term "revolving fund." They overlook the fact that it contains the $500,000,000 appropriated by this bill. I have in my hand the amendment of the gentleman from Wisconsin, which says:

The President shall by regulation provide for the payment, out of the operating revenue derived from Federal control, or if that is insufficient, out of the revolving fund, of any judgments or awards and for the enforcement of any decrees or orders.

The operating income is included in the revolving fund, as appears from section 6, and as I stated a few moments ago, the gentleman from Pennsylvania [Mr. DEWALT] and the gentleman from Wisconsin [Mr. LENROOT] were both confused on that, and I think it has misled us all a little. We now find this to be the fact: That whatever judgments they want paid out of this they desire paid out of the revolving fund, which means in the final analysis it shall come out of the $500,000,000, just as I stated to the gentleman from Pennsylvania when he accused me of reasoning in a circle, and he was not reasoning at all, because he had not the basis of facts to reason from. A man brings suit against a railroad, and under this amendment he will be allowed to be paid from the one or the other. This is a confusion of statements. This should be corrected, so as to say whatever he means it shall say. It is an impropriety to say "out of the operating revenue or the revolving fund," because the operating revenue is a part of the revolving fund.

Mr. HARDY. Mr. Chairman, will the gentleman yield?

Mr. LITTLE. Yes.

Mr. HARDY. I agree with the construction the gentleman has placed now upon it, but the question in my mind is, Should this law provide for the payment out of the $500,000,000 contributed by the Government of debts arising from causes prior to the taking over of the railroads?

Mr. LITTLE. I was just coming to that. I see penciled in the amendment, to do justice to the gentleman from Wisconsin, what was not there at first, that he is allowing these remedies for causes which accrue during Federal control only, which would refuse a man who had won his suit before the railroads were taken over an opportunity to get his money. That would be a moral injustice and a legal wrong. If you are going to arrange that the man who sues the railroad after it passes into the hands of the Government shall be paid out of the revolving fund, certainly you ought to arrange to pay the man who now has a claim against the Government, a prior lien.

Mr. HARDY. I want to ask the gentleman this question: Suppose there are a lot of bankrupt roads taken over; would the gentleman validate all of the judgments now existing against those roads?

Mr. LITTLE. I would not do that.

Mr. HARDY. And pay them out of the $500,000,000?

Mr. LITTLE. Now, that would not follow at all. The debts of a bankrupt road would be in the same position that they are in now. The fact that they are in bankruptcy fixes their status. If a road is bankrupt, it is bankrupt, and the debts against it follow it into the courts of bankruptcy. They would not be claims here under this bill; they would abide by the courts' decisions.

Mr. HARDY. But if the gentleman provides by the bill that these debts shall be paid out of the $500,000,000——

Mr. LITTLE. Oh, I have not yet drawn my amendment; when I do, that will be arranged for.

Mr. LENROOT. Mr. Chairman, if the gentleman will permit, if the gentleman took over a factory and operated it, would he be willing to pay all of the judgments that might have been rendered against it arising out of causes of action before he took the factory over?

Mr. LITTLE. No; I would not; and why should I? But a railroad is not like a factory. Can the gentleman not get the distinction between a quasi-public corporation and a private factory owned by an individual? The State has a much greater authority over the one than over the other.

Mr. STEVENSON. Judgments against railroads in practically all of the States are made first liens ahead of bonds or any of these liabilities; that is, judgments for personal injuries.

Mr. LITTLE. The gentleman from South Carolina always knows the law; and let me answer the gentleman from Wisconsin [Mr. LENROOT] further before it slips away from me. These judgments are liens now on the railroad, and if somebody had a lien on a factory which I bought, I would have to pay it, and these men who put these railroads in Government hands will escape with their property from those liens if the gentleman's amendment carries, and I think if the other one does, too. Any lien holder might foreclose and take from him any factory he took over, and there is no reason why the Government should help any railroad to avoid that rule of law.

Mr. HAMLIN. Is there not this solution in it for these holders of prior judgments—that the Government guarantees under this bill the return to these carriers at some period these roads in as good condition as they were when we received them?

Mr. LITTLE. I expect that that means physical condition.

Mr. HAMLIN. Can the judgments not be collected then?

Mr. LITTLE. Yes; but why should a man who now has a judgment be delayed while future judgments and compensations to stockholders are paid?

This somewhat revolutionary legislation, involving this Government in such tremendous expenditures, giving the railroad companies such sweeping guaranties endowing somebody to be designated by the President with such unlimited authority, is asked of this Congress under the statement, as we understand, from the administration that this law is essential to the successful prosecution of the great war. I could wish that the petition were more specific, definite, and certain; that the evidence were more competent, more relevant, more material; that the argument were more germane, more profound, more convincing. This Congress is voting simply on an assertion, but the appeal is to one's patriotism, and the resistless sweep of mighty events leaves short time for examination and reflection on a measure that will continue to affect the destiny of the Republic when the bugle blows taps at the funeral ceremonies of the last soldier that returns from Europe.

You have guaranteed to return these highways, which the public made possible by its own investment of the right of eminent domain, in as good condition as they are now. Every lawyer in the House knows that a railroad company may dispute the justice of the Government's definition of that condition and that the claims of the railroads may never be finally adjusted till about the time the last pension is paid for the last time.

Gentlemen, the author of this measure should have provided an accurate system for settling those claims and for protecting the Government against those gigantic demands that will probably run into billions. This $500,000,000 will come from taxes and money loaned by the people to the Government at 4 per cent. There should be some reasonable explanation here why a man with a boy on the firing line should loan money to his Government at 4 per cent and sell wheat at 20 per cent less than the price fixed by the law of supply and demand to pay a higher rate to the railroad investor, who, at the worst, is only making the same sacrifice practically that is required of all our citizens. Equity and justice demands that the railroad stockholders should receive a just, equitable, and sufficient compensation for the use of their property, and for this I shall stand. But these are the only people in effect whose rights are guaranteed by law, and the committee should have so presented the necessities of the administration and the justice of this statute that the taxpayer as he works may read and comprehend. In the paragraph under discussion no provision

was made that guaranteed a creditor of the railroad company that he should receive his due. Do you think an ordinary man would see the justice of that? Even now we are told that a man who has lost his horse or his limb and has a judgment lien against the railroad should not be paid till the war is over, while he must loan money and pay taxes to compensate the stockholder in the railway for the use of his property. Surely, gentlemen, this could have been so drawn and so presented as to treat all citizens fairly.

I want to say that the compensation you pay these stockholders of these railroads is going to come, just as I indicated to the gentleman from Pennsylvania, in the final analysis, from the $500,000,000 the Government advances. Of course, it will be paid out of the operating income if they can, but that is a part of the revolving fund, too. If that part does not pay it—and you know it will not in some cases—you will compensate these people who own these railroads out of the $500,000,000 that you put into it, and you refuse to compensate the creditors who now have debts, liens against those railroads. You will pay the men who own the railroads interest upon their money and refuse to pay their debtors who now have judgments against them, which is a gross injustice.

Mr. JOHNSON of Kentucky. Mr. Chairman, I move to amend the amendment offered by the gentleman from Wisconsin [Mr. LENROOT], in the fifth line, so that it will read, "Upon causes of action arising during or prior to Federal control."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amend the Lenroot amendment by inserting in the fifth line, after the word "during," the words "or prior to the," so that it will read: "and for the enforcement of any decrees or orders upon causes of action arising during or prior to the Federal control," etc.

Mr. JOHNSON of Kentucky. Mr. Chairman, I think the matter is so plain that I do not care to argue it.

Mr. KEARNS. Mr. Chairman, I desire to offer an amendment to this section of the bill.

Mr. SIMS. Has the time been exhausted for debate?

The CHAIRMAN. It has not. There are nine minutes remaining.

Mr. STAFFORD. Mr. Chairman, I ask unanimous consent that the amendment be read and the gentleman be allowed to discuss it in the time——

The CHAIRMAN. The gentleman from Wisconsin asks unanimous consent that the amendment offered by the gentleman from Ohio may be read for information at this time. Is there objection?

Mr. WINGO. Mr. Chairman, reserving the right to object, has not the gentleman a right to have his amendment offered and read without unanimous consent?

The CHAIRMAN. Not at this time. It is an amendment to the section and not an amendment to the amendment. Is there objection? [After a pause.] The Chair hears none. The gentleman offers an amendment, which will be read for information.

The Clerk read as follows:

After the word "control," in line 11, page 12 of the bill, insert "any final judgment heretofore rendered or that hereafter may be rendered against any common carrier under Federal control shall be paid out of the operating revenues derived from the common carrier against which a judgment has been or hereafter may be obtained."

Mr. KEARNS. Mr. Chairman, the only reason I have offered this amendment is that it might take care of millions, perhaps, in judgments that may be pending against common carriers that will be taken over by the Government. The very fact that these roads, some of them prosperous, should be taken over by the Government is not a sufficient reason why the holder of a judgment, the injured party, should not recover his money. Under the bill as it stands such a person as this would be entirely defeated in his rights to recover on his judgment, because he is without process of law to enable him to levy upon any property of that company. Then, for another reason, that any judgment that may in the future be obtained against any railroad company taken over by the Government the Government, out of the receipts of that company as far as the receipts are ample, shall pay that judgment.

Mr. LENROOT. Will the gentleman yield?

Mr. KEARNS. I will.

Mr. LENROOT. Suppose the receipts are not sufficient for that purpose and the negligence is that of the Government and not of the carrier?

Mr. KEARNS. The Government has taken over the railroads, and unless there is some modification of this bill wherein the Government is to be made responsible, providing it shows in the trial of the case or the courts may decide the Government is responsible by its order or the negligence arising from the Government's order, I can see no reason why the Government ought not to pay that.

Mr. LENROOT. That is what I propose.

Mr. KEARNS. That might come in another place in the bill, but the gentleman's amendment does not cover the ground that is sought to be covered by this amendment. My amendment has not sought to remedy that defect in the bill, although I think the gentleman's amendment or some other amendment ought to be offered in the proper place that the defect may be cured, but the thing I am trying to reach by this amendment, which I do not believe other amendments look after, is the fact that if I have a judgment against a railroad company, a final judgment, that judgment ought to be paid out of the receipts of that company, as far as the receipts are sufficient, and the very fact that the railroads should be taken over by the Government, and all of these railroads are coming to Washington clamoring with the Director of Railroads that they should be taken over, ought not to defeat me from realizing on my legitimate final judgment.

Mr. HARDY. Will the gentleman yield?

Mr. KEARNS. I will.

Mr. HARDY. Would not the gentleman's amendment arrive at the same purpose if he made its terms apply to judgments existing before the taking over and then take the Lenroot amendment——

Mr. KEARNS. That part of it will be all right. I think the Lenroot amendment cures one defect in the bill, another defect from the one I seek to cure, and that is that the Government itself shall pay the judgments that have been obtained in the courts by reason of the fault of the Government itself. The railroad company ought not to be made to pay in that event. But my amendment provides for an injury that has been caused either by the fault of the owners of the railroads or by the fault of the Government, and the Lenroot amendment, a part of it, ought to be enacted into law and it ought to be made a part of this bill, but my amendment undertakes to cure a defect that no other amendment that has been offered to this bill has undertaken to cure.

Mr. SHERLEY. Will the gentleman yield?

Mr. KEARNS. Yes.

Mr. SHERLEY. Does not the gentleman get out of one dilemna into another? The gentleman makes a judgment against the road payable out of the revenues earned by the road subsequently, irrespective of whether the earnings are sufficient to take care of it and other obligations or not.

Mr. KEARNS. I think the railroads ought to pay their judgments first.

Mr. SHERLEY. But which judgment?

Mr. KEARNS. Judgments obtained in the courts against the company.

Mr. SHERLEY. But sometimes they ought to pay an old judgment, and sometimes they ought not, depending upon the revenues they have got. There are priorities of judgment, of which the gentleman loses sight.

Mr. KEARNS. But priorities of judgment should be followed by the Government in paying those judgments, too.

The CHAIRMAN. The time of the gentleman has expired.

Mr. LITTLE. Mr. Chairman, I desire to offer this amendment.

The CHAIRMAN. An amendment to the amendment? That is not in order at this time. There is pending an amendment.

Mr. COOPER of Ohio. Mr. Chairman, I ask unanimous consent to withdraw my amendment and accept the one the gentleman from Wisconsin [Mr. LENROOT] has offered.

The CHAIRMAN. The gentleman from Ohio asks unanimous consent to withdraw his amendment. Is there objection? [After a pause.] The Chair hears none. There remains four minutes of debate——

Mr. LITTLE. Mr. Chairman, I object.

Mr. LENROOT. Mr. Chairman, then I offer my amendment as an original amendment.

The CHAIRMAN. The gentleman from Kansas objected to the withdrawal of the amendment offered by the gentleman from Ohio.

Mr. DILLON. Mr. Chairman, I want to ask the gentleman from Wisconsin [Mr. LENROOT] one question, whether his amendment would require the President to pay a judgment against an insolvent company.

Mr. LENROOT. It certainly would, providing the judgment arose out of a cause of action arising during Federal control and upon such a cause of action that in private control the judgment would be paid out of the operating revenues, but no other.

Mr. DILLON. Assuming that there should be a foreclosure against an insolvent company and a judgment was rendered against that company, then the President would be required to pay, notwithstanding the fact that the company was insolvent?

Mr. LENROOT. Not at all. That would not be a charge against the operating revenue. Any judgment there would be a

charge having nothing to do with the operation of the railroad, and the President would not be permitted to pay a judgment of that kind.

Mr. WINGO. If the gentleman from South Dakota will permit in his time——

Mr. DILLON. Certainly.

Mr. WINGO. Under the gentleman's amendment would a judgment rendered against an insolvent railroad have to be paid out of the revolving fund?

Mr. LENROOT. It would not be paid out of any fund unless it was a judgment arising during Federal control and of such a character that it would be chargeable to operating revenue.

Mr. WINGO. Now, under the gentleman's amendment, a judgment procured 24 hours before the President took charge of the road could not be paid at all?

Mr. LENROOT. Not out of this fund.

Mr. WINGO. Would it be paid at all, under the language of the bill?

Mr. LENROOT. Not so far as the Government is concerned.

Mr. WINGO. But the railroad?

Mr. LENROOT. Certainly.

Mr. WINGO. I have not been able to get enough information to know whether the gentleman's amendment will take out of the bill the provision which prevents a levy to collect a judgment.

Mr. LENROOT. There is nothing in the bill except the levy on the property that we have taken over. They may not levy against any money in the Treasury.

Mr. WINGO. In the case of two roads I have in mind a farmer would be compelled in one instance to go to New York and in the other instance to Louisville in order to levy upon funds in the hands of the railroad treasurer to satisfy a judgment for killing of stock unless the bill is amended. In small judgments the expense that could not be properly charged up as court costs would be larger than the amount of the claim. The gentleman's amendment would not take care of that?

Mr. LENROOT. It would not, and neither does the original bill.

Mr. WINGO. You do not cure it. Under the original bill these creditors who have received a judgment for a little claim that is recognized and properly adjudicated, and which under the law as it stood at the time the judgment was rendered was a first lien in the State upon the roadbed and upon the rolling stock, under this proposed law and under the gentleman's amendment they would have to wait until the Government surrendered control before they could get satisfaction of their judgment?

Mr. LENROOT. If they could not get it out of the property taken over.

Mr. WINGO. All the property they have the Government has taken charge of, except the money?

Mr. LENROOT. Oh, no. Many railroads own property that we have not taken over at all.

Mr. WINGO. All railroad property they have a right to own under some of their charters has been taken over?

Mr. LENROOT. That is true as to railway property, but they have money invested in office buildings, and things of that kind, and in securities and bank accounts.

Mr. WINGO. But those bank accounts are in the centers of the country and their location unknown to the judgment creditor.

Mr. LENROOT. I will say that my amendment neither affects that one way or another.

The CHAIRMAN. The time of the gentleman from South Dakota [Mr. DILLON] has expired.

The question is on the amendment of the gentleman from Kentucky to the amendment of the gentleman from Wisconsin.

Mr. WINGO. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. WINGO. As I understand the parliamentary status, some gentleman—I believe the gentleman from Ohio [Mr. COOPER]—offered an amendment, and the gentleman from Wisconsin [Mr. LENROOT] offered a substitute for that. Was that it?

The CHAIRMAN. That is right.

Mr. WINGO. Now the debate has been exhausted on the Cooper amendment but not on the Lenroot amendment?

The CHAIRMAN. It has been exhausted on the Cooper amendment and all amendments thereto.

Mr. WINGO. The right of amendment?

The CHAIRMAN. The right of amendment has not been exhausted.

Mr. WINGO. I should like to offer an amendment to the Lenroot amendment, then.

The CHAIRMAN. There is an amendment pending.

Mr. WINGO. It is not in order now?

The CHAIRMAN. It is not in order at this time.

The question is on the amendment proposed by the gentleman from Kentucky [Mr. JOHNSON] to the amendment proposed by the gentleman from Wisconsin [Mr. LENROOT].

The question was taken, and the amendment to the amendment was rejected.

Mr. MADDEN. Mr. Chairman, I desire to offer an amendment to the Lenroot amendment.

The CHAIRMAN. The gentleman from Illinois offers an amendment to the amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. MADDEN: Line 3 of the Lenroot amendment, after the word "control," strike out the words "or if that is insufficient, out of the revolving fund"; and in line 12 strike out the words "or out of the revolving fund."

The CHAIRMAN. The question is on the amendment proposed by the gentleman from Illinois [Mr. MADDEN] to the amendment proposed by the gentleman from Wisconsin [Mr. LENROOT].

The question was taken, and the amendment to the amendment was agreed to.

Mr. WINGO. Mr. Chairman, I offer an amendment to the Lenroot amendment.

The CHAIRMAN. The gentleman from Arkansas offers an amendment to the amendment, which the Clerk will report.

The Clerk read as follows:

Amendment of Mr. WINGO to the Lenroot amendment: After the words "may be," in the fifth line of the Lenroot amendment, insert the words "or have been heretofore."

The CHAIRMAN. The question is on the amendment to the amendment.

Mr. GREEN of Iowa. Mr. Chairman, I ask unanimous consent that the gentleman from Arkansas have five minutes in which to discuss his amendment.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Arkansas [Mr. WINGO].

Mr. GREEN of Iowa. Mr. Chairman, I ask unanimous consent that the gentleman from Arkansas may have five minutes.

Mr. WINGO. Mr. Chairman, the committee and the gentlemen who have heretofore used all the time have shut off debate, so that it is impossible to get full information, and now no one can hope to discuss this in five minutes with any degree of satisfaction. Therefore, I decline, with thanks, such limited offer.

The CHAIRMAN. The amendment is not debatable. Does the gentleman from Iowa press his request?

Mr. GREEN of Iowa. No. The request is withdrawn.

The CHAIRMAN. The gentleman from Iowa withdraws his request.

Mr. ALEXANDER. Mr. Chairman, can the amendment be read again?

The CHAIRMAN. The Clerk will read the Lenroot amendment as it would read if modified by the amendment of the gentleman from Arkansas.

Mr. ALEXANDER. What I asked for was the Lenroot amendment as amended by the amendment agreed to and offered by the gentleman from Illinois [Mr. MADDEN].

The CHAIRMAN. The Chair understood the gentleman to make the request that the Lenroot amendment be read as it would be with the amendment of the gentleman from Arkansas adopted. The gentleman from Missouri asks unanimous consent that the amendment of the gentleman from Wisconsin, with the amendment as adopted, proposed by the gentleman from Illinois [Mr. MADDEN], be read. Is there objection?

There was no objection.

The Clerk read as follows:

Page 12, line 11, at the end of the line, insert the following:

"The President shall, by regulation, provide for the payment out of the operating revenue derived from Federal control of any judgments or awards, and for the enforcement of any decrees or orders upon causes of action arising during the Federal control that may be rendered against such carriers in any suit of such a character that but for Federal control, (a) it could be brought against the carrier, and (b) any amount paid in compromise thereof or in satisfaction of a judgment or decree therein that could be charged to operating expenses or to the railway tax accruals under the Interstate Commerce Commission's classification of accounts in force on December 27, 1917. The President shall also provide for the payment, out of operating revenues, of any loss accruing to any carrier by reason of any process levied against any property of such carrier in connection with any suit of the character above described."

The CHAIRMAN. The question now is on agreeing to the amendment proposed by the gentleman from Arkansas [Mr. WINGO] to the amendment offered by the gentleman from Wisconsin [Mr. LENROOT].

Mr. KEARNS. Mr. Chairman, before the vote is had, can we not have the amendment read again?

The CHAIRMAN. Without objection, the amendment of the gentleman from Arkansas will again be read.

The Clerk read as follows:

Amend the Lenroot amendment after the words "may be," in line 5, by inserting the following: "or have been heretofore," so that, as amended, it will read, "and for the enforcement of any decrees or orders upon causes of action arising during Federal control that may be or have been hereafter rendered against such carriers in any suit of such a character."

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken, and the Chairman announced that the ayes appeared to have it.

Mr. YOUNG of Texas. Mr. Chairman, a division.

The CHAIRMAN. A division is demanded.

The committee divided; and there were—ayes 37, noes 41.

Mr. WINGO. Mr. Chairman, I make the point of order that there is no quorum present.

The CHAIRMAN. The gentleman from Arkansas makes the point that there is no quorum present. The Chair will count. [After counting.] One hundred and seventeen gentlemen are present—a quorum.

So the amendment was rejected.

Mr. WINGO. Mr. Chairman, I offer a further amendment.

The CHAIRMAN. The gentleman from Arkansas offers another amendment, which the Clerk will report.

Mr. WINGO. Before the words in the Lenroot amendment "Federal control" I offer to insert the words "or judgment rendered before."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. WINGO to the Lenroot amendment: In the fifth line of the amendment, before the words "Federal control," insert the words "or judgments rendered before."

Mr. MADDEN. Mr. Chairman, I make the point of order against that. We have just voted on that question.

Mr. WINGO. Oh, no, Mr. Chairman; it is a different proposition entirely. I would have offered it even if my other amendment had been adopted.

Mr. MADDEN. Then I withdraw the point of order.

The CHAIRMAN. The point of order is withdrawn. The question is on agreeing to the amendment proposed by the gentleman from Arkansas [Mr. WINGO] to the amendment offered by the gentleman from Wisconsin [Mr. LENROOT].

The question was taken, and the Chairman announced that the noes seemed to have it.

Mr. WINGO. A division, Mr. Chairman.

The CHAIRMAN. A division is demanded.

The committee divided; and there were—ayes 28, noes 40.

So the amendment was rejected.

Mr. JOHNSON of Kentucky. Mr. Chairman, I want to offer an amendment after the Lenroot amendment is disposed of.

Mr. STEVENSON rose.

The CHAIRMAN. Has the gentleman from South Carolina an amendment to the Lenroot amendment?

Mr. STEVENSON. I have an amendment to the amendment that I desire to offer.

The CHAIRMAN. The gentleman will send it to the desk. The Clerk will report it.

The Clerk read as follows:

Mr. STEVENSON amends the Lenroot substitute as follows: Add at the end of the substitute the following: "and when a final judgment is obtained on a cause of action arising prior to the beginning of Federal control he shall provide for its payment, and the sum so charged shall be deducted from the standard return going to the road against which the judgment shall have been obtained, but the payments so made shall not exceed the standard return."

Mr. STEVENSON. Mr. Chairman——

The CHAIRMAN. All debate is exhausted. The question is on agreeing to the amendment offered by the gentleman from South Carolina.

Mr. WINGO. Mr. Chairman, I submit a unanimous-consent request that the gentleman from South Carolina be given 10 minutes in which to discuss his amendment. He is qualified to discuss his amendment.

The CHAIRMAN. The gentleman from Arkansas asks unanimous consent that the gentleman from South Carolina be permitted to proceed for 10 minutes in the discussion of his amendment, the former order of the House to the contrary notwithstanding. Is there objection?

Mr. FOSTER. I object.

The CHAIRMAN. The question is on the Stevenson amendment to the Lenroot amendment.

The Stevenson amendment to the Lenroot amendment was agreed to.

Mr. LENROOT. I ask unanimous consent that the amendment may be modified by striking out the words "standard return" and inserting the words "the sum accruing."

Mr. STEVENSON. That is perfectly satisfactory. If there is an agreement, it will be the sum accruing. If there is no agreement, it will be the standard return.

The CHAIRMAN. The gentleman asks unanimous consent that the Stevenson amendment to the amendment, just adopted, may be modified by striking out the words "standard return" and in lieu thereof inserting the words "the sum accruing." Is there objection?

Mr. WINGO. Reserving the right to object, Mr. Chairman, following this as closely as I am, and being deeply interested in the proposition, I do not understand what the gentleman means by that. I think instead of running along here not knowing what we are voting on, we ought to know what we are doing by unanimous consent. I am in sympathy with the gentleman's purpose, but as I understand the proposition offered, it would nullify it.

The CHAIRMAN. By order of the committee, all debate has been closed.

Mr. FOSTER. I ask unanimous consent that the gentleman may have five minutes.

Mr. WINGO. I ask for 10 minutes for the gentleman.

Mr. FOSTER. I have objected to ten minutes, but I am willing that the gentleman shall have five.

The CHAIRMAN. The gentleman from Illinois asks unanimous consent that the gentleman from South Carolina [Mr. STEVENSON] have five minutes. Is there objection?

Mr. WINGO. I have no objection. I am glad to get any information I can get.

There was no objection.

Mr LENROOT. I think the words to be inserted should be "the sum accruing as compensation."

Mr. STEVENSON. Yes.

The CHAIRMAN. The gentleman from South Carolina [Mr. STEVENSON] is recognized for five minutes.

Mr. STEVENSON. Mr. Chairman, the whole reason for the change suggested by the gentleman from Wisconsin [Mr. LENROOT] is this: We want to provide for paying these liabilities arising prior to Federal control, but we do not want to provide that the Government has got to pay more than the railroad companies have in their hands.

Mr. WINGO. Before the Government took control a judgment in a State court was a prior lien, if it was rendered in a certain class of cases.

Mr. STEVENSON. Yes.

Mr. WINGO. Now, on a judgment rendered on the day before the Government took control, under the bill as it now stands, the plaintiff could get absolutely no satisfaction in most instances, because the only property out of which he could get satisfaction, and upon which the local sheriff could levy, would be the roadbed and the rolling stock. Will the gentleman's amendment meet that situation and permit the roadbed and the rolling stock either to be levied on, or if that is impracticable, that the judgment shall be a charge against the income that the Government is supposed to pay the carrier and be deducted by the Government?

Mr. STEVENSON. My proposition is that in so far as there is income in the hands of the Government going to that road, the Government shall apply it: and the only suggestion is that that be called the compensation accruing for the use of the road, so that the Government will not have to pay out more money for the road on an obligation that the road owed before the Government took it over than it will get for the road. In other words, the gentleman from Arkansas says, suppose a judgment was obtained the day before Federal control. Then it was a fixed liability, and this section which prevents any process from issuing against that property is as to that absolutely null and void anyway, because, in my judgment, it has taken away the process which the man who holds the judgment is entitled to. I see gentlemen shaking their heads, but I have looked at some of the decisions on this question, and I know it has been so decided. But whether it has or not, you do not want to vote here to require the Government to pay liabilities existing when it takes over the roads in excess of the money which it has for those roads, and thereby assume all of those liabilities. Now, I assume that there will be some method of proceeding in equity to require the assets of the road to be applied whenever the proceeds of operation in the hands of the Government are exhausted.

Mr. WINGO. Does the gentleman think it is any more the duty of the Government to pay the bondholders, who, under the law in most States, would have a junior lien to a judgment creditor in a certain class of cases, than to pay that class of creditors? Would the gentleman have the Government pay

the bondholder who under the law has a junior lien and not take care of the judgment creditors?

Mr. STEVENSON. No; the Government has got to pay the liens in the order of their priority, in the order of their rank; and a man who has an arm cut off, or a man who is crippled for life, or who loses his eyes, and gets a judgment has a first lien, which stands ahead of the claims of the bondholders and of everybody else; and I take it that in making the rules for the enforcement of the law, the Government would certainly have discrimination enough to pay the claims in accordance with the priority of the liens. I am certainly in sympathy with the gentleman's idea about that. In my district day before yesterday, under notorious negligence—admitted by the railroad company—in one accident they killed 12 people and injured 38 very seriously. Those people ought to be provided for, and we ought not to shut the door in their faces; but, on the other hand, we ought not to make this Government assume all that liability and provide for it beyond the funds which it will have in its hands; and I take it for granted that when these cases are reduced to judgment they will have a lien ahead of everybody else. That is the law, and the Government will see that they are paid first, and that these people shall not be deprived of their rights.

Mr. WINGO. I should like to get the gentleman's judgment on this feature: Suppose the standard return is not sufficient to meet the liens of the bondholders; will the Government have to take care of their claims under the law?

Mr. STEVENSON. I have not considered that. That is not an obligation which is reduced to judgment as yet, and it will be an obligation which they will have to consider when it comes to deal with the standard return. I am not familiar with that feature of it.

The CHAIRMAN. The gentleman from Wisconsin asks unanimous consent that the amendment to the amendment which has been adopted may be modified in the way which the Clerk will report.

The Clerk read as follows:

Strike out the words "standard return" where they occur in both places in the amendment and insert in lieu thereof the words "sum accruing as compensation."

Mr. WINGO. Mr. Chairman, I ask that the amendment be read.

The Clerk read as follows:

Add at the end of the substitute the following:

"When final judgment is obtained on a cause of action arising prior to the beginning of Federal control he shall provide for its payment, and the sum so charged shall be deducted from the sum accruing as compensation going to the road against which the judgment shall have been obtained, but the payment so made shall not exceed the sum accruing as compensation."

Mr. LENROOT (during the reading). Strike out the word "going."

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin that the amendment be modified so as to read as it has just been read from the Clerk's desk. The Chair hears no objection. The question now is on the substitute proposed by the gentleman from Wisconsin as amended.

The question was taken, and the substitute was agreed to.

The CHAIRMAN. The question now is upon the Cooper amendment as amended by the substitute.

The question was taken, and the amendment as amended was agreed to.

Mr. PARKER of New Jersey. Mr. Chairman, I offer the following amendment as a new paragraph.

The Clerk read as follows:. .

Amend by inserting, before line 12, page 12, the following:

"The operating accounts and business of the carriers shall be continued as in a going concern, so that overlapping and deferred accounts and claims which in railroad accounts have been and are usually paid as current operating expenses shall be paid out of operating income; and on the surrender of the carrier it shall be returned subject to any such overlapping accounts and deferred claims so overlapping or deferred in the ordinary course of railroad business."

Mr. PARKER of New Jersey. Mr. Chairman, the adoption of the amendment which has just been read makes it necessary that some such provision as what I propose should go in the bill. It was claimed before that it was not necessary, and that was the only reason the clause is not in already. It is now necessary. As we know, every railroad receives its accounts for the past month for what it is to pay and it has its own claims for every past month rendered to different people and may not get them in for several months. Sometimes a claim against a railroad arising out of ordinary operation is deferred because it is litigated, and remains deferred, although it is a small accident, for four or five years. But whenever it comes in to be paid, the course of railroad accounts has always been that it is paid as an operating expense; and the Government, therefore, during the past month in the control of railroads I have no doubt has been paying accounts by reason of accidents and claims which may be several years old. If they have been properly deferred in the ordinary course of railroad business, they ought to be paid out of the operating receipts. When the Government comes to surrender the roads there will be a lot of operating claims against the railroad which the carrier will take with the railroad and the railroad will become subject to.

I did not vote for the last amendment because that provided that all judgments, or some judgments, should be paid, as it were, out of capital. That is to say, the judgments recovered before the railroad came into the hands of the Government should be paid as if they were a claim against capital, although that judgment may have been a claim arising out of operation and ought to be paid in the ordinary course of railroad business as operating expenses. So also when the United States surrender the railroads they do not have to surrender them clean and clear, but as a going concern. The Government does not take the property from the railroads; it takes the carrier and controls his business, and that is all there is to it; that is implied throughout the bill; but it is necessary now, as the House has tried to legislate—and not entirely right as it seems to me, but that makes no difference—it is necessary now to say plainly that you mean the railroad carriers to be taken and run as a going concern. If you mean that, you ought to say so. I therefore offer this amendment as expressing the idea under which the control of these carriers is taken, that they are taken control of as a going concern.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey.

The question was taken; and on a division (demanded by Mr. PARKER of New Jersey) there were 31 ayes and 24 noes.

So the amendment was agreed to.

Mr. JOHNSON of Kentucky. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Amendment offered by Mr. JOHNSON of Kentucky: Amend, page 12, line 9, by adding the following after the words "Federal Government":

"Nor shall any such carrier be entitled to have transferred to a Federal court any action heretofore or hereafter instituted by or against it, which action was not so transferable prior to the Federal control of such carrier; and any action which has heretofore been transferred because of such Federal control or of any act of Congress or official order or proclamation relating thereto shall, upon motion of either party, be retransferred to the court in which it was originally instituted."

Mr. JOHNSON of Kentucky. Mr. Chairman, I believe that a mere statement of facts will show the necessity of this amendment. On December 20 last a most horrible railroad wreck occurred near the little town in which I reside. In that wreck 49 people were killed and a greater number were injured very seriously. Remember, please, that this wreck occurred on the 20th of December, and on the 28th of December, eight days later, Federal control of the railroads came. On the second day after this wreck occurred the president of the road came out in the newspapers in a signed statement admitting the liability of the road and expressing the hope that all of the cases arising out of the wreck might be settled without litigation. However, all of them have not been so settled. Suit has been brought in several cases, and the railroad has gone into court and asked for a transfer of those cases from the State court to the Federal court upon the theory that the Federal Government has control. I do not believe that such is the law of the case, neither do I believe that Members of this House will take that view of it. However, the opposite view has been taken by the State courts and, if I am correctly advised, also by the Federal court. I have a letter in my hand from Nat W. Halstead, who is a very able attorney of our State, in which he says:

It is well known that Judge Kerr, of the Fayette Circuit Court, and Judge Adams, of the Breathitt Circuit Court, have sustained pleas in abatement because of this question of jurisdiction, and I also understant—but of this I am not certain—that the plea has also been sustained by the judge of the Henderson Circuit Court. I think they are greatly in error, but, nevertheless, this has been done.

In a brief which was filed before the Federal court at Louisville, Mr. Charles Carroll, an able attorney, said:

The sole basis of the contention of the plaintiff (the railroad) in this court is that by this proclamation the Louisville & Nashville Railroad Co. passed under the control of the President, and as this control was authorized by an act of Congress it passed under his control by virtue of the Constitution and laws of the United States, and, therefore, any question arising which would affect the revenues of this road or would result in judgment for or against it arises under the Constitution and the laws of the United States, and the Federal courts have jurisdiction if the amount in controversy is sufficient.

I addressed a communication to the Director General of Railroads concerning this question, and in answer he says:

The fact is that he (the plaintiff) is just as free to sue the company now as at any time. The President's proclamation recognizes the right affirmatively, and the House bill, which is now pending before the

Congress, not only expressly authorizes the suit but provides in section 11, page 12, line 7, "no defense shall be made thereto upon the ground that the carrier is an instrumentality or agency of the Federal Government."

The attorney for the Director General, Mr. Payne, takes the same view of it. In a communication to me, he says:

I beg to advise you that the Director General has made no order authorizing the transfer of any action instituted in the State courts to the Federal courts. The policy here is for the rights of litigants to remain as before the President's proclamation. No right to a removal is to be based upon the change.

Mr. DILLON. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Kentucky. Yes.

Mr. DILLON. Are these cases to which the gentleman refers against a foreign corporation?

Mr. JOHNSON of Kentucky. No; all those who were either killed or injured were intrastate passengers, and the suits are against the Louisville & Nashville Railroad, which is a corporation created by the laws of the State of Kentucky. I am clearly of opinion that except that the courts have been holding otherwise, this legislation would not be necessary by anyone; but we have all heard the old story of the lawyer who was asked to go to see a client who was in jail. After the lawyer had heard the fellow's story he said to him, "Why, they can not put you in jail for that." Then the fellow who was in jail replied, "But the trouble is, I am already in jail." That is the condition now before the House.

Mr. DEWALT. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Kentucky. Yes.

The CHAIRMAN. The time of the gentleman from Kentucky has expired.

Mr. JOHNSON of Kentucky. Mr. Chairman, I ask unanimous consent to proceed for five minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. DEWALT. Mr. Chairman, the gentleman evidently is of opinion that lines 5 and 6 on page 12 do not cover the emergency that he has in mind. Lines 5 and 6 read:

Suits may be brought by and against such carriers and judgments rendered as now provided by law.

Mr. JOHNSON of Kentucky. Yes. The amendment that I have offered provides that no transfer shall be made from a State court to the Federal court, except under the law as it existed prior to the accident. Some cases have been so transferred. This amendment would restore them to the court which unquestionably has jurisdiction of the cause of action when it accrued.

Mr. DEWALT. Is it the gentleman's desire to clarify that phrase in those two lines, and particularly the language "as now provided by law"?

Mr. JOHNSON of Kentucky. Yes; that is my purpose.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Kentucky.

The question was taken, and the amendment was agreed to.

The CHAIRMAN. The Chair desires the attention of the gentleman from Ohio [Mr. KEARNS]. While the discussion of the Cooper and Lenroot amendments was in progress the gentleman from Ohio sent to the desk and had read for information an amendment which he gave notice he intended to offer. Does the gentleman desire to offer it at this time?

Mr. KEARNS. I am under the impression the Lenroot amendment embodies the amendment I had in mind, and I desire, therefore, to withdraw the amendment.

Mr. WINGO. Mr. Chairman, I did not offer the amendment, because I was advised by gentlemen upon the floor in response to inquiry that the Kearns amendment had been adopted. If I had not understood that it had been adopted I should have offered it, and I trust my colleague will either offer it or I shall offer the same amendment.

Mr. KEARNS. I prefer that the gentleman should offer it and let us vote for it. As an accommodation to the gentleman from Arkansas, I will not withdraw my amendment, and he can discuss it if he so desires.

The CHAIRMAN. The amendment really has not been offered.

Mr. WINGO. I shall offer it. I think the committee thought it had been adopted, but it was not.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 12, line 11, after the word "control," insert: "any final judgment heretofore rendered or that hereafter may be rendered against any common carrier under Federal control shall be paid out of the operating revenue derived from the common carrier against which judgment has been or hereafter may be obtained."

Mr. BARKLEY. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BARKLEY. Is it not a fact that the amendment which was agreed upon as finally modified, offered by the gentleman from Wisconsin, covers that point?

The CHAIRMAN. The Chair hardly thinks that is a parliamentary inquiry.

Mr. WINGO. I will say to the gentleman it does not.

Mr. KEARNS. Mr. Chairman——

The CHAIRMAN. For what purpose does the gentleman rise?

Mr. KEARNS. Mr. Chairman, in view of the fact there is some controversy whether this question is covered by the Lenroot amendment and the amendment to the Lenroot amendment, I ask unanimous consent that the gentleman from Arkasas be given five minutes.

The CHAIRMAN. This amendment is open to debate.

Mr. WINGO. Mr. Chairman, I will proceed if the gentleman from Ohio does not care to do so. Mr. Chairman, so that the committee may understand what it has done I shall read the Lenroot amendment from the copy which the gentleman has. That will be sufficient for my purposes even if I do not get it exactly as adopted. The language I read will cover the question that is involved in my amendment. It is as follows:

The President shall, by regulation, provide for the payment out of the operating revenue derived from Federal control, or, if that is insufficient, out of the revolving fund—

I believe that was cut out—

of any judgments or awards and for the enforcement of any decrees or orders upon causes of action arising during Federal control that may be rendered against such owners in any suit of such a character that but for Federal control it could be brought against the carrier and any amount paid in compromise thereof or in satisfaction of a judgment or decree therein could be charged to operating expenses or to railway tax accruals under the Interstate Commerce Commission classification of accounts in force on December 27, 1917. The President shall also provide for the payment, out of operating revenues or out of the revolving fund, of any loss accruing to any carrier by reason of any process levied against any property of such carrier in connection with any suit of the character above described.

Now, the amendment offered by the gentleman from South Carolina, and that was adopted, added at the end of the Lenroot amendment this language:

And when the final judgment is obtained on a cause of action arising prior to beginning of Federal control he shall provide for its payment, and the sum so charged shall be deducted from the sum accruing as compensation to the road against which that judgment shall have been obtained, but the payment so made shall not exceed the sum accruing as compensation.

Now, if the committee will follow just for a moment. The Lenroot amendment, of course, does not take care of the proposition covered by the Stevenson amendment and that amendment takes care of judgments hereafter rendered upon causes of action that may have accrued before Federal control. Now, my amendment provides payment of all judgments upon all causes of action. Why have a distinction between one whose cause of action accrued before Federal control, but did not get judgment until after such control, and the man whose cause of action not only accrued before, but also obtained judgment before Federal control? Now, what justification is there to deny relief in one instance and not in the other? The Stevenson amendment takes care of one class of cases but not the other. Under my amendment both classes of judgments would be paid out of funds held by the Government belonging to the railroad against which judgment has been obtained.

Mr. DEMPSEY. Could you not reach the same end in a simpler and more direct way by inserting the proper language in the Lenroot amendment?

Mr. WINGO. Certainly; but the House voted down such an amendment. The Government can lose nothing by my amendment. The Government can simply take the funds of the railroad in its hands and apply them to the satisfaction of the judgments which were rendered before Federal control as well as those rendered after, as provided by the Stevenson amendment. Vote down my amendment and the farmer who obtained a judgment for the wrongful killing of his stock or the employee who has a judgment for personal injuries will not get what is due him by the verdict of a jury and the judgment of a court, but adopt my amendment and each will be paid what is justly due him, and such payment deducted from the funds of the railroads.

Mr. KEARNS. Mr. Chairman, I move to strike out the last word.

Mr. SIMS. Mr. Chairman——

The CHAIRMAN. Does the gentleman from Tennessee desire recognition?

Mr. SIMS. I ask unanimous consent that the debate on this amendment close in 10 minutes.

The CHAIRMAN. And all amendments thereto?

Mr. SIMS. Yes; and all amendments thereto.

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent that all debate on the amendment proposed by the gentleman from Arkansas [Mr. WINGO] and all amendments thereto close in 10 minutes. Is there objection?

There was no objection.

Mr. KEARNS. Mr. Chairman, a few moments ago, when I withdrew this amendment, I was laboring under the impression that the Lenroot amendment as amended on the floor of this House covered the point involved in this amendment. Since that time I have learned that I was in error, and for that reason I am now insisting that this amendment ought to be adopted and made a part of this law.

You can go into any State in the Union and you can find men and women holding final judgments to-day against railroad companies, aggregating hundreds of thousands of dollars. If this amendment is not adopted these men and women, who have been diligent in obtaining their rights from the railroad companies, will be defeated. There will be no way left by which they can realize upon those judgments. I do not know how many such men and women in the United States hold judgments, but certainly thousands and tens of thousands of them. Some of them, through the negligence of railroad companies, have lost legs and arms and have been otherwise mangled in body for life, and because they happen to bring suit in the courts and reduce their claims to final judgments before the taking over by the Government of these railroads they will never be able to realize on their claims. There is not a State in the United States but has statutes of limitations that run against judgments.

I do not know how long the Government is going to keep control of these railroads. We all know, however, that it is going to keep that control as long as this war lasts. And, I take it, there is no man in this House who can this afternoon even make a guess as to how long this war is going to last. And if this law is made a permanent law, they never would be able to reduce their judgments to cash.

Men on the floor of this House have said that these judgments will bear interest, and will continue to bear interest as long as the judgment is alive. That is poor consolation for the poor man or the poor woman who has been crippled for life. That is poor consolation indeed for the widowed mother and the orphaned children who have lost, by the negligence of some railroad company, a father and a husband.

Mr. SMITH of Michigan. Will the gentleman yield for a question?

Mr. KEARNS. Yes.

Mr. SMITH of Michigan. Suppose a person has a judgment before the Director General takes charge of the railroad, he has got a claim against the railroad company, and is there anything to prevent him from renewing his judgment or suing it after the Director General takes hold of the railroad?

Mr. KEARNS. There is no provision in this law to take care of that condition, and it is the only question that is involved in this amendment. That is all I seek to do. We are only trying to take care of that class of people, so far as the funds in the hands of the Government that have come out of the railroad company's earnings are concerned.

Mr. SMITH of Michigan. Your amendment would cover that situation?

Mr. KEARNS. My amendment would cover that situation, and nothing else. And I can not understand why men would oppose this amendment when these people are entitled to recover as far as the earning capacity of that road is able to pay. I can not understand how any man would object to this, except the owner of a railroad system.

Mr. CARTER of Oklahoma. Will the gentleman yield?

Mr. KEARNS. Yes.

Mr. CARTER of Oklahoma. If I understand the gentleman, the Lenroot amendment takes care of claims where judgment may be hereafter rendered?

Mr. KEARNS. May be hereafter rendered.

Mr. CARTER of Oklahoma. But where judgments have already been rendered, it has been the contention of the gentleman there can be no satisfaction of the law without this amendment?

Mr. KEARNS. There never can be such a satisfaction as that.

The CHAIRMAN. The time of the gentleman has expired.

Mr. WINGO. Will the gentleman from Wisconsin (Mr. LENROOT) permit me to submit a unanimous consent request, that my amendment be amended by striking out the words "operating expenses" and substituting "the sum accruing as compensation"? It is the language of the Stevenson amendment, to which I want to make this same language conform.

The CHAIRMAN. The gentleman from Arkansas asks unanimous consent to modify his amendment in a way which the Clerk will report.

The Clerk read as follows:

Modify the Wingo amendment by striking out the words "operating revenue" and inserting in lieu thereof the words "sum accruing as compensation."

The CHAIRMAN. Is there objection to the modification? [After a pause.] The Chair hears none.

The question is on the amendment.

Mr. LENROOT. I do not think the gentleman has this yet. I will read it as it is.

Mr. WINGO. My purpose, I will say to the gentleman, was to make it comply to the same rule, that it might come from the same fund that the funds come from that satisfy the judgment covered by the amendment of the gentleman from South Carolina [Mr. STEVENSON].

Mr. LENROOT. Mr. Chairman, aside from any merit there is, it seems very clear to me that this matter should be left to the conference committee upon the amendment that has already been adopted, and if it does not cover judgments heretofore obtained, the conferees can include it; but certainly the House does not wish to adopt the amendment in this form, for it would read as follows, and, of course, the intention of the gentleman from Arkansas [Mr. WINGO], and I think we all understand what he means, is not expressed. It would read, if adopted, as follows:

Any final judgment heretofore rendered or that hereafter may be rendered against any common carrier under Federal control, shall be paid out of any of the sums accruing to compensation to be derived by the common carrier against which the judgment has been or hereafter may be obtained.

Mr. WINGO. Mr. Chairman, I ask unanimous consent to make it read "by" instead of "from."

The CHAIRMAN. The gentleman from Arkansas asks unanimous consent to modify the language of his amendment as indicated. Is there objection?

Mr. LENROOT. Of course there is no compensation derived by a common carrier until it gets the money.

Mr. DEMPSEY. It should be "to be derived."

Mr. LENROOT. Now you are getting it.

Mr. SMITH of Michigan. Why not change the word "derived" to the word "received"?

Mr. LENROOT. Now, Mr. Chairman, I have only one word to say. I think it would be very proper to have this cover previous judgments, provided they were of the same character, as we provide for the payment of judgments while under Federal control, but I doubt very much the wisdom. Here may be judgments very much in excess of the entire sum accruing to a carrier, especially the short-line roads. How is it to be apportioned? Is the President to apportion it between them? He can not pay more than so much. Is he to pro rate it?

It seems to me it raises a multitude of questions that make it very difficult of administration. Of course with the limitation that is now in it the Government can not be injured, because in no event can the President pay more than the railroad is entitled to receive as compensation from the Government.

Mr. CONNALLY of Texas. Does not the gentleman think it will be best to allow certification of these judgments while in Federal control and then leave it discretionary with the Director General or the President as to their payment, so that he can classify them under the well-known rules of receiverships?

Mr. LENROOT. I think what should be done—and I suggest it to the conferees—is that when they get into conference the way to settle that will be to have a certification of these judgments and let the judgments be a lien on the compensation which the railroad is entitled to receive.

Mr. HELM. Mr. Chairman, will the gentleman yield?

Mr. LENROOT. Certainly.

Mr. HELM. If I am not mistaken, in Kentucky the workmen's compensation law does not apply to employees of railroads. As I catch the drift of this amendment, there are regulations only where the compensation law is applicable. I think, under the law of the State of Kentucky, recoveries for personal injuries are not controlled by any standard compensation return. Would this amendment restrict a State where compensation is determined by a jury trying a special case?

Mr. LENROOT. No; I think not.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired. All time has expired. The question is on agreeing to the amendment offered by the gentleman from Arkansas [Mr. WINGO].

Mr. WINGO. Mr. Chairman, I want to offer the amendment in a clarified form, as the change that was made necessitated another change.

The CHAIRMAN. Is the gentleman's amendment prepared?

Mr. WINGO. Yes.

The CHAIRMAN. The gentleman from Arkansas asks unanimous consent to withdraw the amendment which he offered and

offer in lieu thereof an amendment which he sends to the Clerk's desk. Is there objection?

There was no objection.

The CHAIRMAN. The Clerk will report it.

The Clerk read as follows:

Amendment offered by Mr. WINGO: After the word "control," on page 12, line 11, insert "any final judgment heretofore rendered or that hereafter may be rendered against any common carrier under Federal control shall be paid out of the sum accruing as compensation to the carrier against which such judgment is or was made."

The CHAIRMAN. Is there objection to the withdrawal of the former amendment and offer of a new amendment?

There was no objection.

The CHAIRMAN. The question is on agreeing to the amendment just read.

The question was taken, and the Chair announced that the "ayes" seemed to have it.

Mr. BARKLEY. A division, Mr. Chairman.

The CHAIRMAN. A division is demanded.

The committee divided; and there were—ayes 43, noes 27.

So the amendment was agreed to.

Mr. SIMS. Mr. Chairman, does that dispose of the entire amendment?

The CHAIRMAN. That is an amendment to an amendment.

Mr. SIMS. Oh, yes; that is an amendment to the amendment. Mr. Chairman, it is just 24 hours at this moment since we commenced on this section yesterday. There has been exceedingly liberal time granted, and I want to ask unanimous consent——

Mr. WINGO. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. WINGO. There is nothing pending to justify the gentleman's waste of time.

Mr. SIMS. I want to make a unanimous-consent request, that all debate on all amendments and amendments thereto offered on this section close in 20 minutes.

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent that all debate on this section and all amendments thereto shall close in 20 minutes. Is there objection?

Mr. STAFFORD. Reserving the right to object, Mr. Chairman——

Mr. PARKER of New Jersey. Mr. Chairman, I reserve the right to object. I have an amendment as to the question of taxes at the end of the section, which is an entirely different matter from anything else, and I shall object unless I have the right to bring that matter up.

Mr. SIMS. Mr. Chairman, I move that all debate on this section and any amendments thereto close in 30 minutes.

Mr. WINGO. Mr. Chairman, I make a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. WINGO. As I understand the gentleman's proposition, he proposes to close debate on something that is to come up hereafter and which is not now being considered and to which amendments have not yet even been offered.

Mr. SIMS. The section is before the House.

The CHAIRMAN. The section is before the House.

Mr. WINGO. Mr. Chairman, may I make a parliamentary inquiry?

The CHAIRMAN. Yes. The gentleman will state it.

Mr. WINGO. I should like to propound this inquiry: If we adopt the motion it will mean, will it not, that we will not be permitted to discuss, except those of them who are fortunate enough to get this 20 minutes, any amendment that may be offered, however important it may be?

The CHAIRMAN. That will be the result. The gentleman from Tennessee [Mr. SIMS] moves that all debate upon this section and all amendments thereto shall close in 30 minutes. The question is on agreeing to that motion.

Mr. STAFFORD. Mr. Chairman, I move to amend that by making it 45 minutes.

SEVERAL MEMBERS. Oh, no!

Mr. STAFFORD. I withdraw the amendment.

The CHAIRMAN. The gentleman from Wisconsin withdraws his amendment. The question is on agreeing to the motion of the gentleman from Tennessee.

The question was taken, and the Chairman announced that the "noes" seemed to have it.

Mr. SIMS. A division, Mr. Chairman.

The CHAIRMAN. A division is demanded.

The Committee divided; and there were—ayes 55, noes 34.

So the motion was agreed to.

Mr. PARKER of New Jersey. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from New Jersey, a member of the committee, offers an amendment, which the clerk will report.

Mr. TOWNER. Mr. Chairman, may I make a suggestion? As I understand it, the gentleman from Arkansas [Mr. CARAWAY] has an amendment. May some agreement be made as to the division of time between these three amendments?

The CHAIRMAN. Has the gentleman any request to make?

Mr. TOWNER. I ask unanimous consent that 10 minutes' time be devoted to each one of these three amendments.

Mr. ROMJUE. I should like to make a suggestion to the gentleman.

Mr. TOWNER. Yes.

Mr. ROMJUE. I should like to have five minutes. That will make the division four instead of three. I should like to be included in the time.

The CHAIRMAN. The gentleman from Iowa [Mr. TOWNER] asks unanimous consent that the 30 minutes of debate may be divided between three amendments.

Mr. PARKER of New Jersey. I have two amendments.

Mr. SAUNDERS of Virginia. A parliamentary inquiry, Mr. Chairman. Will the Chair state what those three amendments are?

The CHAIRMAN. The Chair has no information upon that subject. Will the gentleman from Iowa state his request?

Mr. TOWNER. Mr. Chairman, I ask unanimous consent that the time be divided into three parts, to be devoted to three amendments, the amendment offered by the gentleman from New Jersey [Mr. PARKER], an amendment offered by the gentleman from Arkansas [Mr. CARAWAY], and one which I myself will offer.

The CHAIRMAN. And that these three gentlemen control the time?

Mr. TOWNER. I do not care anything about the control of the time. I suppose there will be five minutes in favor of each amendment, and five minutes in opposition.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent that the 30 minutes of debate may be divided into three parts, 10 minutes each, to be devoted to the amendments offered by the gentleman from New Jersey, an amendment offered by the gentleman from Arkansas [Mr. CARAWAY], and an amendment that is to be offered by himself. Is there objection?

Mr. RAYBURN and Mr. BORLAND objected.

Mr. PARKER of New Jersey. I will ask that both my amendments may be read now, so that they may be understood.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from New Jersey, and without objection will report the other amendment for the information of the committee.

The Clerk read as follows:

Amendment offered by Mr. PARKER of New Jersey: Page 13, line 10, after the words "laws or powers of the States in relation to taxation," insert:

"*Provided*, That nothing herein contained shall be construed to admit the right of the several States directly or indirectly to tax war business conducted by the United States, or increased values of property, or franchises, or increased operating revenue resulting from such war business."

Amendment offered by Mr. PARKER of New Jersey: Page 13, line 10, after the proviso following the word "taxation," insert:

"*Provided*, That in order to prevent increase or diminution of taxes payable to the several States or under the several State laws by reason of the said war business and Federal control, and in order to avoid dispute and litigation, the President in any case may pay, respectively, to such States or their municipalities or other bodies acting under State laws, during the period of Federal control, taxes standardized at the sums which were assessed and payable by said carriers, respectively, in the calendar year 1917, to be payable in each year at the same time and in the same amount as they were in 1917, as well as the amount of any taxes which were assessed in the year 1917 upon real estate that shall have been acquired by such carrier while under Federal control, or by the United States for the purposes of this act."

Mr. BARKLEY. Mr. Chairman, I make a point of order against the last amendment that was read.

Mr. PARKER of New Jersey. That is not offered yet.

The CHAIRMAN. That is not offered yet.

Mr. BARKLEY. I will reserve a point of order on the first amendment. It is practically the same as a previous amendment that was rejected.

Mr. PARKER of New Jersey. There is no difficulty about that, Mr. Chairman. The objection to the former amendment was that it was not germane to provisions as to how taxes be paid. But it is now provided that nothing in this act shall be construed to amend, repeal, impair, or affect the existing laws and powers of the States in relation to taxation. It is really necessary, however, that a guard be put in. Mr. Anderson, who prepared this bill and who brought it before us, was asked about this. He said that if the States should undertake to levy new taxes in kind or degree that would not have been levied if the money were not coming from the Federal Treasury

the Government is not helpless; that it could protect itself by litigating the matter. He said that if it appeared that the States had levied taxes which were such in kind or degree that they are really taxes upon a Federal agency and not within the express or implied power of this bill, the courts would hold them unconstitutional.

Mr. Chairman, the States levy their taxes on different principles. Some levy on value. I do not believe a patriotic State would raise that value because of increased business. Some levy it on the gross receipts, and they are important States. They include Illinois, New Hampshire, New York, Ohio, Pennsylvania, and Virginia. There are some six or eight more. They levy on gross receipts. During the war those gross receipts will increase by reason of Government business, war business, the carrying of guns and munitions, and the troops of the United States. We have provided that the railroads shall not get the benefit of the new business as a return, and we ought to see that the States shall not tax that new business, because it is United States business and not the business of the railroads.

Mr. DEMPSEY. Will the gentleman yield?

Mr. PARKER of New Jersey. Yes.

Mr. DEMPSEY. I want to say that the gentleman is entirely mistaken about the New York law.

Mr. PARKER of New Jersey. If the gentleman will look at page 77 of the hearings, he will see it stated there.

Mr. DEMPSEY. The law of New York is not as the gentleman understands it.

Mr. PARKER of New Jersey. At any rate those who do not levy on receipts might increase their valuation. I brought before this committee some time ago a statement of certain railroads showing that they went up 50 per cent before 1863.

In 1862 there was a tax put on gross receipts, and I have the figures of all the railroads since that time. The 3 per cent tax in 1863 netted over $1,106,000—$1,106,817.02. That means that they had $37,000,000 of gross receipts. In 1864 the tax it brought in nearly doubled that sum—$2,127,249.69—showing nearly $71,000,000 of gross receipts. In 1865 on a 2½ per cent tax it brought in nearly $6,000,000—$5,917,293.51—or over $236,000,000 gross receipts. In 1866 tax receipts of $7,614,448.13 show over $304,000,000 in gross receipts, an advance of nearly tenfold in three years.

My first amendment provides that nothing herein shall be construed to admit the right of a State to tax Government business, and in the second amendment I say that in order to avoid litigation which was spoken of by the gentleman who came before our committee, the United States could arrange without dispute to pay the same amount of money they paid for taxes in 1917, which was a prosperous year for the railroads. It does not say that that shall be binding on the States, but they can assent.

Mr. KELLEY of Michigan. Will the gentleman yield?

Mr. PARKER of New Jersey. Certainly.

Mr. KELLEY of Michigan. How would it be possible to determine the amount of increase of business due to the war of the railroad systems?

Mr. PARKER of New Jersey. That is something that Mr. Anderson, who came before our committee, said was easy to determine. I think it is difficult, and that is why I proposed a second amendment, that the United States without dispute will pay the same amount of taxes that they did before the war.

Mr. FESS. Will the gentleman yield?

Mr. PARKER of New Jersey. I will.

Mr. FESS. In the exercise of priority orders they make a sharp distinction between essential and nonessential products. Suppose the most of the work is for the essentials for war, what about those receipts?

Mr. PARKER of New Jersey. Ought it to be taxed by the State? Is it fair? That is the question I am putting before you. Is it fair that essential war business should be taxed? In order to avoid dispute, I do not say that the States must accept, but the Government without dispute will pay what they did in 1917, just as the carriers pay on the average net return in 1915, 1916, and 1917. I would like to hear from the gentleman from Pennsylvania [Mr. DEWALT].

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey.

The question was taken, and the amendment was rejected.

The CHAIRMAN. The gentleman from New Jersey has another amendment, which has already been read, and the question is on that amendment.

The question was taken, and the amendment was rejected.

Mr. CARAWAY. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 13, line 10, after the word "taxation," strike out the period and insert a comma and add the following language: "or the lawful commerce and police regulations of the several States, except wherein those regulations may affect the transportation of troops, war materials, or Government supplies, the regulation of rates, the expenditures of revenues, the addition to or the improvement of properties or the issue of stocks and bonds."

Mr. CARAWAY. Mr. Chairman, if any other gentleman wants to be heard on this amendment, I am willing to limit my time to less than five minutes and divide with him. The amendment proposes to come in at the end of line 10, which says that nothing in this act shall be construed to amend, repeal, impair, or affect the existing laws or powers of the States in relation to taxation.

Mr. BARKLEY. If the gentleman from Arkansas will accept the amendment to strike out the words "commerce and," the committee will not oppose it.

Mr. CARAWAY. I will be willing to accept it without discussion. Mr. Chairman, I ask unanimous consent to strike out the words "commerce and."

The CHAIRMAN. The gentleman from Arkansas asks unanimous consent to modify his amendment as the Clerk will report.

The Clerk read as follows:

Modify the amendment by striking out, after the word "lawful," the words "commerce and."

The CHAIRMAN. Is there objection to the modification?

There was no objection.

Mr. KING. Mr. Chairman, may we have the amendment read as it will read as modified?

The CHAIRMAN. Without objection, the Clerk will read.

The Clerk read as follows:

Page 13, line 10, after the word "taxation," strike out the period and insert a comma, and add the following language: "or the lawful police regulations of the several States, except wherein these regulations may affect the transportation of troops, war materials, or Government supplies, the regulation of rates, the expenditures of revenues, the addition to or the improvement of properties or the issue of stocks and bonds."

The CHAIRMAN. The question is on the amendment.

The question was taken, and the amendment was agreed to.

Mr. TOWNER. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 12, line 2, after the word "control," strike out the words "or with any order of the President."

Mr. TOWNER. Mr. Chairman, the language in section 11, to which my amendment applies, is as follows:

That carriers while under Federal control shall, in so far as is not inconsistent therewith, or with the provisions of this act or any other act applicable to such Federal control, or with any order of the President, be subject to all laws and liabilities as common carriers, whether arising under State or Federal laws or at common law.

The amendment which I propose is to strike out the words "or with any order of the President."

Stated a little more plainly, the language of the bill would read:

The railroads while under Federal control shall be subject to all laws and liabilities as common carriers arising under State or Federal laws or at common law now existing, except in so far as such laws are repealed by this law or by laws hereafter to be passed or by order of the President.

To retain the language "or by order of the President" is to place in the hands of the President the power to repeal by a simple order any or all State or Federal laws, or even the common law, controlling railroads and fixing their liabilities for negligence or torts. It even gives him power by an order to repeal all existing laws defining crimes and affixing penalties and punishments. Never before has it been even proposed to grant in this or any other civilized country such power to any man.

Everyone knows that from the earliest periods of English history the common law made carriers responsible for negligence and torts. Not a State of the Union but has added laws passed to regulate carriers and to definitely fix their liability. From the time the Congress began to legislate in control of interstate commerce a large body of national statutory regulations has been enacted. If these are not retained the labor of years for the betterment and safety of service and the protection of the people will be lost.

It is generally understood that in order to repeal an existing law a repealing law must be passed. So carefully is the efficacy of laws guarded that the courts will not allow a law to be repealed by indirection. Either the subsequent enactment in direct terms must state that the existing law is repealed or the subsequent statute must clearly appear inconsistent and in contradiction to the existing law. But here the power is given to repeal any or all existing laws by any law which Congress may hereafter pass—a provision entirely unnecessary because such power exists in any event—and the President is given

power by "any order" to repeal any or all existing laws. This is to grant to the Executive the legislative power to repeal laws.

Mr. BARKLEY. Mr. Chairman, will the gentleman yield?

Mr. TOWNER. Yes.

Mr. BARKLEY. On page 11, at the beginning of the section, it is provided that carriers while under Federal control shall, in so far as is not inconsistent with Federal control, be liable.

Mr. TOWNER. Yes.

Mr. BARKLEY. Could not the President under that clause make any order he might see fit to make that would take the roads out from under liability if inconsistent with Federal control as operated by him?

Mr. TOWNER. I think not; for if that was the intent no provision would be made that the carriers were still to be subject during Federal control to all the laws and liabilities now existing.

Mr. BARKLEY. The gentleman does not want any carrier to have a right that is inconsistent with Federal control?

Mr. TOWNER. Certainly not; but this provision is intended to preserve the rights of the people and to prevent the carriers from ridding themselves of their obligations and liabilities. This intent is clearly expressed, and then follows the proposition that the President may take from the people their rights and relieve the railroads of their liabilities by a simple order.

Mr. BARKLEY. Only so far as his action shall be consistent with Federal control.

Mr. TOWNER. Only so far as the President thinks shall be consistent with Federal control. Suppose some adviser tells the President that he could manage the roads a good deal better if the safety appliances laws were abrogated, or that all State laws were but an interference and should be repealed; or that the hours-of-labor laws would interfere—if this provision remains, the President by an order could repeal any or all of these laws. Suppose it should be suggested that it would help the Government in its operation of the roads if no suits for damages for negligence, or for loss of life or property, should be brought. No action would thereafter lie if the President so ordered.

All the existing laws which are thought to be an interference with Federal control are by this bill repealed. If any law is hereafter found to interfere in the slightest degree with Federal control for war purposes, it can be considered by Congress and repealed. We are all ready and willing to grant to the President any power needed to carry on this war to a speedy and successful conclusion. But these are matters apart from the control of the railroads for war purposes. These are guaranties and safeguards secured by the people through long years of struggle, and no one would be heard to contend that they are not as necessary in time of war as in peace. The railroads will be directly managed by the same men, operating the roads in the same way, in so far as the ordinary business of the country is concerned, as before the war. The protection of the lives of the people and reasonable care in the preservation of their property will be just as important in the future as in the past. Gentlemen would not claim that these guaranties and safeguards should be taken away. They seek to retain them by the very clause we are considering. Thus acknowledging their importance and value, the phrase I seek to strike out would, if retained, give the President the power by a mere order to obliterate any or all of them. That certainly is unwise, and I hope my amendment will be adopted.

Mr. DEMPSEY. Mr. Chairman, I offer as a substitute for the amendment, after the word "President," in line 2, page 12, to insert the words "authorized by such acts or any thereof."

The CHAIRMAN. The gentleman from New York offers an amendment which the Clerk will report.

The Clerk read as follows:

Substitute offered by Mr. DEMPSEY: Page 12, line 2, after the word "President," insert the words "authorized by such acts or any thereof."

Mr. DEMPSEY. Mr. Chairman, I think if the gentlemen who are in charge of this bill will observe the language of this amendment as proposed by me they will see that it is in accord with the act. If there is any question, and I doubt whether there is any question, for I do not believe, with the gentleman from Iowa, that this clause is susceptible of the interpretation he places upon it, I do not believe that the President would be authorized to make any order except an order which would be authorized by the acts which are referred to, but if there is any doubt I think we could well afford to insert the language I suggest.

Mr. BARKLEY. Could he make any order that was not consistent with Federal control and that would be determined by the act of 1906 and this act?

Mr. DEMPSEY. I do not think that he could, and I do not think that my amendment is necessary, but it can do no possible harm, and it answers the objection of the gentleman from Iowa.

Mr. FESS. Will the gentleman yield?

Mr. BARKLEY. As far as the committee is concerned, we are willing to accept the amendment of the gentleman from New York.

Mr. DEMPSEY. So that the membership will understand I will just explain for one moment. The proposition of the gentleman from Iowa [Mr. DOWELL] is that by the language of the bill the President would be authorized to issue orders inconsistent with this act or the act of 1916 by which he would take away all liability of railroads. Now, I do not believe that is so at all, but it is very easily possible in the language proposed by me to obviate any such danger. All you need to say is that you simply authorize the President to make such orders as are authorized by these acts. He can not then make an order by which he avoids liability, he can not then make any order except such orders as are permitted by these acts, and it seems to me that the whole thing disappears, if there is anything to disappear. As I said, I do not think it is necessary in the matter anyway, but by the use of this language it clarifies it beyond the possibility of any dream or imagination.

Mr. SAUNDERS of Virginia. Will the gentleman yield?

Mr. DEMPSEY. Yes.

Mr. SAUNDERS of Virginia. In respect to the act as it now stands what is there in this section that limits or prescribes the kind of order that the President can make?

Mr. DEMPSEY. I think that the language of the section, taken as a whole, limits and prescribes the kind of an order that the President can make.

Mr. SAUNDERS of Virginia. Does not the gentleman think it is at least doubtful?

Mr. DEMPSEY. Well, I should hardly say it is doubtful; if it is doubtful, the language proposed by me clarifies it.

Mr. SAUNDERS of Virginia. That raises another question. I am dealing with the section as it stands. It strikes me, if the gentleman will pardon me, that there is no question of doubt but that the section as it stands gives the President most sweeping authority to make any sort of order, and it says in substance that these carriers shall be subject to all the laws and liabilities as common carriers unless the President shall order otherwise.

Mr. DEMPSEY. No; I think what it says is this, that the carriers while under Federal control shall, so far as not inconsistent therewith, or with these two acts, or with any order of the President. Now, I think the order of the President refers back to the preceding part of the sentence and is qualified by the reference to those two acts. But suppose it is not? Then insert this language, which does clarify, and do away with that doubt.

Mr. SAUNDERS of Virginia. Would not the motion of the gentleman from Iowa to strike out the language to which this motion relates bring about in the most direct way that same result?

Mr. DEMPSEY. No; I do not think it would, because the President might want to make some orders.

Mr. SAUNDERS of Virginia. This does not interfere with the making of orders.

Mr. DEMPSEY. He may want to make some orders under those acts which it would be necessary for him to make. He can not make any orders that are inconsistent with them, but at the same time put in the language suggested by my amendment to clarify this section—to make it plain that the right to make orders is limited to such orders as are authorized by the acts.

Mr. SAUNDERS of Virginia. Just strike out that language and there is not any doubt remaining as to what the President can do.

Mr. DEMPSEY. Then you take away the authority to make any order.

Mr. LENROOT. Mr. Chairman, I rise to oppose the substitute. Mr. Chairman, it seems very clear that the amendment offered by the gentleman from Iowa [Mr. TOWNER] ought to be adopted; and it is equally clear that the substitute proposed by the gentleman from New York [Mr. DEMPSEY] does not reach the question at all, because the gentleman knows that the President now claims that none of these acts are in force, that there is no right of action to-day except as he by order permits it; and if he has now the right to permit these actions, the gentleman would continue to give him that right by his language when the very purpose of this section is to save to the injured party the right, in so far as not inconsistent with this act and the Federal-control act, to sue and the right to have a remedy. Now, the gentleman urges that this language carries back the words "or with any order of the President" as some-

thing not being inconsistent with the act. That is not true, because any order that the President makes you expressly provide shall overrule this right that is given. Unless this amendment is adopted as offered by the gentleman from Iowa, unless the words "or with any order of the President," are stricken out, the President will have the power to say there shall be no action against any railroad company. He will have the power to say that there shall be no compensation for any injured railway employee except such compensation as he thinks they ought to have. He will have the power, unless this amendment is adopted, to substitute for the present employers liability act the present United States employees' compensation act.

Mr. FESS. Will the gentleman yield?

Mr. LENROOT. I will.

Mr. FESS. I think the gentleman is entirely correct in the plain reading of the language that carriers while under Federal control shall, in so far as not inconsistent therewith—that means Federal control——

Mr. LENROOT. Certainly.

Mr. FESS (continuing). With this law or with the other law or with the order of the President. Now, certainly——

Mr. DEMPSEY. Of such act.

Mr. FESS. Certainly the President could make an order under this to set aside a liability. That is plain.

Mr. LENROOT. He certainly could with this language.

Mr. FESS. That is the plain reading of it.

Mr. LENROOT. Because when you insert here "any order of the President," that says that there shall be a right of action against the carrier, but if the President orders otherwise there shall be no right of action at all.

That is exactly what it means. It can not mean anything else, and I can not see how anyone on either side of the aisle can be willing to jeopardize the right of the 1,700,000 employees and the greater number of shippers not having the right of action to remedy their wrong. The power ought not to be left with any man to say whether or not there shall be a remedy for a wrong that exists. If this is left in the bill, we will give to the President of the United States a greater power than was ever given any monarch upon earth. It puts him above all law and says, "Although we are enacting law, Mr. President, any time you say so the law shall have no application whatever."

Mr. PLATT. Should not the very awkward language be corrected so as to read, "the carriers while under Federal control shall, except"——

Mr. LENROOT. Except what?

Mr. PLATT. "Except in so far as are inconsistent with the provisions of this act," and so forth?

Mr. LENROOT. That would do it. I think you would accomplish the same thing if you would leave out "or with any order of the President," because then it will be subject, and ought to be subject, to all liabilities that are not inconsistent with this act—by the act of Federal control.

Mr. DEMPSEY. I will withdraw my substitute in favor of the substitute suggested by the gentleman from New York [Mr. PLATT]. I think his is very much better than mine.

The CHAIRMAN. The gentleman from New York [Mr. DEMPSEY] asks unanimous consent to withdraw his amendment by way of a substitute. Is there objection? [After a pause.] The Chair hears none.

The gentleman from New York [Mr. PLATT] offers an amendment by way of a substitute, which the Clerk will report.

Mr. PLATT. Mr. Chairman, on page 11, line 24, amend so as to read as follows:

The carriers while under Federal control shall be subject to all loss and liabilities as common carriers, whether arising under State or Federal laws or as common law, except in so far as may be inconsistent with the provisions——

The CHAIRMAN. The gentleman will have to reduce his amendment to writing.

Mr. PLATT. It is all in here except the express provision.

The CHAIRMAN. The gentleman will send it up.

Mr. LENROOT. Mr. Chairman, inasmuch as the proposed substitute does not include the words "the order of the President," let us vote on this, and then the gentleman can offer his amendment.

Mr. BARKLEY. Mr. Chairman, regular order.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa [Mr. TOWNER].

The question was taken, and the amendment was agreed to.

Mr. ROMJUE. Mr. Chairman and gentlemen, I have presented an amendment to the pending bill as it stands at the present time, or, rather, an amendment to the Sweet amendment to said bill, as follows:

Provided, In the event freight rates are increased under this act over present existing rates, said increase shall not apply to or affect the rates as to shipments of live stock and grain commonly used as foodstuffs.

If there are two things certain at this time, one is that the allies are going to win this war, and the second is that the food production of the United States is and will continue to be an important factor in winning the war.

We are legislating on a very important matter at this time and there ought not to be any obstruction or impediment placed upon food production in this country.

As this bill stood before the Sweet amendment was adopted it vested some authority with the President, which I believe was the proper thing under the present existing emergency circumstances growing out of the war.

The Sweet amendment takes some authority from the President as provided in the bill in its original form and vests it with the Interstate Commerce Commission, and unless the Sweet amendment is defeated when the matter comes up for final passage, I consider it highly important to the meat and grain producers that the amendment which I offer to the Sweet amendment be adopted.

In brief, the Government takes over the railroads as a war necessity, and agrees for the use of said property to pay a standard return to them. The bill provides that after paying the standard return which is derived from the operating income of the railroads, if there is any operating income left over, the same shall be paid into the United States Treasury, and it is right under present existing conditions that such excess over the standard return should go to the Government. Now, suppose the operating income from the railroads is not sufficient to pay the standard return to the roads. In that event the Government agrees to make it up. So far as I am individually concerned, it is my opinion that we should not increase the freight rates, at least to any material extent, on the shipments of live stock and grain, such as corn and wheat. Now, in the event the freight rate is increased on these products of the farm and by virtue of that increase more income is derived from operating the railroads than is necessary to pay the standard return, the surplus will be paid into the United States Treasury. You will then find yourself in the attitude of requiring him who produces the food products to pay an additional sum in the way of increased rates, a part of which may go to the public. Would it not be better and more just not to require the farmer or producer of these food products to pay that increase, and if it must be met, let it be met by all the people through the Government? The farmer at the present time is not engaged altogether in a work solely beneficial to himself, but is putting forth an extra effort to produce food products for our Nation and its allies. In other words, he is also working for his country, thereby performing a public service. And I would prefer to encourage him and not add any extra burden to his condition. I hope you may agree with me in this, and if not, then at least that we leave the matter to the President to consider this matter, rather than to leave it where the Sweet amendment now places it. I think the farmer is now paying a fair rate for his shipments of stock and grain. The railroads were not taken over by the Government for the farmers' benefit solely, but for the public benefit. Then why should an increased rate be forced upon him? The railroads having been taken over for the public benefit, why not the public or whole people bear this burden in case a deficiency is to be made up, in case such deficiency should arise?

The CHAIRMAN. The gentleman has that permission under the general order of the House. The question is on agreeing to the amendment offered by the gentleman from Missouri [Mr. ROMJUE].

The question was taken, and the amendment was rejected.

Mr. PLATT. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from New York [Mr. PLATT] offers an amendment, which the Clerk will report.

The Clerk read as follows:

Page 11, beginning with the word "section," in line 24, strike out all to and including the period on line 4, page 12, and insert in lieu thereof the following: "That the carriers, while under Federal control, shall be subject to all laws and liabilities as common carriers, whether arising under State or Federal laws or at common law, except in so far as may be inconsistent with the provisions of this act or any other act applicable to such Federal control."

Mr. PLATT. Mr. Chairman, this amendment which I have put in writing is simply a transposition of the words, so as to state the thing affirmatively. It has already been adopted in a negative form. It is the same thing.

Mr. BARKLEY. Mr. Chairman, will the gentleman yield?

Mr. PLATT. Yes.

Mr. BARKLEY. The gentleman's amendment does not cover "so far as is not inconsistent with Federal control"?

Mr. PLATT. Oh, yes. I have the same thing here. If it is not the same, it should be. It is the same, except that it is transposed.

Mr. KELLEY of Michigan. Mr. Chairman, will the gentleman yield?

Mr. PLATT. Yes.

Mr. KELLEY of Michigan. I would like to inquire of the gentleman from Kentucky [Mr. BARKLEY] whether or not he believes the words "or with any order of the President," on page 12, give the President all the power he would have under the provision that was stricken out under the Towner amendment?

Mr. BARKLEY. No. It has no relationship to what the President orders, but has relationship to Federal control itself.

Mr. KELLEY of Michigan. Who will determine what is inconsistent with the principle of Federal control?

Mr. BARKLEY. That is a judicial question, a matter of law. It provides that Federal control shall not be inconsistent with itself.

Mr. KELLEY of Michigan. The gentleman from Kentucky propounded a query to the gentleman from Iowa [Mr. TOWNER] in which he inquired whether that language did not give the President the power which the gentleman from Iowa was seeking to strike out.

Mr. BARKLEY. The distinguished gentleman from Iowa answered in the negative.

Mr. KELLEY of Michigan. What is the gentleman's opinion?

Mr. BARKLEY. I think it does not. I do not think the words "order of the President" and the words "consistent with Federal control" are inconsistent terms. I think the words "Federal control" ought to be in there.

Mr. PLATT. My language is "not inconsistent with this act or any other act applicable to Federal control." I think that covers it. It states it affirmatively.

Mr. FESS. Mr. Chairman, will the gentleman yield?

Mr. PLATT. Yes.

Mr. FESS. I think the gentleman is correct.

The CHAIRMAN. The time of the gentleman from New York has expired. All time has expired. The question is on agreeing to the amendment offered by the gentleman from New York.

The amendment was agreed to.

Mr. MONTAGUE. Mr. Chairman, I ask unanimous consent that the ending of the first paragraph on page 13, beginning on line 8, at the word "That," which reads, "That nothing in this act shall be construed to amend, repeal," and so forth, as amended by what is known as the Caraway amendment, which has just been adopted by the committee, be transposed to the end of this act and be known as section 16. The language does not relate itself pertinently to the section in which it is found, or to any other section in the bill. Therefore I think, as a matter of form, it had better go to the end of the bill. The Senate has adopted language similar to that found in this bill unamended, and has put it at the end of its bill as a proviso. I think the better form would be to put it as a separate section.

Mr. TOWNER. I think the gentleman's idea is exactly correct, and I suggest to the gentleman that these two very important parts of section 11 ought really to be separated into two sections. If they are numbered as separate sections, will not the gentleman's object be accomplished?

Mr. MONTAGUE. Perhaps so; but I think this particular section had better go at the end of the bill. It would save renumbering other sections. That is the only reason. I just wanted to save time. I think the gentleman's suggestion is a good one.

Mr. TOWNER. That can be taken care of in conference.

Mr. MONTAGUE. Yes.

The CHAIRMAN. The gentleman from Virginia asks unanimous consent that the language which the Clerk will report be transposed to the end of the bill and offered as a new section.

Mr. SIMS. Including the Caraway amendment.

Mr. MONTAGUE. The language as amended.

The CHAIRMAN. The Clerk will report the language.

The Clerk read as follows:

Page 13, line 8, after the word "interest," "that nothing in this act shall be construed to amend, repeal, impair, or affect the existing laws or powers of the States in relation to taxation."

Mr. MONTAGUE. That language as amended.

The CHAIRMAN. The gentleman from Virginia asks unanimous consent that the language that has just been read, as amended by the Caraway amendment, may be transferred to the end of the bill and placed there as a new section, to be numbered section 16. Is there objection?

There was no objection.

Mr. BARKLEY. Mr. Chairman, I ask unanimous consent that, on page 12, the word "suits," in line 5, be changed to "actions at law or suits in equity," and I make a similar request as to the word "suit," in line 7.

The CHAIRMAN. The gentleman from Kentucky asks unanimous consent for the adoption of the amendment which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BARKLEY: Page 12, line 5, strike out the word "suits" and insert in lieu thereof the words "actions at law or suits in equity"; page 12, line 7, strike out the word "suit" and insert in lieu thereof the words "action at law or suit in equity."

The CHAIRMAN. Is there objection to the adoption of the amendment proposed by the gentleman from Kentucky?

Mr. STAFFORD. Reserving the right to object, may I ask the gentleman whether "actions at law" in a legislative enactment do not include suits in equity?

Mr. BARKLEY. In some jurisdictions there is a doubt about it, and that is the reason I offer the amendment, in order that there may be no doubt at all about it.

Mr. STAFFORD. There is no question that "suits" includes both actions at law and suits in equity.

Mr. HAMILTON of Michigan. A suit is a suit, whether in law or in equity, as the language of the bill reads.

Mr. SIMS. Mr. Chairman, has not all time for debate expired?

The CHAIRMAN. All time for debate has expired.

Mr. SIMS. But we are debating.

The CHAIRMAN. The gentleman from Kentucky [Mr. BARKLEY] asked unanimous consent, and the gentleman from Wisconsin reserved the right to object.

Mr. SIMS. He offered an amendment.

The CHAIRMAN. He asked unanimous consent to offer an amendment. Is there objection to agreeing to the amendment proposed by the gentleman from Kentucky?

There was no objection.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 12. That every person or corporation, whether carrier or shipper, or any receiver, trustee, lessee, agent, or person acting for or employed by a carrier or shipper, or other person, who shall knowingly violate or fail to observe any of the provisions of this act, or shall knowingly interfere with or impede the possession, use, operation, or control of any railroad property, railroad, or transportation system hitherto or hereafter taken over by the Pesident, or shall knowingly violate any of the provisions of any order or regulation made in pursuance of this act, or of any other act concerning such possession, use, operation, or control, shall be guilty of a misdemeanor, and shall, upon conviction, be punished by a fine of not more than $5,000, or, if a person, by imprisonment for not more than two years, or both. Each independent transaction constituting a violation of or a failure to observe any of the provisions of this act, or any order entered in pursuance hereof, shall constitute a separate offense. For the taking or conversion to his own use or the embezzlement of money or property derived from or used in connection with the possession, use, or operation of said railroads or transportation systems, the criminal statutes of the United States, as well as the criminal statutes of the various States where applicable, shall apply to all officers, agents, and employees engaged in said railroad and transportation service while the same is under Federal control to the same extent as to persons employed in the regular service of the United States. Prosecutions for violations of this act or of any order entered hereunder shall be in the district courts of the United States, under the direction of the Attorney General, in accordance with the procedure for the collection and imposing of fines and penalties now existing in said courts.

Mr. FESS. Mr. Chairman, I move to strike out the last word, in order to ask the chairman of the committee a question. On page 13, line 14, occur the words "who shall knowingly violate or fail to observe any of the provisions of this act." Could one plead ignorance of the law, and under these words would that be a complete defense?

Mr. SIMS. Ignorance of the law excuses no one.

Mr. FESS. I understand; but this says "shall knowingly."

Mr. BARKLEY. That legally means intentionally.

Mr. SIMS. That means with intent to violate the law. In the committee I personally objected to putting in the word "knowingly," but the committee put it in, and there is not enough in it to make it worth while to spend any time over it.

Mr. FESS. It is the judgment of the committee, then, that "knowingly" inserted in the bill would not allow anyone to plead ignorance of the law?

Mr. SIMS. Oh, certainly not. It means with criminal intent.

The CHAIRMAN. Without objection, the pro forma amendment is withdrawn.

Mr. LENROOT. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Wisconsin offers an amendment, which the Clerk will report.

The Clerk read as follows:

Page 14, after line 17, insert a new section to read as follows:

"SEC. —. That moneys and other property derived from the operation of the carriers during Federal control are hereby declared to be the property of the United States. Unless otherwise directed by the President, such money shall not be covered into the Treasury, but such moneys and property shall remain in the custody of the same officers and the accounting thereof shall be in the same manner and form as before Federal control. Disbursements therefrom shall, without further appropriation, be made in the same manner as before Federal control, and for such purposes as under the Interstate Commerce Commission classification of accounts in force on December 27, 1917, are chargeable to operating expenses or to railway tax accruals, and for such other purposes in connection with Federal control as the President may direct, except that taxes under Titles 1 and 11 of the act entitled 'An act to provide revenue to defray war expenses, and for other pur-

poses,' approved October 3, 1917, or any act in addition thereto or in amendment thereof, shall be paid by the carrier out of its own funds. If Federal control begins or ends during the tax year for which any taxes so chargeable to railway tax accruals are assessed, the taxes for such year shall be apportioned to the date of the beginning or ending of such Federal control, and disbursements shall be made only for that portion of such taxes as is due for the part of such tax year which falls within the period of Federal control.

"Such custody and disbursement shall, however, be subject to the direction of the President, and all officers and employees having custody or control of any of such moneys or property shall be subject to all criminal laws regarding the custody and control of public moneys or property so far as not inconsistent herewith.

"At such periods as the President may direct, the books shall be closed and the balance of revenue over disbursements shall be covered into the Treasury of the United States to the credit of the revolving fund created by this act. If such revenues are insufficient to meet such disbursements, the deficit shall be paid out of such revolving fund in such manner as the President may direct."

Mr. SIMS. I will not object to the amendment if it is satisfactory to others.

Mr. STAFFORD. Will my colleague yield?

Mr. LENROOT. Certainly.

Mr. STAFFORD. I glean from the reading of the amendment that all revenues are to be the property of the United States. Is it intended that they shall remain the property at all times after the roads are turned back into private control?

Mr. LENROOT. Yes; any moneys derived from the operation during Federal control will remain the property of the United States.

Mr. STAFFORD. I was under the impression that the bill was founded on the idea that the moneys accruing from operation at the termination of control by the Government should be turned back to the respective companies.

Mr. LENROOT. The money in the Treasury?

Mr. STAFFORD. The balance remaining after the various deductions necessary for operation.

Mr. LENROOT. That must be a matter of accounting. After the accounting the railroads will owe us so much or we will owe the railroads so much.

Mr. STAFFORD. On what basis? Assume that the Pennsylvania Railroad, for instance, has been making large returns while under Government control, and that there will be a surplus accruing to the railroad after paying it the standard return. Under the amendment of the gentleman there will be no return whatever to the private owners of the roads—to the companies—but these returns would go to the Government.

Mr. LENROOT. Certainly; they ought to. It is Government money. We are paying the railroads a billion dollars a year, and we must turn the roads back in as good shape as when we received them, but they are not entitled to any of the revenues. I think there are two or three things that should be considered in conference. Of course, the moneys that are derived during Federal control must be the moneys of the Government. Certainly if we had a billion dollars surplus at the end of Federal control we ought not to give it to the railroads. The bill expressly provides that any excess of operating revenue from operating expenses shall go into the revolving fund. This amendment is necessary for the reason that if this is Government money, without the legislation, under the present law, the money could not be retained, but must go into the Treasury, and this permits the moneys to be used as they have been used, subject to the control of the President at all times.

Mr. SMITH of Michigan. Is it not true that the Government pays the Pennsylvania or these other roads for the use of the roads?

Mr. LENROOT. Yes. It will be noticed, in reference to the war taxes, that the bill in its present form provides they shall pay war taxes only in case of agreement. Of course, the Government should not pay any war tax if the railroad does not agree. The corporation should pay the war tax, and not the Government. While the Government would be compelled to pay the ordinary taxes, it should not pay the war taxes of a nonagreeing railroad. Again, we took over the railroads in December, and we ought not to be charged for taxes which were payable in February for the previous year. The Government ought not to be charged with all of the taxes assessed against railroads during the previous year. This amendment takes care of that. I think the amendment is very important and necessary.

Mr. SIMS. Mr. Chairman, I ask unanimous consent that all debate on this section and all amendments thereto close in five minutes.

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent that all debate on this section and amendments thereto close in five minutes. Is there objection?

There was no objection.

Mr. GREEN of Iowa. Mr. Chairman, I am inclined to favor the amendment offered by the gentleman from Wisconsin on the ground that it is providing for a contingency that may happen, although it is one which, in my judgment, is extremely remote. I do not believe there will ever be a dollar accrue to the Government to which this amendment will apply. We have taken as a standard of compensation for the railways three of the most prosperous years we can find. What we will have over will be what any company should happen to make above the average for those three years.

In that connection must also be considered the amount necessary for the administration of this law. Some railroad official who was before the committee, and whose name I have forgotten, said, in respect to this revolving fund, that the only way it could be considered as a revolving fund was that it pertained to wheels, because that would be the only thing revolving in connection with it; that nothing would ever revolve back into the Federal Treasury. I am satisfied that he was right. This will cost our Government over the $500,000,000 now appropriated, and any sum which by any possibility comes into the Treasury by reason of some railroad happening to make an excess over the three-year period. We already have a large number of high-salaried men employed in connection with this plan we are carrying out with reference to the control of railroads. As yet I have not heard of a single individual whose services are dispensed with, and I do not believe any will be discharged. Already we have had several new bureaus created, with an extensive array of stenographers and clerks. There has been some talk of cutting the salaries of certain railroad officials, who, as it seems to many of us, are drawing exorbitant salaries, but I have no faith that this will be done. In the meantime prices of materials are steadily rising, and it is understood that the wages of the employees are to be increased. Some slight economies have been effected by taking off trains and thereby discommoding the public, but the saving is slight compared to the increase in expense.

Mr. McKENZIE. Does not the gentleman from Iowa believe that this contingency might arise by the exercise of the power to raise rates that is in this bill?

Mr. GREEN of Iowa. The contingency might arise in that kind of way, but why it should arise would be more than I can imagine. Gentlemen talk about having the rates raised, but why should they be raised—to bring a profit to the Government beyond a reasonable amount? The bill provides that rates shall be just and fair and reasonable. They ought not to be raised to bring in any profit to the Government. Indeed they can not be raised for that purpose, if we comply with the terms of the bill. I am hoping, however, without much basis for my hope, that the whole of this gigantic sum of five hundred millions will not be absorbed in this undertaking. Government operation of railroads is, in a sense, on trial. It would not, of course, be entirely fair to test it solely by the total expense in times like these. If, however, we find the only difference is a large increase in the number of officials, an increased operating expense, fewer trains, higher rates, and poorer service, the Nation certainly will not consider any plan to purchase the railroads when the war is over.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin.

The question was taken, and the amendment was agreed to.

Mr. FESS. Mr. Chairman, I move to strike out the word "knowingly," in line 14, page 13, and insert in lieu thereof the word "willfully."

The CHAIRMAN. The gentleman from Ohio offers an amendment, which the Clerk will report.

The Clerk read as follows:

Page 13, line 14, strike out the word "knowingly" and insert in lieu thereof the word "willfully."

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken, and the amendment was rejected.

The Clerk read as follows:

SEC. 13. That all pending cases in the courts of the United States affecting railroads or other transportation systems brought under the act to regulate commerce, approved February 4, 1887, as amended and supplemented, including the commodities clause, so called, or under the act to protect trade and commerce against unlawful restraints and monopolies, approved July 2, 1890, and amendments thereto, shall proceed to final determination as soon as may be, as if the United States had not assumed control of transportation systems; but in any such case the court having jurisdiction may upon the application of the United States stay execution of final judgment or decree until the further action of Congress in respect of control of transportation systems by the United States.

Mr. LENROOT. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Page 15, line 5, strike out the words "until the further action of Congress in respect of control of transportation systems by the United States," and insert in lieu thereof the words "until such time as it shall deem proper."

Mr. LENROOT. Mr. Chairman, if I may say a word on that——

Mr. SIMS. Mr. Chairman, there is no contest on the amendment.

Mr. LENROOT. Very well.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Wisconsin.

The question was taken, and the amendment was agreed to.

The Clerk read as follows:

SEC. 14. That the Federal control of railroads and transportation systems herein and heretofore provided for shall continue for and during the period of the war and for a reasonable time thereafter, which shall not exceed two years next following the date of the proclamation by the President of the exchange of ratifications of the treaty of peace: *Provided, however*, That the President may, prior to July 1, 1918, relinquish control of all or any part of any railroad or system of transportation, further Federal control of which the President shall deem not needful or desirable; and the President may at any time during the period of Federal control agree with the owners thereof to relinquish all or any part of any railroad or system of transportation; and no right to compensation shall accrue to such owners from and after the date of relinquishment for the property so relinquished.

Mr. BARKLEY. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read.

Mr. ESCH. Mr. Chairman, before that is read I desire to make an inquiry. Is the amendment offered by the gentleman from Kentucky to strike out?

Mr. BARKLEY. It is to strike out and insert.

Mr. ESCH. I want to offer an amendment reducing the period from two to one year. Would not that have priority, as perfecting the text?

The CHAIRMAN. A motion to perfect the text would have priority over a motion to strike out.

Mr. ESCH. Then I would like to offer that amendment.

The CHAIRMAN. The Chair does not yet know what the amendment of the gentleman from Kentucky is. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. BARKLEY: Page 15, line 10, after the word "war," strike out all down to and including the word "peace," in line 13, and insert in lieu thereof the following: "and until Congress shall thereafter otherwise provide."

The CHAIRMAN. This is a motion to strike out and insert, and in that respect is in itself an amendment to perfect, so the Chair is not prepared to say that the amendment of the gentleman from Wisconsin would take precedence over this amendment.

Mr. STAFFORD. Mr. Chairman——

The CHAIRMAN. For what purpose does the gentleman rise?

Mr. STAFFORD. To make a suggestion, if the Chair will indulge me.

The CHAIRMAN. The Chair will hear the gentleman with pleasure.

Mr. STAFFORD. The definitive proposition submitted to the committee by the amendment of the gentleman from Kentucky is that instead of a time limit, as provided in the bill itself, it shall be dependent upon some action of Congress, whereas the proposed amendment suggested by my colleague was to bring before the House a vote on the most specific provision of the existing paragraph.

If the one-year proposal was submitted and voted upon, you could get the contested judgment of the committee on that before you would submit the question as to whether they wished to make a more indefinite proposal conditioned upon Congress to act. We should try always, I take it, to submit amendments whereby the judgment of the committee may first be obtained on the proposals contained in the bill before submitting something of an entirely different character. The amendment of the gentleman from Kentucky is something of a different character from that which is proposed by the gentleman from Wisconsin.

Mr. FOSTER. Mr. Chairman, I submit they both stand on the same footing as to striking out and inserting. Of course they may be of a different character, and one may be more definite than the other. I do not see in that case where one takes precedence—that the amendment offered by the gentleman from Wisconsin takes precedence over the other under the rule—because they are both amendments to strike out and insert.

Mr. SABATH. The Chair does not know what the amendment proposed to be offered by the gentleman from Wisconsin may be.

The CHAIRMAN. The gentleman stated what his amendment would be. The Chair does not see, from a parliamentary standpoint, any difference in the two amendments. The amendment of the gentleman from Kentucky is a motion to strike out and insert. The amendment to be proposed by the gentleman from Wisconsin would take precedence over a motion to strike out, but the amendment offered by the gentleman from Kentucky is a motion to strike out and insert, and it is therefore a perfecting motion. So far as the parliamentary situation is concerned, the Chair is unable to distinguish between the two.

Mr. SAUNDERS of Virginia. Would not this be true? Could not the motion of the gentleman from Wisconsin be offered as a substitute for the motion of the gentleman from Kentucky?

The CHAIRMAN. Quite likely that is true.

Mr. SAUNDERS of Virginia. In that event that would be voted upon first.

The CHAIRMAN. It would be voted upon first if offered as a substitute and it was germane.

Mr. BARKLEY. I want to make a parliamentary inquiry of the Chairman.

The CHAIRMAN. The gentleman will state it.

Mr. BARKLEY. Whether the gentleman from Wisconsin could offer his amendment, which is a motion to strike out and insert, to my amendment, which is a similar motion. As far as I am concerned, I have no preference as to which one of those amendments should be voted on first.

The CHAIRMAN. The Chair is of the opinion that the gentleman from Wisconsin could offer the amendment which he indicated he would propose as a substitute for the amendment proposed by the gentleman from Kentucky, in which event the vote would come first upon the amendment offered by way of substitute by the gentleman from Wisconsin.

Mr. BARKLEY. May I suggest to the gentleman from Wisconsin that he offer his amendment and have both up at the same time for discussion?

The CHAIRMAN. Does the gentleman yield the floor?

Mr. BARKLEY. I yield for that purpose if the gentleman desires to do it. I do not care to suggest it unless the gentleman desires to do so.

Mr. SIMS. That is a very good way to get the thing through as soon as possible. Personally, I would like to see the gentleman's amendment voted upon first.

Mr. ESCH. I have no objection to the gentleman from Kentucky proceeding. My amendment was to strike out in line 12 the word "two" and insert the word "one," and strike out "years" and insert "year."

Mr. BARKLEY. Mr. Chairman, I ask unanimous consent to speak for 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky? [After a pause.] The Chair hears none.

Mr. BARKLEY. Mr. Chairman, this is similar to the amendment which Mr. STEPHENS of Nebraska indicated he would offer, but he is temporarily out of the Chamber. I do not know that I can add anything material to what I said in general debate upon the subject of the limitation of the tenure of Government control. I do not think that in all the history of this Government there has been such a large transfer of property involving so much that affects the commercial welfare and economic conditions of our country as the taking over of the railroads by the Government of the United States, and I do not believe there is any man now in Congress or elsewhere who is wise enough to forecast at this time what legislation will be necessary in turning those roads back to their owners, if they are turned back, after the war is concluded. The Government of Great Britain at the very beginning of the war took possession and assumed control of the British railways. In the North American Review for February Mr. Sidney Brooks, a very well known and prominent English journalist and publicist, in discussing British railways, had the following to say:

It has become progressively clearer and clearer that the railways can not, when the war is over, go back to their old positions and their old methods. Finance alone forbids it. The railway men have received in the past three years three successive additions of 5 shillings a week to their wages. They have been disguised under the name of war-bonuses, but nobody that I know of expects them to disappear with the war. On the conclusion of peace the companies will find themselves faced with an increase of considerably over £20,000,000 a year in their wages bill. This sum exceeds by several millions the amount—some £17,000,000—paid out in 1913 as dividend on the ordinary stock. But that is not all. The cost of material has risen by about 60 per cent, the increase is not likely to be scaled down for many years to come, and another huge item is thus added to the working expenses. Moreover all the companies are behindhand with renewals and repairs; their good will, the creation of decades of assiduous labor, has been profoundly affected by a war that has played havoc with the normal channels of trade; some lines have been involuntarily advanced to a position of unwonted importance; others, through no fault of their own, have had to yield ground; and the State, which is responsible for these upheavals, can not, when peace returns, wash its hands of the immense problems of reconstruction they will bequeath.

Were the Government to follow any such course, were it to terminate its contract on the conclusion of peace, and to leave the railways to work out their own salvation, the result would be, first, that the companies as a whole would be hard put to it to pay any dividends at all

on their guaranteed and preference stocks; secondly, that the dividends on the ordinary stock, representing nearly £500,000,000 of paid-up capital, would be wiped out; and, thirdly, that the directors would all but inevitably be driven to raise their rates just at a time when the national chances of recovering from the devastation of the war and of competing successfully in international trade would largely depend on cheap transportation. The consequences of such a solution have only to be faced to put it out of court as impossible.

There remain, therefore, two alternatives. One is that the Government should itself acquire the railways by purchase and operate them as it operates the post office; in other words, that the railway system of the United Kingdom should be nationalized. The other is that some such plan as has been found admirably effective in time of war should be continued into the years of peace, and that in return for a financial guaranty the State should assume control of general railway policy, should insist on the companies being worked together as they are now being worked together, and should require the adoption of the reforms, the almost innumerable reforms, that the companies have too long resisted and that the pressure of the war has forced upon them. The choice will be between Government ownership and operation on the one hand, and a far more thorough-going and rational system of State regulation and control and of State responsibility on the other.

He goes on to the conclusion that in England the British railways when the war is over will be met with two propositions, one of them Government ownership absolutely or Government control, under a unified system of legislation and control similar to that which has grown up during the war. Now, that situation is going to confront the railways of the United States. We are liable to spend in betterments and improvements and the purchase of equipment and building of terminals and other facilities necessary for the carrying on of this war a billion dollars, and if the war continues for two or three years we are liable to spend a billion and a half or two billions of dollars in aiding these railroads and making improvements. Because it was stated before the joint commission of the House and Senate that in order to keep up the railways adequately to meet the conditions even of peace it was necessary to expend $1,000,000,000 a year in extensions, betterments, and equipment, and if that were necessary in times of peace, certainly that will not be an exaggerated sum that it will be necessary to spend by the Government of the United States in times of war. Not only that, but the financial affairs of our Government, entangled as they inevitably must become with the railroads during Federal control, will be of such condition and nature that the United States Government can not wisely, from a financial or economic standpoint, turn these railroads back to private control subject to the old competitive methods without providing adequate legislation for the unification of railways after the war is over.

Now, it has come to my knowledge within the last few days that financial institutions are at this very time undertaking to hold up the Government of the United States, and railroads that are either in receiverships or liable to be placed under receiverships during Federal control, because they say that, "Under the terms of this bill you provide that automatically the roads come back to private ownership after two years have elapsed from the day of peace, and, therefore, we do not know when you are going to turn them back upon us, and when you do turn them back, if adequate provision has not been made for all these entangling alliances between the Government and the railroads, the stocks may go down and we be left to hold the bag." And because of that condition financial institutions that are now being depended on, both by the railroads and by the Government, are holding up or displaying a disposition to take advantage of that uncertain and chaotic condition to make harder terms either upon the Government or the railroads than would otherwise be the case if they were sure that before these railroads are turned back to the old chaotic and confused conditions that brought about a breaking down of the railroad system of the United States, the Government and the railroads would be able to obtain better terms from those upon whom they depend for financial support.

Mr. DEMPSEY. As I understand the gentleman, his argument is based upon the probability that the railroads will be in a bad condition financially at the end of the war. Is the gentleman advised that this is the condition in England, namely, that since the war England has paid from operating revenue the dividends paid in the prewar period, and has paid 5 per cent upon all nondividend-paying roads, has carried soldiers without charge, and has carried half of the munitions without charge? Now, I am advised by experts that that is the fact. Is that in accordance with the gentleman's information?

Mr. BARKLEY. Not precisely. I think there are some commodities that the Government has hauled without charge itself, because not to do so would be simply taking the money out of one pocket and putting it into another.

Mr. DEMPSEY. Take the question of paying prewar dividends, and in all cases 5 per cent war dividends had not been paid. Is that in accordance with the gentleman's information?

Mr. BARKLEY. That is substantially true, but the Government has borne all increases of wages out of its Treasury, but this can not happen under private control.

Mr. DEMPSEY. Would not that mean that the railroads, instead of being in bad condition financially, would be in a vastly improved condition financially at the end of this war?

Mr. BARKLEY. But the British interests are going to inherit just what the American railroads are going to inherit, unless there is some provision for coordinating the expenses and the receipts of these railroads; and under the amendment which has been adopted by the House, known as the Sweet amendment, I am very much afraid that notwithstanding the increase in expenses the Government of the United States will have no power whatever to increase the revenues of the railroads, and if that should happen they will inherit a vastly increased expense without increasing the revenues. And these things ought to be left to a future Congress.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BARKLEY. Mr. Chairman, I ask unanimous consent for five minutes more.

Mr. SIMS. How much time has the gentleman from Kentucky already had?

The CHAIRMAN. Ten minutes.

Mr. SIMS. Mr. Chairman, I want to ask unanimous consent that all debate on the amendment offered by the gentleman from Kentucky [Mr. BARKLEY] close in 30 minutes.

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent——

Mr. SIMS. I did not mean 30 minutes. I mean 20 minutes. He has already had 10.

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent that all debate on the amendment offered by the gentleman from Kentucky [Mr. BARKLEY] shall conclude in 20 minutes. Is there objection?

Mr. CANNON. I object.

The CHAIRMAN. The gentleman from Illinois objects.

Mr. SIMS. Mr. Chairman, I move that all debate on the amendment offered by the gentleman from Kentucky close in 20 minutes.

The CHAIRMAN. The gentleman from Tennessee moves that all debate upon the amendment proposed by the gentleman from Kentucky shall be concluded in 20 minutes. The question is on agreeing to that motion.

Mr. GILLETT. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. GILLETT. In that 20 minutes has the gentleman from Kentucky been recognized yet?

The CHAIRMAN. The request of the gentleman from Kentucky has not yet been acted upon by the House.

Mr. CANNON. Mr. Chairman, I will withdraw my objection.

Mr. BARKLEY. Does that give me the five additional minutes that I have asked for?

The CHAIRMAN. No. The question is upon the motion made by the gentleman from Tennessee.

Mr. CANNON. I withdraw the objection.

Mr. SIMS. A motion is pending.

The CHAIRMAN. The question is upon the motion of the gentleman from Tennessee.

The question was taken, and the motion was agreed to.

The CHAIRMAN. The debate will be concluded in 20 minutes. The gentleman from Kentucky [Mr. BARKLEY] asks unanimous consent to proceed five minutes. Is there objection?

Mr. LENROOT. I object.

The CHAIRMAN. The gentleman from Wisconsin objects.

Mr. LENROOT. Mr. Chairman——

Mr. KELLY of Pennsylvania rose.

The CHAIRMAN. Does any member of the committee demand recognition?

Mr. ESCH. I do.

The CHAIRMAN. The gentleman from Wisconsin is recognized for five minutes.

Mr. ESCH. Mr. Chairman, the amendment of the gentleman from Kentucky [Mr. BARKLEY] restores the original draft of the bill, to the effect that Federal control shall continue until Congress orders otherwise. The committee, after two days' deliberation, agreed upon a term of two years. The Senate bill provides for 18 months.

We are convinced that there should be a definite and specific term for the period of Federal control, for the reason that the railroads were taken under the war power, under the act of 1916, as a purely war measure. They were not taken under the commerce clause of the Constitution. They were taken under the war power. The power controlling possession of them therefore should terminate at the time the war terminates. The courts would construe a year as a reasonable time after the conclusion of war through a declaration of peace.

We fixed that limit in our amendment. We believe that it will be ample time for Congress to make the necessary financial readjustments that will be required as a result of the changed status of the roads during the period of war control; for be it remembered that under the terms of the amendment I have offered it will be one year after the proclamation of the ratification of peace, and it will doubtless take many months before terms of peace can be agreed upon. During this period of time Congress will be in session. Congress can enact the necessary legislation, and then have one year additional in which to make the necessary adjustments.

It does not seem to me that we are asking an unreasonable thing, in view of the fact that the roads are being held under the war power, and that within the period of one year after the conclusion of the war by the proclamation of the ratification of peace they can be returned to their owners. We ought to make the contract now. We should fix in the terms of this contract its duration, just as we do when we make any other contract or lease. Therefore, in my opinion, by leaving it wide open, without making any definite term, we are inviting that very uncertainty which some have said would lead to financial chaos. It seems to me a contradiction of terms to say that by fixing the time of the Government's tenure you invite uncertainty and chaos. To me the opposite is true. When you leave the term indefinite yo uinvite uncertainty, you promote speculation, and you bring about the very condition that you wish to ward off.

Mr. COADY. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman from Wisconsin yield to the gentleman from Maryland?

Mr. ESCH. I just have five minutes.

Mr. COADY. Just for a question.

Mr. ESCH. What is it?

Mr. COADY. I think the gentleman's suggestion is that one year after the termination of war, or one year after the close of the war——

Mr. ESCH. I use the same language as is in the bill, "after the declaration of peace."

Mr. COADY. Does the gentleman move to strike out the word "two" and insert "one"?

Mr. ESCH. I have had my amendment read for information.

Mr. COADY. Does the gentleman think one year would be sufficient?

Mr. ESCH. I have tried to argue that.

Mr. COADY. Suppose the war terminated on the 4th of March, at the termination of one Congress. The next Congress would not meet until the next December. Then Congress would have at that session only three months in which to act upon it.

Mr. ESCH. I do not think there is much force to that contention, because this is a matter of nation-wide concern, and this great problem of the future 260,000 miles of railroad would be of sufficient importance for any President, I do not care who he might be, to call a special session of Congress in order to pass the necessary legislation.

Mr. BARKLEY. Will the gentleman yield for a question?

Mr. ESCH. I can not yield, Mr. Chairman. I have only two minutes remaining, and the gentleman had 10 minutes. It seems to me that if we fix no definite time you are putting this whole great question into the form of a political issue; you make it the football of politics. We do not want to do that. We want to fix the term now. We will have time enough for the necessary legislation. The longer the time, the greater will be the financial interest in and obligation of the Government as to these carriers, and the more difficult it will be to unscramble the financial situation. That would be another reason in my mind why we should make as speedy a termination of this situation after peace comes as we can; that the roads may be returned to their owners under such laws as Congress shall enact. [Applause.]

Mr. DECKER. Mr. Chairman and gentlemen of the committee, the question has been pretty thoroughly discussed in general debate, but before this vote is taken I would like to remind you, one and all, just what the vote means. There is no use dodging it or trying to dodge it. A vote for the Barkley amendment means a vote in favor of passing remedial legislation before the railroads are given back to the private owners. That is what it means, and you need not dodge it. [Applause.] If you are afraid to trust the people of the United States to pass upon this question in their wisdom, then vote to put the stop watch on. It has been said, and said truly—said by distinguished men—that this vote means an advantage to one side or the other. The two sides are these: There are some people in the United States so afraid of what they call Government ownership that they would vote these roads back into the hands of the private owners without regard to whether the rights of the American people are protected before they are voted back or not, in order to avoid what they honestly believe is a great danger in Government ownership. Now, gentlemen, let the lamp of experience guide our feet. Who here this afternoon is so wise as to say what the situation in the United States will be when the war is over? We already know of much legislation that was needed before the roads were taken over. Do you mean to say that we will learn nothing during this Federal control that might be of benefit to us in enacting legislation for the regulation or control of the railroads after the war is over? Then, why not give the people at home a chance to speak? I admit frankly that if you put in this limitation it will make it harder for the people to carry out their will, if they should come to a decision as to doing something else about the railroads in America. But what business is it of ours to say that they shall not have as much time as they want to settle this question? How much more time have I, Mr. Chairman?

The CHAIRMAN. The gentleman has two minutes.

Mr. DECKER. You say two years is ample time. Two years is ample provided we have no other questions to settle when this awful struggle is over. You say two years are enough. Then I look you in the face and ask you, Why have we not enacted legislation already regulating the issuance of railroad stocks and bonds in this country? Is there a Congressman here who dares tell his constituents that that kind of legislation has not been needed for 10 years? Since I have been a Member of Congress, in the last four years, we have passed a bill of that kind through the House twice, but still it is not enacted into law. The gentleman on the other side says that two years is ample time in which to settle all the questions, which we must admit will be greater then than they are now, before we turn the railroads back. If you believe that, vote to put in the limitation; but if in your heart you want to protect the American people against such outrages as happened to the New Haven, the Rock Island, and the Frisco, then do not vote for a limitation. Do not vote for a limitation and then go back home and tell the American people that you are a friend of the shipper and the investor, and that you are against the robbery and the looting of the railroad systems of this country.

I do not believe that all railroad men are dishonest, but everybody knows that some of them have been dishonest; and until we get some railroad legislation in this country that will protect investors and that will see to it that money paid for railroad stocks and bonds is put into ties and rails and locomotives and cars instead of into the pockets of railroad officials, then, and not until then, will the American investing public have some confidence in our railroad systems.

Mr. DILLON. Will the gentleman yield?

Mr. DECKER. I have not the time to yield; my time is about up. I want to say in closing that you can act now and protect the American people. They are the ones that have the right to speak on this question. It is their money, not yours and mine, that is voted into these systems at this time in order to take care of the situation caused by private owners' inability to carry on the transportation of this country. It may be a billion dollars or it may be two billion dollars, but, whatever it is, it is their money. Why not give them a chance to speak before you turn them back to private owners? Ah, there will be other questions confronting the American people; their hearts will be sad; they will be troubled with the mighty questions to settle. Why say that the great railroad question has got to be settled on a given day? [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. SMITH of Michigan. Mr. Chairman, I confess I approach the question of railroad management with a good deal of hesitation, because I do not want to appear to know too much about the operation of railroads or too much about that line of business. My chief experience with the railroads has been that of a passenger, and, as far as I could see, the business was profitable.

I have been brought up in a different atmosphere. I never drew a railroad salary, but have heard considerable about them. I think, from custom or otherwise, the high salaries paid railroad officials have been a source of criticism, if not a burden to the companies.

But I wish for a few minutes, however presumptious it may appear, to speak briefly concerning the bill we have been considering for the last few days, and which is now before the House, for the control of the railroads by the Federal Government and the just compensation therefor.

It is common knowledge that agriculture, manufacturing, and commerce are the greatest industries and most vitally affect the welfare of our country. They are interwoven with the progress and prosperity of our Nation and the happiness of our people.

I am in favor of this bill for two reasons which appear to me very essential: First, I am in favor of taking over the railroads as a war measure, and I do not see how there can be a proper

conduct of the war without the facility of the railroads in the transportation of our troops, war munitions, and supplies. The railroads and transportation facilities, including our waterways and navigation, are essential. With 3,000 miles of ocean traffic, the taking over of our shipping is as vital and essential in the conduct of the war as the taking over of the railroads.

Second, I am also in favor of taking over the railroads in order to coordinate the facilities of transportation during the war as a means of procuring the utmost efficiency. In the conduct of the war economy, efficiency, development, and industry will count most, and I do not think that crosshauls, empty trains, or double service tend to best results. I am not only for coordinating the railroads of our country but I am also for coordinating every great branch of industry, including the man power, in the development of the needed resources of our country in winning the war. I am for subscribing every American citizen, male and female, to a pledge devoting his best energy, his property, and his life in the successful prosecution of the war. There can be no division among us. Every man must now do his duty in the hour of his country's need and of his country's danger. It is self-evident to everyone now that the war must be won by the United States. Dissension, sedition, and pro-German sentiment must all be suppressed in the interest of unity, strength, and success. I know there are many splendid citizens of German birth and German descent who are loyal to our country, who have a double burden to bear, and who are rallying to our defense, enlisting in our Army, in opposition to their ancestry, but whose fealty and loyalty to our flag is paramount. A pro-German alien enemy, of whatever nationality, going at large in the United States among our citizens at the present time is more dangerous than if he were in the ranks of the German Army.

I am for coordinating and uniting the citizens of the United States like one man. I am for the coordination of every South American Republic, Canada, and Mexico, so that the Western Hemisphere can present a united front for the prosecution of the war; I am for inviting and procuring the active aid and support of Japan, which has promised its assistance; I am for organizing China, with its great man power; and in every way availing ourselves not only of the armies and navies of friendly nations but of their man power and great resources as well in fighting Germany. I say Germany because Germany is responsible for the war, is undertaking to set up an autocratic monarchy to rule the world, and we are all opposed to that. I understand that in war it is easier to give advice and to say what one should do and what ought to be done than it is to consummate and bring about the result. I do not make this suggestion by way of criticism but as expressing my own conviction. Nor am I banking upon the fact that I always have advocated and voted for preparedness. It is a great step from a peace to a war basis. I had always hoped that the brightest pages of American history would be adorned with peaceful pursuits, art, the progress of agriculture, science, and invention rather than our martial achievements. But we have engaged in the greatest war of all times, and, while there are different opinions about our policy of declaring war and the progress we have made, may I say that there never was a more just war, or one contending for higher or more far-reaching or more beneficial results and principles than the present war.

Of course, just compensation for the use of the railroads must be made to the owners. I think a very good solution of what amount of compensation ought to be made to them is contained in the bill, and that the average annual earnings of these roads for the three prewar years of 1914, 1915, and 1916 is a safe standard. The bill contains an appropriation of $500,000,000 as an operating fund, to which will be added the earnings of the railroads, and out of which they can be paid for their use, maintenance, upkeep, interest, and other expenditures. It seems to me this is a reasonably fair rule for just compensation, and certainly no one wishes to be unfair or confiscatory in relation to what should be paid to the owners of the railroads any more than they would for the just compensation for property of individuals taken over by the Government.

Neither am I afraid of the rate-fixing power provided in the bill. At the present time the railroads fix the rates, and this rate, upon the complaint of any shipper, can be reviewed by the Interstate Commerce Commission. We have a Food Administrator controlling the food situation of the country. We have a Fuel Administrator controlling the fuel situation of the country. The President has, in numerous instances, fixed the price of food products and cereals and the price of fuel. Some one has stated that he fixed the price of demurrage. Also that he did not fix the price of fuel satisfactorily or the price of wheat, and that the demurrage of $10 per car a day only lasted overnight. But the President changed them upon complaint of the people, and it is not reasonable to think that the rate fixed for the common carrier will be unreasonable, even if the President is given that power. I do not think, with public opinion and public censorship, that the President will arbitrarily make an unjust or exorbitant rate. Personally, I would be pleased if the President, by and with the advice of the Interstate Commerce Commission, would fix the rates, and that the Interstate Commerce Commission, which has had great experience and long service in the fixing of rates, has made thousands of decisions and written thousands of opinions in reference to rates, might in some way be preserved and coordinated in the fixing of rates. But this is an administration bill. I am not afraid that the rate purposely or arbitrarily will be made unjust by any President. The power given the President over the control of railroads ends in two years after the war, and the right of the President to fix the rates will likewise end.

We are fighting a great war. We can not hope for success without organization. The armies of all times have had one superior chieftain or commander, and for effective fighting there must be unity in this war all along the line. Some one must lead, and the quicker we determine upon some one for the final say, or who will have the last word, the better work and assurance of success will follow. A large amount of transportation during the war will be troops and munitions. If the Government must pay the standard rate as fixed by the average paid during the three prewar periods, and if the Government must pay for the transportation of its troops and of munitions of war, it will be largely a matter of bookkeeping and of keeping track of the amounts of shipping done and passengers carried. If that rate be high more will flow into the Treasury than would if the rate be low, but the final balance in the end would be with the Government itself, and the Government must make up the shortage and ought to have any net surplus.

There has been much said recently about the breakdown of the railroads. Some here have stated that the breakdown was a misnomer, and there was no breakdown, but simply a failure of the railroads to do the transportation. I heard our Fuel Administrator state that "the mining of coal was purely a question of transportation," and whether or not the failure to deliver fuel last winter was on account of the breakdown of the railroads or their inability to transport coal, which amounts to the same thing, could have been prevented is even now more or less of a live question. At times it looked as if the failure to deliver coal was on account of the failure to mine it. At other times it looked as if the failure to deliver coal was the fault of the railroads. Whatever the fault, it seems to me now that we but confess our incompetency in not supplying ourselves with coal. Coal is the greatest and most abundant natural product on earth. Arkansas is a most promising State, rich in agriculture and mineral resources, and I have heard it stated of that State that there is coal enough in Arkansas to do the United States through all eternity. Be this as it may, I am sure there are mountains of coal in Pennsylvania, West Virginia, and Kentucky, with an abundance of it in a number of other States, say nothing of Alaska. It looks ridiculous that there should be a coal famine in the United States and that people should be allowed to shiver and freeze for the lack of it or that it should be sold a bushel at a time. Truly it is not because we lack the coal in its natural state. The failure of our fuel supply is truly not because of the scarcity of coal. If the mining of coal is a question of transportation, as stated by Dr. Garfield, we should certainly increase our facilities for carrying coal. I do not believe that the railroads are so occupied with freight traffic that the roadbed itself could not accommodate a larger number of coal trains. I think one freight train could follow another every hour on any railroad in the United States to prevent freezing or starving. Perhaps in case of necessity one coal train could follow another within half an hour. And I do not believe that the solution would be more railroad beds or more railroads. Neither would more terminals be a solution. The terminals were loaded to their utmost capacity during the recent months when the weather was cold, and more terminals would but increase the facility for piling up more cars in their yards. If the railroads could not move the traffic in the terminals now possessed, how could the railroads move the traffic accumulated in additional terminals? An additional supply of engines would help solve the terminal congestion. The use of the street railways and subways in our cities would also help to solve it. An additional force to take care of the congested freight and coal upon arrival should be employed. Use the street railways to relieve the congestion in the cities. If need be, an additional track could circumvent the city at congested terminals and the coal and freight cars permitted to pass around instead of through the yards of our principal cities. Some are inclined to give car shortage as an excuse for fuel shortage, but there

never was a time when there were more cars in existence than there are at the present time, and coal at the prevailing prices last winter could profitably have been drawn in any freight, box, gondola, as well as coal cars, and even gravel cars might have been profitably used. However that may be, whether because of the lack of railroads, locomotive power, car congestion, or what not, the people ought now to see that there will be no recurrence of the fuel situation of the past winter. If we need more engines, let us buy more or construct more. If we need more cars, let us now build more or buy more. If congested terminals cause the fuel shortage, let us employ more help to move the congestion, build circuitous spurs or tracks, use the street railways, and avoid the congestion. If it be a lack of miners, let us employ more miners. But whatever the cause, let every coal dealer, chamber of commerce, community association, commercial club, common council, city, village, and miner in the land undertake to prevent a recurrence of fuel shortage and begin now without waiting until the freezing weather comes and the congestion recurs. We have the roadbeds and can supply the facilities. We have the coal and can supply the miners. The city coal yards ought to prepare themselves now by stocking up for the coming winter. The Government in taking over the railroads should see that the people are supplied with coal and that congestion does not recur.

I am in favor of the prosecution of this war. I think the importance of winning it ought to be apparent and reflected by every citizen of the land. In the winning of the war we save our country. Our forefathers pledged their life, their fortune, and their sacred honor to establish the Republic, and ought we to do less in order to save and preserve it? Already Germany speaks of an indemnity of billions of dollars against us, and we know that in case we lose our Nation will be put into slavery as abject and dark as are the people of Belgium to-day. We must win, and never yield, until the last man goes down.

Mr. SHOUSE was recognized.

Mr. GREEN of Iowa. Mr. Chairman, is there any further time on this amendment, and if so, to which side does it belong?

The CHAIRMAN. The gentleman from Kentucky [Mr. BARKLEY] spoke 10 minutes, 5 of which was by unanimous consent. At the end of that 10 minutes the gentleman from Tennessee moved that all debate close in 20 minutes. That motion prevailed. The Chair then recognized the gentleman from Wisconsin [Mr. ESCH] for five minutes in favor of the amendment, and then the gentleman from Missouri [Mr. DECKER] in opposition to the amendment, and then the gentleman from Michigan [Mr. SMITH], whom the Chair thought opposed to the amendment. Now, the gentleman from Kansas is recognized in favor of the amendment.

Mr. LENROOT. May I suggest, Mr. Chairman, that that is an unequal division of time. The gentleman from Kentucky had 10 minutes, and we will only be given 10 minutes on this side.

Mr. DECKER. But the 20 minutes agreed upon was after the gentleman from Kentucky [Mr. BARKLEY] spoke by unanimous consent.

The CHAIRMAN. The Chair took this view of it: That the Chair would divide the time equally after the motion to close debate.

Mr. CANNON. But the Chair has not done so. As I understand it, the gentleman from Michigan [Mr. SMITH] was for the amendment.

The CHAIRMAN. The Chair did not so understand it.

Mr. COOPER of Wisconsin. Mr. Chairman, the reporter's notes will show that the gentleman from Michigan three times said that he was in favor of the bill. He never once referred to the amendment.

The CHAIRMAN. The Chair recognized the gentleman from Michigan upon the supposition that he was opposed to the amendment. The gentleman from Kansas [Mr. SHOUSE] is recognized for five minutes.

Mr. SMITH of Michigan. I am for leaving it to Congress.

Mr. GILLETT. Mr. Chairman, the gentleman from Michigan, as I understand it, states that he is for this amendment.

Mr. COOPER of Wisconsin. But he did not say so in his speech.

Mr. COX. Mr. Chairman, I demand the regular order.

The CHAIRMAN. The regular order is demanded. The gentleman from Kansas is recognized for five minutes.

Mr. SHOUSE. Mr. Chairman, one of the great faults connected with the private operation of the railroad systems of the country since the beginning of this war, and one of the things that tended to bring about a degree of confusion recognized on all sides, which made necessary the taking over of the railroads by the Government, was the fact that the railroad systems were operated with a view to private gain to the stockholders of the systems rather than with a primary view to the benefit of the general public, which has paid for the cost of building the railroad systems of the country, either through land grants made by the National Government or through bonds voted by some State or some subdivision of a State. In order to secure the greatest degree of efficiency, in order to make the railroad systems answer the purpose necessary to the winning of this war, necessary to the transportation of the products of the country, the question of profit to private stockholders and to private individuals has to be eliminated in favor of what amounts to the greatest good to the greatest number, the public interest. The result is going to be that if the Director General of Railways and his assistants are hemmed in by a restriction making it necessary to turn back to the present owners of the railroads these various railroad systems within a specified time following the close of the war, then that degree of efficiency that ought to be gotten out of them in the matter of transportation can not be gotten out. In other words, it is going to be necessary to absolutely scramble the eggs, to mix up the railroad systems in a way that perhaps they never can be unmixed again, in a way that would be difficult to unmix them within a specified time.

Mr. COOPER of Ohio. Mr. Chairman, will the gentleman yield?

Mr. SHOUSE. Not now. For that reason it seems to me a matter of good business, a matter of good sense, a matter of good policy for us not to attempt at this time to fix any definite limitation on this Government control of railways. I am perfectly frank to say that personally I believe it is going to become necessary as a result of the conditions brought about by this war, and by the use of the railroad systems during the war, for the Government to take over the railroad systems; and I think you are going to be facing a very definite demand from the people of this country to know where you stand on that proposition before this war is over and perhaps before another congressional election is decided in this country. As I say, personally I think it is going to become necessary for the Government to retain control of the railroads, and I think it would not only greatly embarrass, as the gentleman from Missouri [Mr. DECKER] suggested, the Government in taking over that control, to put this limitation upon this bill, but it would also serve to embarrass the administration of the railroads while the Government has control of them. I now yield to the gentleman from Ohio.

Mr. COOPER of Ohio. Mr. Chairman, the gentleman made a statement in which he said that the reason the Government took over the railroads was because the railroad operators had operated their roads as private property and for private gain. I want to ask the gentleman if there was anything about profits in the act of 1916 which gives the President the power to take over these roads?

Mr. SHOUSE. I am not discussing the act of August, 1916; I am discussing this amendment.

Mr. COOPER of Ohio. The gentleman says that was the reason the Government took the roads over.

Mr. SHOUSE. I think that was the general reason that made necessary the taking of them over.

Mr. COOPER of Ohio. The act of 1916 gives the President the power to take over the railroads for war purposes.

Mr. SHOUSE. Exactly; but, as I say, I think the roads, if they had been one great coordinated system, might have been so operated as not to have made Government control necessary. But they were not one great coordinate system; there were dozens and dozens of different systems and each one being managed by its own management with the idea of earning the greatest possible income for its stockholders, which is natural.

Mr. BLACK. Will the gentleman yield?

Mr. SHOUSE. I will.

Mr. BLACK. Is not the reason they were not coordinated due to the fact that Congress has passed laws itself that have absolutely prevented it?

Mr. SHOUSE. That is one reason.

The CHAIRMAN. The time of the gentleman has expired.

Mr. GILLETT. Mr. Chairman, I ask unanimous consent, inasmuch as by inadvertence 25 minutes has been used by those in favor of this amendment and only 5 minutes against, that the time be extended for 5 minutes.

Mr. SIMS. To be given to those who oppose the amendment?

Mr. GILLETT. Of course.

The CHAIRMAN. The gentleman from Massachusetts asks unanimous consent that the time——

SEVERAL MEMBERS. Make it 10 minutes.

Mr. GILLETT. Mr. Chairman, it is suggested to me to make it 10 minutes, 5 for that side and 5 for this side, both against the amendment; 5 minutes to go to the gentleman from Ken-

tucky [Mr. SHERLEY] and 5 to the gentleman from Wisconsin [Mr. LENROOT].

The CHAIRMAN. The gentleman from Wisconsin asks unanimous consent that the time may be extended for 10 minutes, 5 minutes to be used by the gentleman from Wisconsin and 5 by the gentleman from Kentucky. Is there objection?

Mr. HUDDLESTON. Mr. Chairman, I object.

The CHAIRMAN. The gentleman from Alabama objects to the unanimous consent.

SEVERAL MEMBERS. Regular order!

The CHAIRMAN. The question is upon the amendment proposed by the gentleman from Kentucky [Mr. BARKLEY].

The question was taken, and the Chair announced the noes appeared to have it.

On a division (demanded by Mr. BARKLEY) there were—ayes 40, noes 143.

So the amendment was rejected.

Mr. ESCH. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 15, line 11, after the word "exceed" strike out "two" and insert "one" and strike out the letter "s" in the word "years."

Mr. SIMS. What does the gentleman say about time for debating the amendment? [Cries of "Vote!"]

Mr. ESCH. Let us have 20 minutes, 10 to a side. [Cries of "Vote!"]

Mr. ESCH. Ten minutes to be in the control of the gentleman from Tennessee and 10 by myself.

Mr. HUDDLESTON. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HUDDLESTON. It is my understanding the debate on the section was limited to 20 minutes.

The CHAIRMAN. No; on the amendment offered by the gentleman from Kentucky. The gentleman from Wisconsin asks unanimous consent that debate be limited to 20 minutes, 10 minutes to be controlled by himself and 10 minutes by the gentleman from Tennessee [Mr. SIMS]. Is there objection? [After a pause.] The Chair hears none, and the gentleman from Wisconsin is recognized for 10 minutes.

Mr. ESCH. Mr. Chairman, I yield five minutes to the gentleman from Wisconsin [Mr. LENROOT.]

Mr. LENROOT. Mr. Chairman, the House is to be congratulated upon the vote that has just been cast refusing to make itself guilty of obtaining property under false pretenses. [Applause.] That is just exactly what the proponents of the amendment just defeated demanded. This property was taken over by us under the war power, and the gentlemen have asked that when this war is over that we shall continue under the assumed war power to hold property after a reasonable time after the war is over. The gentleman from Missouri [Mr. DECKER] talks about the honesty of the people, and I agree with him; but the people have the same right to trust the honesty of this House, and I am very glad by so large a majority they propose that this House shall remain honest and keep its contract. Mr. Chairman, with reference to this limitation, let us see where we would have been if this amendment had not been defeated and where we may be, to a lesser degree, if this amendment of my colleague is not adopted. If there was no limitation in this bill, after this war was over, if prices go down, if wages go down, these gentlemen would have the Government continue to pay a billion dollars a year to the railroads when the fair compensation might be very much less than that sum. These gentlemen would continue to have Congress, to have the Government, hold the railroads when a majority of the Members of this House of Congress might vote to turn them back. It would require a two-thirds vote of each house of Congress if the President chose to exercise his veto.

The gentlemen were not willing to leave this question in the hands of Congress. Their real purpose was to leave the question in the hands of the President of the United States and not of the Congress.

Now, with reference to this one-year limitation or two-year limitation, a one-year limitation is ample time. We can, if necessity arises, extend, by joint resolution, the time, if a reasonable time has not elapsed; and I want to say, Mr. Chairman, that until we take over the railroads under the interstate commerce clause, so long as we hold them under the war power, we have no power upon earth to hold them beyond a reasonable time.

Mr. DECKER. Will the gentleman yield?

The CHAIRMAN. Does the gentleman from Wisconsin yield to the gentleman from Missouri?

Mr. LENROOT. No; I do not.

That will be not for the President or us to determine, but for the courts. And these gentlemen would be in this position, that if some of these more prosperous roads would make more money if they ran them themselves, they would say, "We have these roads now. They belong to us. You no longer have any control over them. We will take our revenues and our profits;" but there would be left in the hands of the Government all of the unprofitable roads of the country.

Mr. DECKER. Will the gentleman yield for one question?

Mr. LENROOT. I will not.

Mr. Chairman, the thing to do is to adopt the one-year limitation and trust Congress, which the gentlemen are so anxious to do—trust the Congress, if the necessity shall thereafter arise, to extend that limitation to another year. [Applause.]

I yield back the balance of my time.

The CHAIRMAN. The gentleman yields back two minutes.

Mr. SIMS. Mr. Chairman, I yield three minutes to the gentleman from Michigan [Mr. DOREMUS].

Mr. DOREMUS. Mr. Chairman, I desire briefly to refer to the argument of the gentleman from Wisconsin [Mr. LENROOT], who advocates a limitation of one year in this bill instead of two years. He supports his argument by the statement that if one year is not a sufficient length of time, Congress by a concurrent or joint resolution can extend the time, and that is the particular part of his argument to which I desire to call the attention of the House.

I do not know whether the President when he makes this contract with the railroads will write into the contract the limitation that is fixed in this bill or not; but, whether he does or not, there is not a court in the United States that will not write into that contract the language of section 14 of this bill. And there is not a railroad in the country that could not go into court at the expiration of one year, if you fix it at one year, and demand under its contract with the Government a return of its property. And no concurrent or joint resolution nor any act that Congress might pass could prevent the railroad from having its property returned to it.

He talks about the sanctity of contract. I stand for the sanctity of contract just as fully as he does. So I say we must live up to the contract we make with these railroads. And there is not one of them that would not have the right under the law or under the contract to demand a return of its property at the end of the time fixed by this bill, regardless of any action Congress might take. Congress can not impair the obligation of a contract by passing a resolution.

Mr. GREEN of Iowa. Mr. Chairman, a most singular harmony has arisen with reference to this bill. Every stockjobber, every owner of railway stocks and bonds, every man that is in favor of Government ownership, and every socialist is in favor of this bill. It is the first time I ever knew them to unite. The explanation for this most extraordinary harmony is not difficult, but is really simple. Those who believe in ultimate Government ownership think it will be brought about by this bill. The socialist regards it a step in the direction of socialism, which will, year by year, go further. But the stockjobber and the owner of stocks and bonds has the clearest right to be satisfied with it. Railway stocks and bonds have risen since the railroads were taken over by the Government with the understanding that Uncle Sam would pay for them at the rate provided in this bill. During the three years ending June 30, 1917, the average per cent of net income to capital stock outstanding for the Chicago, Burlington & Quincy Ry. was over 22 per cent, the Pennsylvania Co. nearly 12 per cent, the New York Central nearly 13 per cent, the Chicago & North Western over 10 per cent, and that of some short lines above a hundred per cent up to one which made 647 per cent. Railroads controlling about 140,000 miles of track and handling about 75 per cent of the traffic are guaranteed by this bill an average net income of over 11 per cent.

Talk about camouflage! The greatest camouflage we have ever known in this country was created when the railroads carried on their propaganda to influence the people of this country and make them believe that they, the railroads, had not been doing well during the last three years. The last three years of the operation of the railroads have been the most profitable of any three years in succession that they have ever known and possibly any that they ever will know.

Do you gentlemen realize that this bill guarantees and makes as good as a Government bond the revenue which these railroads have been receiving during this period of the highest point of their prosperity? No wonder the railroad magnates and the railroad owners are in favor of this bill, when it makes absolutely secure these unreasonable profits. Think of the situation! Our Government is asking its citizens to purchase liberty bonds drawing 4 or 4½ per cent, and the railroads, in a time like this, ought to have been content with a similar rate. Instead, amendments restricting the profit to 7 per cent have been voted down,

the committee which reported the bill insisting that it should not be changed, and some of its members even denying the accuracy of the figures which I have given, which are all taken from the reports of the Interstate Commerce Commission.

It should be remembered also that this is on watered stock and all. There are roads like the Kansas City Southern, which is capitalized at $99,000,000 when the valuation commission found that the reproduction cost was only $50,000,000. The American people will some day wake up and see the trick that has been played upon them by the provisions of this bill, which allow the railways more than just compensation.

Government ownership is, in one sense, to be on trial. The wholesale looting of railroads in the cases which I have referred to and others have brought many people to believe in Government ownership, but Government ownership will not get a fair trial under the present plan. Apparently dividends are to be raised, surpluses increased, wages made higher, and everybody cared for except the public. What the cost of such a proceeding will be no one can even guess.

Mr. Chairman, I shall vote for this bill not because I approve of these provisions but for other reasons. It has become absolutely necessary that it should pass to provide some method of controlling and managing the railroads, since they were taken over by the Government. Otherwise much could be done without authority of law. This has already happened and probably could not be avoided. I shall also vote for the bill especially because I am unwilling to deny to the President or the administration any power that, if properly exercised, would assist in winning the war, and I shall not insist that my opinion be adopted as to how this great object should be carried out. I have heretofore, and do now, and will in the future, lay aside my convictions rather than to fail to give the most wholehearted support to every measure that can possibly tend to bring victory nearer. Time is the essence of success in war. Victory is never won by hesitation. Unity of control and concentration of power is necessary for the highest efficiency. If there is any delay or any lack of necessary power it shall not be laid to any act of mine, and in common with every patriotic citizen I renew to the administration the pledge that we made at the beginning of the war—to devote all the resources of the Nation to its prosecution.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. ESCH. Mr. Chairman, I yield two minutes to the gentleman from New Jersey [Mr. PARKER].

The CHAIRMAN. The gentleman from New Jersey is recognized for two minutes.

Mr. PARKER of New Jersey. Mr. Chairman, the question of time is not usually of the essence of things. It is so here. We want to name a time that is reasonable, a reasonable time, and show that we really mean to give the railroads back, and we want to do it because, first, we want the railroad men to understand that they must do their very best for the Government, and keep the railroads running as only railroad men know how to do, and not simply fall down and say: "We do not care anything about it, because we are not going to have them back soon."

We want the Director General to remember that in his management of the railroads, wherever possible, he shall conduct them and keep them in such condition as that they can be handed back. We do not want to see the condition that we have seen wherever the Government has had control, that the people were not considered. [Applause.]

I yield back the rest of my time.

The CHAIRMAN. The time of the gentleman from New Jersey has expired.

Mr. ESCH. Mr. Chairman, I yield the balance of my time to the gentleman from Wyoming [Mr. MONDELL].

The CHAIRMAN. The gentleman from Wyoming is recognized for two minutes.

Mr. MONDELL. Mr. Chairman, there is ground for a difference of opinion as to what the American people may desire Congress to do touching the railroads and their operation at the close of the war, but there is no legitimate ground for, and there should be no difference of opinion in regard to, the proposition of ending autocratic war control over the railroads as soon as possible with the coming of peace.

I can not understand how any good citizen, whatever may be his opinion of what should be our policy in respect to the railroads eventually—I can not understand how any citizen who values the good faith of the Congress and of the Nation, or who is desirous of preventing a condition of political railroading, can desire to have the autocratic control of the railroads, apparently necessary in time of war, projected far into times of peace.

The sooner this autocratic control ends after peace comes the better, and surely the Congress of the United States can, within a year after the signing of the peace treaty, decide what shall be our permanent policy for the future. I have not been fully convinced that the taking over of all the railroads was wise or necessary as a war policy, but that has been done, and in this bill we are making provision for that war-time control.

Manifestly, this form of control concentrated in the hands of the Director General is not such a control as anyone would desire as a permanent policy in peace, therefore the importance of fixing a reasonably early date after peace comes, prior to which the future and permanent peace status of the roads shall be determined. [Applause and cries of "Vote!"]

The CHAIRMAN. The time of the gentleman from Wyoming has expired.

Mr. SIMS. Mr. Chairman, how much time have I left?

The CHAIRMAN. The gentleman has six minutes.

Mr. SIMS. I yield three minutes to the gentleman from Pennsylvania [Mr. DEWALT], a member of the committee.

The CHAIRMAN. The gentleman from Pennsylvania is recognized for three minutes.

Mr. DEWALT. Mr. Chairman and gentlemen of the committee, let us for a moment constitute ourselves a jury in this case. What are the facts? After we have the facts, what shall our verdict be in regard to this time limitation?

Now, the primary fact in this case is expressed in the first words of the act, "That the President having in time of war taken over the roads," and therefore we have as an admitted fact that he takes them over in time of war. He does not take them over by reason of the commerce clause of the Constitution, nor does he attempt to take them over by the clause of the Constitution referring to the establishment and maintenance of post offices and post roads. Having taken them over under the war power, necessarily as a matter of law it follows conclusively that the right of the President would instantly cease when the war was at an end, except for one provision, and that is read into the law itself in all cases of this character. What is that? That a reasonable time must be given after the time fixed at which the power ceases.

Now, the power ceases at the expiration of the war. A reasonable time must be given. This act provides what we regard as a reasonable time. It says the reasonable time shall be after the proclamation of peace and the affirmance thereof by the President and the Senate of the United States, not to exceed two years thereafter. Therefore, gentlemen, having all the facts in hand, the only question before this committee is this: What is a reasonable time? Is it one year or is it two years? It is a matter of minutiæ and not of policy. Now, personally, I favor two years, and I will tell you why. In the first place, what might be a reasonable time for one road would be an entirely unreasonable time for another. I grant you that some roads might be given back to their corporate owners in six months, others in one year after the proclamation of peace, and still others possibly not in two years. But when the time is fixed as a reasonable time, not exceeding two years, you give the opportunity for all roads, large or small, to be adjusted.

Now, the other reason——

The CHAIRMAN. The time of the gentleman has expired.

Mr. DEWALT. I am very sorry I can not proceed, but I realize that the debate is limited.

Mr. SIMS. Mr. Chairman, I hope the amendment of the gentleman from Wisconsin will be disagreed to and voted down. I feel that the Members of this House will lay aside prejudice, will lay aside what effect they think a vote one way or the other on this amendment may have on the question of Government ownership as a principle. There is absolutely no principle involved between one year and two years. It is simply a question of policy. Now, under this bill the railroads of the country may necessarily become indebted to the Government in a very large amount of money. They may owe the Government a billion dollars or more at the end of the war. We do not know how long the war is going to last or what the exigency may be, and it only requires such reasonable time after the war, not exceeding two years; that is the provision of the House bill. And remember that the President may release these roads at any time. If the war does not last long and the railroads do not become indebted to the Government to amount to anything, why, they may be turned back to their owners in a very short while. But with the possibility of the war lasting a year or two years or three years, and with the vast amount of railroad securities held by the Government itself, and with the vast amount held by the financial institutions of the country, why put an arbitrary limit of 12 calendar months and take the chance of extending the time by resolution afterwards. We do not know what shape we shall be in, but there is an economic psychological

question to take care of, and that is to prevent the depression of the railroad securities held by financial institutions, trust companies, national banks; and with the guaranteed return which will permit the payment of interest on these securities as long as the Government holds the railroads, there will not be any depression in the market for those securities. But with the absolute certainty that within 12 months, regardless of conditions, regardless of credit, regardless of the amount of railroad property in the shape of bonds that may be owned by the Government of the United States, they are all to be dumped on the market at one time, without any power on earth in the Government through the operations of the Treasury to protect them. If gentlemen on either side are more anxious to determine a mere academic question as to the effect of the longer or shorter time they may have upon the question of Government ownership than they are to protect the people of the country in their public interests, why, then, let them go ahead and vote against the good of their country in time of war; the responsibility will be theirs, and God be merciful to them. [Applause.]

The CHAIRMAN. All time has expired.

Mr. SAUNDERS of Virginia. I desire to offer an amendment to the amendment.

The CHAIRMAN. The gentleman from Virginia offers an amendment to the amendment.

Mr. SAUNDERS of Virginia. To strike out that portion of the amendment which provides for one year, and insert in lieu thereof "18 months." This will make the amendment conform to the provisions of the Senate bill, which has already passed.

The CHAIRMAN. The gentleman from Virginia offers an amendment to the amendment, which the Clerk will report.

The Clerk read as follows:

Amendment to the amendment by Mr. SAUNDERS of Virginia: Strike out the words "one year" and insert in lieu thereof the words "18 months."

The question being taken on the amendment of Mr. SAUNDERS of Virginia, on a division (demanded by Mr. ALMON) there were—ayes 35, noes 122.

Accordingly, the amendment to the amendment was rejected.

Mr. LONDON. Mr. Chairman, I offer an amendment to strike out the words "two years" and insert the words "ninety-nine years."

The CHAIRMAN. The gentleman from New York offers an amendment by way of substitute which the Clerk will report.

The Clerk read as follows:

Substitute by Mr. LONDON for the amendment offered by Mr. ESCH: On page 15, line 11, strike out the word "two" and insert the word "ninety-nine."

The question was taken; and on a division (demanded by Mr. LONDON) there were—ayes 4, noes 102.

Accordingly the substitute was rejected.

The CHAIRMAN. The question is on the amendment proposed by the gentleman from Wisconsin.

The question was taken; and on a division (demanded by Mr. ESCH) there were 115 ayes and 97 noes.

Mr. SIMS. Mr. Chairman, I ask for tellers.

Tellers were ordered; and the Chair appointed the gentleman from Wisconsin [Mr. ESCH] and the gentleman from Tennessee [Mr. SIMS] as tellers.

The committee again divided; and the tellers reported that there were 143 ayes and 111 noes.

So the amendment was agreed to.

Mr. SWIFT. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 15, after section 14, insert the following as a new section:

"That the Committee on Expenditures in the Treasury Department is hereby authorized and directed, in accordance with the powers conferred by paragraph 36, of rule 11, and of the House of Representatives to examine and audit from time to time the accounts and expenditures of all moneys appropriated by section 6 of this act; and said committee is authorized to employ certified public accountants, competent stenographers"——

Mr. SIMS. Mr. Chairman, the reading of the amendment so far has disclosed that it is subject to a point of order, and I make it.

The CHAIRMAN. The gentleman from Tennessee makes the point of order that the amendment is not in order. Does the gentleman from New York desire to be heard on the point of order?

Mr. SWIFT. Mr. Chairman, it is my contention that the language of this amendment covers the subject matter in the bill and does not violate any of the rules of the House. That being the case, I think it is a perfectly proper amendment to the bill under consideration.

The CHAIRMAN. The Chair is prepared to rule. A sufficient part of the amendment has been read, it seems to the Chair, to enable it to be seen quite clearly that the proposed amendment is not germane to any section of the bill, and therefore the Chair sustains the point of order.

Mr. PARKER of New Jersey. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 15, after line 20, after the word "transportation" insert "and the President may relinquish all railroads under Federal control at any time he shall deem such action needful and desirable."

Mr. PARKER of New Jersey. Mr. Chairman, I shall not take time to argue this matter. I only want to state it. We have properly limited the right to surrender particular roads without the consent of the roads to a time before July 1 next. After the United States have taken over a particular road they ought not to discriminate against it by surrendering it except with that road's consent. But, on the other hand, the Senate committee saw that if the control of all railroads, in the opinion of the President, became undesirable, he ought to have the right to surrender all the roads at any time, and therefore they inserted these words that I have just offered, that if the President at any time deems such action desirable he shall have the right to surrender all the roads and end Federal control.

Mr. SIMS. Mr. Chairman, I do not think there is any opposition to the amendment on this side.

The CHAIRMAN. The question is on the amendment proposed by the gentleman from New Jersey.

The question was taken, and the amendment was agreed to.

The Clerk read as follows:

SEC. 15. That this act is expressly declared to be emergency legislation enacted to meet conditions growing out of war; and nothing herein is to be construed as expressing or prejudicing the future policy of the Federal Government concerning the ownership, control, or regulation of carriers of the method or basis of the capitalization thereof.

Mr. FORDNEY. Mr. Chairman, I move to strike out all on page 16, except the word "war," line 1.

The Clerk read as follows:

Page 16, beginning with the word "and" after the word "war," line 1, strike out all down to and including the word "thereof," line 4.

Mr. FORDNEY. Mr. Chairman, if anyone wishes to speak against the amendment I want to be heard.

Mr. LONDON. Mr. Chairman, would a motion to strike out the entire section take precedence of the motion of the gentleman from Michigan?

The CHAIRMAN. It would not; the motion to strike out a part would take precedence.

Mr. SHERLEY. Mr. Chairman, I want to suggest to the gentleman that he would make his amendment better if he would move to strike out the whole paragraph; it seems to be nothing but language.

Mr. FORDNEY. Well, Mr. Chairman, I will move to strike out the whole paragraph.

The Clerk read as follows:

Amendment by Mr. FORDNEY: Strike out all of section 15.

Mr. FORDNEY. Mr. Chairman, if the committee will bear with me for a moment, the gentleman from Virginia [Mr. MONTAGUE], a gentleman for whom I have the highest regard as a gentleman, and because of his ability, states that to strike out the entire section would be a very serious mistake, but that my first motion is all right; that is, to leave the first portion of the section in stating that the act is expressly declared to be emergency legislation enacted to meet conditions growing out of the war. If permitted, I shall again amend my motion to strike out by striking out only that portion of the section after the word "war," as I first offered the amendment, and changing the semicolon to a period.

The CHAIRMAN. The gentleman from Michigan by unanimous consent withdraws his motion to strike out the paragraph and offers an amendment which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. FORDNEY: Page 16, line 1, after the word "war," strike out the semicolon, insert a period, and strike out the remainder of the language in the paragraph.

The CHAIRMAN. The question is on agreeing to the amendment.

Mr. DECKER rose.

The CHAIRMAN. Does the gentleman from Michigan desire to be heard upon his amendment? [Cries of "Vote!" "Vote!"]

Mr. FORDNEY. I do not, unless some gentleman desires to be heard against it; then I would like the privilege of using the balance of my five minutes.

Mr. DECKER. Mr. Chairman, is that according to the rule? Has the gentleman not to present his views first?

Mr. FORDNEY. Mr. Chairman, it is late, and I shall not consume any more time, but will ask for a vote.

Mr. DECKER. Mr. Chairman, I have no hopes of changing your views, but I shall discharge a duty that I owe to this House, and that is to see to it that if you vote to strike this out

you do it with your eyes open. It simply means this: The gentleman from Wisconsin and some others on that side have spoken with great vehemence about doing something that will be in favor of the railroads. Yet by striking out this section, what do you do? You give the men who own the railroads, who have been clamoring for the last 10 years for an increase of rates, who have been distributing through this country a propaganda to weaken the power and the influence of the Interstate Commerce Commission, a chance to come in after the war is over and say that the Congress by legislative action has set a precedent as to what the rates should be and what is legitimate compensation for the use of the railroads. Oh, I know you say that it is not binding, but at the same time you have got to admit that it is persuasive evidence on behalf of the private owners of the railroads. Why are you afraid to put in the bill the plain language in these words——

Mr. FORDNEY. Mr. Chairman, I make the point of order that the gentleman is not discussing the amendment.

Mr. DECKER. Mr. Chairman, the gentleman may not see the point, but I think some other men who are on the committee on the other side will. I shall explain it to him a little plainer.

Mr. FORDNEY. All right, go ahead.

Mr. DECKER. The gentleman is speaking to the point, and I shall make it a little clearer so that the distinguished gentleman will understand. One of the clauses which you seek to strike out says this shall not be construed as fixing a basis of future capitalization. What does that mean? Let me say that the railroad brotherhoods had one of the ablest attorneys before our committee that I ever had the pleasure of listening to, and the burden of his whole argument was this—and I do not say that I agree with him. He claimed that no railroad had a right to receive a cent more than reasonable interest on the money judiciously invested in the railroad. You may not agree with that, but the railroad brotherhoods fought for that proposition in this bill as the basis of compensation, but they waived their objection after we put this clause in saying that this bill should not be taken as a basis for any future fixing of rates or fixing of the compensation of railroads in case the people of this country in their power should rise up and take over the railroads permanently.

Mr. CANNON. Mr. Chairman, I want to say just a word. I shall detain you only 30 seconds. While this amendment is not necessary and does not change the bill, I shall vote for it. This is an emergency war measure. If I thought it was not, I would vote against the bill.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan.

The question was taken, and the Chair announced the noes appeared to have it.

On a division (demanded by Mr. FORDNEY) there were—ayes 80, noes 131.

So the amendment was rejected.

Mr. ESCH. Mr. Chairman, in order to perfect the short-line amendment and in reference to the exclusion of electric urban and interurban lines, I ask unanimous consent that we may return to section 1 that that amendment may be offered.

Mr. SIMS. Mr. Chairman, I have seen the amendment, and I think it is perfectly harmless, and I have no objection.

Mr. ESCH. So as to bring the matter into conference.

The CHAIRMAN. The gentleman from Wisconsin asks unanimous consent to return to section 1 to offer an amendment. Is there objection? [After a pause.] The Chair hears none. The Clerk will report the amendment.

The Clerk read as follows:

Page 5, insert at the end of section 1 the following: "That every railroad not owned or controlled or operated by another carrier company, and which has heretofore competed for traffic with a railroad or railroads of which the President has taken possession, use, and control, which connects with said railroad and is engaged as a common carrier in general transportation, shall be held and considered as within the Federal control as so defined and necessary for the prosecution of the war and shall be entitled to all the benefits of the provisions of this act: *Provided, however*, That nothing in this paragraph shall be construed as excluding any street or interurban electric railway which has as its principal source of operating revenue urban, suburban, or local interurban passenger traffic or sale of power, heat, or light, or both.

The question was taken, and the amendment was agreed to.

Mr. PARKER of New Jersey. Mr. Chairman, I ask to return to section 10 by unanimous consent. The gentleman from Wisconsin [Mr. LENROOT] offered an amendment to this section, which is printed on page 2695 of the RECORD, in which he says:

No person employed in connection with the operation of railroads or systems of transportation under Federal control, except those persons referred to in the preceding section—

Which is section 8—

shall be deemed to be an officer or employee under the United States—

And so forth.

And then his amendment went on to say that this should apply for the purposes of the workmen's compensation act or for the purpose of the war excess-profits tax, but it left out the civil-service act, which is the most important of all, and perhaps others, and therefore I proposed to insert after the words "United States" the following:

otherwise than is herein specially provided, nor for the purpose of the laws as to civil service, nor—

And then it goes on in the language of his amendment, specifying the other two acts.

Mr. SIMS. What is the request, unanimous consent to return?

Mr. PARKER of New Jersey. Yes, sir. I ask unanimous consent to return for that purpose only.

Mr. SIMS. It is too late now, and I will have to object. It is immaterial to this bill.

Mr. PARKER of New Jersey. All right, I have stated my point.

Mr. LENROOT. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 10, line 7, after the word "thereof," insert the following: "any securities so purchased shall be held by the Secretary of the Treasury, who shall, on the direction of the President, represent the United States in all matters in connection therewith in the same manner as a private holder thereof."

The CHAIRMAN. The Chair understands permission was given at the time to return to this section. The question is upon the amendment.

The question was taken, and the amendment was agreed to.

Mr. LENROOT. Mr. Chairman, there are two very short amendments that the chairman has agreed to accept, but through inadvertence they were not offered at the time, and I ask unanimous consent that they be offered now.

The CHAIRMAN. The gentleman from Wisconsin asks unanimous consent that two amendments may be offered at this time. Is there objection? [After a pause.] The Chair hears none.

Mr. STAFFORD. Let them be reported. I reserve the right to object.

The CHAIRMAN. The Clerk will report the first amendment.

The Clerk read as follows:

Amendment offered by Mr. LENROOT: Page 6, line 3, strike out beginning with the comma, through line 5, and insert a period and the following:

"The acceptance of any benefit under this section shall constitute an acceptance by the carrier of all of the provisions of this act, and shall obligate the carrier to pay to the United States, with interest at the rate of 6 per cent per annum from a date or dates fixed in proceedings under section 3, the amount by which the sums received under this section exceed the sum found due in such proceedings."

Mr. SIMS. Mr. Chairman, we have no objection to that.

The CHAIRMAN. Is there objection to returning for consideration of the amendment. [After a pause.] The Chair hears none. The question is on agreeing to the amendment.

The question was taken, and the amendment was agreed to.

The CHAIRMAN. The Clerk will report the next amendment.

The Clerk read as follows:

Amendment offered by Mr. LENROOT: Page 6, line 18, after the period, insert the following:

"In case of disobedience to a subpœna the board may invoke the aid of any district court of the United States in requiring the attendance and testimony of witnesses and the production of documentary evidence, and such court within the jurisdiction of which such inquiry is carried on may, in case of contumacy or refusal to obey a subpœna issued to any person, corporation, partnership, or association, issue an order requiring appearance before the board or the production of documentary evidence if so ordered, or the giving of evidence touching the matter in question; and any failure to obey such order of the court may be punished by such court as a contempt thereof."

The CHAIRMAN. Is there objection to returning to this section for the purpose of considering the amendment offered? [After a pause.] The Chair hears none.

The question is on agreeing to the amendment.

The question was taken, and the amendment was agreed to.

Mr. SIMS. Mr. Chairman, I move that the committee do now rise and report the bill to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. GARRETT of Tennessee, 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. 9685) to provide for the operation of transportation systems while under Federal control, for the just compensation of their owners, and for other purposes, and had directed him

to report the same to the House with sundry amendments, with the recommendation that the amendments be agreed to, and that the bill as amended do pass.

Mr. SIMS. Mr. Speaker, I move the previous question on the bill and amendments to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment?

Mr. SIMS. I demand a separate vote on what is called the Sweet amendment, introduced by the gentleman from Iowa [Mr. SWEET].

The SPEAKER. Is a separate vote demanded on any other amendment?

Mr. FORDNEY. Mr. Speaker, if it is proper at this time, I want to say that there is such a slight attendance here on such an important matter that I believe this vote ought to go over until to-morrow morning, when we have a quorum here. [Cries of "Vote!" "Vote!"]

The SPEAKER. Is a separate vote demanded on any other amendment than the Sweet amendment?

Mr. NORTON. Mr. Speaker, I desire a separate vote on the amendment for retaining control of the railroads for one year.

The SPEAKER. The gentleman from North Dakota [Mr. NORTON] demands a separate vote on the amendment about retaining control of the railroads for a year—the Esch amendment.

The vote will first be taken on the Sweet amendment.

The question was taken.

Mr. GARRETT of Tennessee. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. GARRETT of Tennessee. Have the other amendments been voted on?

The SPEAKER. No. The Chair will put the question on the other amendments. The question is on agreeing to the other amendments besides the Sweet and Esch amendments.

The question was taken, and the amendments other than the Sweet and Esch amendments were agreed to.

The SPEAKER. The question is on agreeing to the Sweet amendment.

The question was again taken, and the Speaker announced that the ayes seemed to have it.

Mr. SIMS and Mr. HEFLIN demanded the yeas and nays.

The SPEAKER. The gentleman from Tennessee demands the yeas and nays.

The yeas and nays were ordered.

The SPEAKER. The Clerk will call the roll. All those in favor of the Sweet amendment will, when their names are called, answer "yea"; those opposed will answer "nay."

The question was taken; and there were—yeas 165, nays 210, answered "present" 2, not voting 51, as follows:

YEAS—165.

Anderson	French	Lufkin	Sells
Anthony	Fuller, Ill.	Lundeen	Sherwood
Austin	Gillett	McArthur	Sinnott
Bacharach	Good	McCulloch	Sisson
Baer	Goodall	McFadden	Slayden
Black	Gordon	McKenzie	Sloan
Bland	Gould	McLaughlin, Mich.	Smith, Idaho
Britten	Green, Iowa	McLemore	Stafford
Browne	Greene, Mass.	Madden	Steagall
Burnett	Greene, Vt.	Mapes	Steenerson
Burroughs	Hadley	Martin	Stephens, Miss.
Butler	Hamilton, Mich.	Meeker	Sterling, Ill.
Carter, Mass.	Harrison, Va.	Miller, Minn.	Stevenson
Cary	Haugen	Miller, Wash.	Stiness
Chandler, Okla.	Hawley	Mondell	Sweet
Clark, Pa.	Hayden	Moores, Ind.	Switzer
Classon	Hayes	Morgan	Temple
Cooper, Ohio	Hersey	Nelson	Thomas
Cooper, W. Va.	Holland	Nichols, Mich.	Timberlake
Cooper, Wis.	Huddleston	Nolan	Tinkham
Cramton	Hull, Iowa	Norton	Towner
Currie, Mich.	Humphreys	Osborne	Treadway
Dale, Vt.	Hutchinson	Parker, N. J.	Vestal
Davidson	Ireland	Peters	Volstead
Davis	James	Pratt	Walsh
Denison	Johnson, Wash.	Purnell	Ward
Dill	Juul	Ragsdale	Wason
Dillon	Kearns	Ramseyer	Watkins
Dominick	Kelley, Mich.	Rankin	Watson, Va.
Dowell	Kelly, Pa.	Rayburn	Wheeler
Dupré	Kennedy, Iowa	Reavis	White, Me.
Dyer	Kennedy, R. I.	Reed	Williams
Elliott	Kinkaid	Robbins	Wilson, Ill.
Ellsworth	Knutson	Roberts	Winslow
Elston	La Follette	Robinson	Wise
Esch	Langley	Rodenberg	Wood, Ind.
Fairfield	Larsen	Rogers	Woods, Iowa
Farr	Lazaro	Sanders, Ind.	Woodyard
Fess	Lehlbach	Sanders, La.	Young, N. Dak.
Fordney	Lenroot	Saunders, Va.	
Foss	Little	Schall	
Frear	Longworth	Scott, Mich.	

NAYS—210.

Alexander	Edmonds	King	Sabath
Almon	Emerson	Kitchin	Sanders, N. Y.
Ashbrook	Evans	Lea, Cal.	Sanford
Aswell	Ferris	Lee, Ga.	Scott, Pa.
Ayres	Fields	Lesher	Scully
Bankhead	Fisher	Lever	Sears
Barkley	Flood	Linthicum	Shackleford
Beakes	Foster	Littlepage	Shallenberger
Bell	Francis	Lobeck	Sherley
Beshlin	Freeman	London	Shouse
Blackmon	Fuller, Mass.	Lonergan	Siegel
Blanton	Gallagher	Lunn	Sims
Booher	Gallivan	McAndrews	Slemp
Borland	Gandy	McClintic	Small
Brand	Gard	McKinley	Smith, Mich.
Brodbeck	Garland	McLaughlin, Pa.	Smith, C. B.
Browning	Garner	Magee	Snook
Brumbaugh	Garrett, Tenn.	Mansfield	Snyder
Buchanan	Garrett, Tex.	Mays	Stedman
Byrnes, S. C.	Glass	Merritt	Steele
Byrns, Tenn.	Glynn	Montague	Stephens, Nebr.
Caldwell	Godwin, N. C.	Moon	Strong
Campbell, Pa.	Goodwin, Ark.	Moore, Pa.	Sullivan
Candler, Miss.	Gray, Ala.	Morin	Sumners
Cannon	Gray, N. J.	Mott	Swift
Cantrill	Griest	Neely	Tague
Caraway	Hamill	Oldfield	Talbott
Carew	Hamlin	Oliver, Ala.	Taylor, Ark.
Carlin	Hardy	Oliver, N. Y.	Taylor, Colo.
Carter, Okla.	Harrison, Miss.	Olney	Templeton
Claypool	Haskell	O'Shaunessy	Thompson
Coady	Hastings	Overmyer	Tillman
Collier	Heaton	Overstreet	Tilson
Connally, Tex.	Heflin	Padgett	Van Dyke
Connelly, Kans.	Helm	Paige	Vare
Costello	Helvering	Park	Venable
Crago	Hensley	Parker, N. Y.	Vinson
Crosser	Hicks	Phelan	Waldow
Dale, N. Y.	Hilliard	Platt	Walker
Darrow	Houston	Pou	Walton
Decker	Howard	Price	Watson, Pa.
Dempsey	Hull, Tenn.	Quin	Weaver
Denton	Husted	Rainey	Webb
Dewalt	Igoe	Raker	Welling
Dickinson	Jacoway	Ramsey	Welty
Dies	Johnson, Ky.	Randall	Whaley
Dixon	Jones, Va.	Riordan	White, Ohio
Dooling	Keating	Romjue	Wilson, Tex.
Doolittle	Kehoe	Rouse	Wingo
Doremus	Kettner	Rowe	Wright
Doughton	Key, Ohio	Rubey	Young, Tex.
Drane	Kiess, Pa.	Rucker	
Eagan	Kinchelo	Russell	

ANSWERED "PRESENT"—2.

McCormick	Rose

NOT VOTING—51.

Barnhart	Drukker	Hollingsworth	Nicholls, S. C.
Bowers	Dunn	Hood	Polk
Campbell, Kans.	Eagle	Johnson, S. Dak.	Porter
Capstick	Estopinal	Jones, Tex.	Powers
Chandler, N. Y.	Fairchild, B. L.	Kahn	Rowland
Church	Fairchild, G. W.	Kraus	Scott, Iowa
Clark, Fla.	Flynn	Kreider	Smith, T. F.
Copley	Focht	LaGuardia	Snell
Cox	Graham, Ill.	McKeown	Sterling, Pa.
Crisp	Graham, Pa.	Maher	Voigt
Curry, Cal.	Gregg	Mann	Wilson, La.
Dallinger	Hamilton, N. Y.	Mason	Zihlman
Dent	Heintz	Mudd	

So the amendment was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. SNELL (for) with Mr. HAMILTON of New York (against).

Mr. MCCORMICK (for) with Mr. GRAHAM of Pennsylvania (against).

Mr. GRAHAM of Illinois (for) with Mr. ROWLAND (against).

Mr. SCOTT of Iowa (for) with Mr. DUNN (against).

Until further notice:

Mr. CLARK of Florida with Mr. BOWERS.

Mr. COX with Mr. CAMPBELL of Kansas.

Mr. CHURCH with Mr. DALLINGER.

Mr. CRISP with Mr. CURRY of California.

Mr. EAGLE with Mr. FOCHT.

Mr. ESTOPINAL with Mr. HOLLINGSWORTH.

Mr. JONES of Texas with Mr. GEORGE W. FAIRCHILD.

Mr. FLYNN with Mr. JOHNSON of South Dakota.

Mr. GREGG with Mr. KAHN.

Mr. HOOD with Mr. LAGUARDIA.

Mr. MCKEOWN with Mr. MASON.

Mr. MAHER with Mr. MUDD.

Mr. NICHOLLS of South Carolina with Mr. PORTER.

Mr. POLK with Mr. POWERS.

Mr. THOMAS F. SMITH with Mr. VOIGT.

Mr. STERLING of Pennsylvania with Mr. ZIHLMAN.

Mr. WILSON of Louisiana with Mr. HEINTZ.

Mr. BARNHART with Mr. CHANDLER of New York.

Mr. DENT with Mr. KREIDER.

Mr. MCCORMICK. Mr. Speaker, I have a pair with the gentleman from Pennsylvania, Mr. GRAHAM, and I desire to be recorded as voting "present."

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the Esch amendment, to fix the time beyond the period of the war at one year.

The question being taken, on a division (demanded by Mr. NORTON) there were—ayes 159, noes 174.

Mr. ESCH. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 164, nays 205, answered "present" 1, not voting 58, as follows:

YEAS—164.

Anderson	Freeman	McArthur	Scott, Pa.
Anthony	Fuller, Ill.	McCormick	Sells
Austin	Fuller, Mass.	McCulloch	Sinnott
Bacharach	Garland	McFadden	Slayden
Bland	Gillett	McKenzie	Slemp
Britten	Glynn	McKinley	Sloan
Browning	Good	McLaughlin, Mich.	Smith, Idaho
Burnett	Goodall	McLaughlin, Pa.	Smith, Mich.
Burroughs	Gould	McLemore	Snyder
Butler	Gray, N. J.	Madden	Stafford
Cannon	Green, Iowa	Magee	Steenerson
Carter, Mass.	Greene, Mass.	Mapes	Sterling, Ill.
Chandler, N. Y.	Greene, Vt.	Meeker	Stiness
Chandler, Okla.	Griest	Merritt	Strong
Clark, Pa.	Hadley	Miller, Minn.	Sweet
Cooper, Ohio	Hamilton, Mich.	Miller, Wash.	Swift
Cooper, W. Va.	Haskell	Mondell	Switzer
Costello	Haugen	Moore, Pa.	Temple
Crago	Hawley	Moores, Ind.	Templeton
Cramton	Hayes	Morin	Tilson
Currie, Mich.	Heaton	Nichols, Mich	Timberlake
Dale, Vt.	Hersey	Osborne	Tinkham
Darrow	Hicks	Paige	Towner
Davidson	Husted	Parker, N. J.	Treadway
Davis	Hutchinson	Parker, N. Y.	Vare
Dempsey	Ireland	Peters	Vestal
Denison	Johnson, Wash.	Platt	Volstead
Dillon	Juul	Pratt	Waldow
Dupré	Kearns	Purnell	Walsh
Dyer	Kelley, Mich.	Ragsdale	Ward
Edmonds	Kennedy, Iowa	Ramsey	Wason
Elliott	Kennedy, R. I.	Rankin	Watson, Pa.
Ellsworth	Kiess, Pa.	Reavis	Watson, Va.
Esch	King	Reed	Wheeler
Fairfield	Kinkaid	Robbins	White, Me.
Farr	Knutson	Rodenberg	Williams
Fess	La Follette	Rogers	Wilson, Ill.
Focht	Langley	Rowe	Winslow
Fordney	Lehlbach	Sanders, Ind.	Wood, Ind.
Foss	Lenroot	Saunders, Va.	Woods, Iowa
Francis	Lufkin	Scott, Mich.	Woodyard

NAYS—205.

Alexander	Doolittle	Kettner	Russell
Almon	Doremus	Key, Ohio	Sabath
Ashbrook	Doughton	Kincheloe	Sanders, La.
Aswell	Dowell	Kitchin	Schall
Ayres	Drane	Larsen	Scully
Baer	Eagan	Lazaro	Sears
Bankhead	Elston	Lea, Cal.	Shackleford
Barkley	Emerson	Lee, Ga.	Shallenberger
Barnhart	Estopinal	Lesher	Sherley
Beakes	Evans	Lever	Sherwood
Bell	Ferris	Linthicum	Shouse
Beshlin	Fields	Littlepage	Siegel
Black	Fisher	Lobeck	Sims
Blackmon	Flood	London	Sisson
Blanton	Foster	Lonergan	Small
Booher	French	Lundeen	Smith, C. B.
Borland	Gallagher	Lunn	Snook
Brand	Gallivan	McAndrews	Steagall
Brodbeck	Gandy	McClintic	Stedman
Browne	Gard	Mansfield	Steele
Brumbaugh	Garner	Martin	Stephens, Miss.
Buchanan	Garrett, Tenn.	Mays	Stevenson
Byrnes, S. C.	Garrett, Tex.	Montague	Sullivan
Byrns, Tenn.	Glass	Moon	Sumners
Caldwell	Godwin, N. C.	Morgan	Tague
Campbell, Pa.	Goodwin, Ark.	Neely	Talbott
Candler, Miss.	Gordon	Nolan	Taylor, Ark.
Cantrill	Gray, Ala.	Norton	Taylor, Colo.
Caraway	Hamill	Oldfield	Thomas
Carew	Hamlin	Oliver, Ala.	Thompson
Carlin	Hardy	Oliver, N. Y.	Tillman
Carter, Okla.	Harrison, Miss.	Olney	Van Dyke
Cary	Hastings	O'Shaunessy	Venable
Classon	Hayden	Overmyer	Vinson
Claypool	Heflin	Overstreet	Walker
Coady	Helm	Padgett	Walton
Collier	Helvering	Park	Watkins
Connally, Tex.	Hensley	Phelan	Weaver
Connelly, Kans.	Hilliard	Pou	Webb
Cooper, Wis.	Holland	Price	Welling
Cox	Howard	Quin	Welty
Crosser	Huddleston	Raker	Whaley
Dale, N. Y.	Hull, Tenn.	Ramseyer	White, Ohio
Decker	Humphreys	Randall	Wilson, Tex.
Denton	Igoe	Rayburn	Wingo
Dewalt	Jacoway	Riordan	Wise
Dickinson	James	Roberts	Wright
Dies	Johnson, Ky.	Robinson	Young, N. Dak.
Dill	Jones, Va.	Romjue	Young, Tex.
Dixon	Keating	Rouse	
Dominick	Kehoe	Rubey	
Dooling	Kelly, Pa.	Rucker	

ANSWERED "PRESENT"—1.

Rose

NOT VOTING—58.

Bowers	Flynn	Kraus	Powers
Campbell, Kans.	Frear	Kreider	Rainey
Capstick	Graham, Ill.	LaGuardia	Rowland
Church	Graham, Pa.	Little	Sanders, N. Y.
Clark, Fla.	Gregg	Longworth	Sanford
Copley	Hamilton, N. Y.	McKeown	Scott, Iowa
Crisp	Harrison, Va.	Maher	Smith, T. F.
Curry, Cal.	Heintz	Mann	Snell
Dallinger	Hollingsworth	Mason	Stephens, Nebr.
Dent	Hood	Mott	Sterling, Pa.
Drukker	Houston	Mudd	Voigt
Dunn	Hull, Iowa	Nelson	Wilson, La.
Eagle	Johnson, S. Dak.	Nicholls, S. C.	Zihlman
Fairchild, B. L.	Jones, Tex.	Polk	
Fairchild, G. W.	Kahn	Porter	

So the amendment was rejected.

The Clerk announced the following additional pairs:

Until further notice:

Mr. EAGLE with Mr. CAMPBELL of Kansas.

Mr. HARRISON of Virginia with Mr. HOLLINGSWORTH.

Mr. HOUSTON with Mr. FREAR.

Mr. RAINEY with Mr. LONGWORTH.

Mr. STEPHENS of Nebraska with Mr. DRUKKER.

On this vote:

Mr. GRAHAM of Illinois (for) with Mr. SANDERS of New York (against).

Mr. MOTT (for) with Mr. SANFORD (against).

Mr. GRAHAM of Pennsylvania (for) with Mr. B. L. FAIRCHILD (against).

Mr. SCOTT of Iowa (for) with Mr. DUNN (against).

Mr. SNELL (for) with Mr. HAMILTON of New York (against).

Mr. FERRIS. Mr. Speaker, has the gentleman from Oklahoma [Mr. MCKEOWN] voted?

The SPEAKER. He has not.

Mr. FERRIS. I ask unanimous consent to make a short statement in reference to Mr. MCKEOWN. I want the RECORD to show that he is absent on account of a severe accident to his wife who was run over by a taxicab. If he were here, he would have voted with the committee on all railroad propositions and for the bill.

The result of the vote was then announced as above recorded.

The SPEAKER. The question is on the engrossment of the bill.

The bill was ordered to be engrossed.

Mr. SIMS. Mr. Speaker, I ask unanimous consent that the bill S. 3752, a bill of similar tenor, be taken from the Speaker's table and be considered in place of the House bill, and that all after the enacting clause in the Senate bill be stricken out and the House bill as amended substituted.

The SPEAKER. The gentleman from Tennessee asks unanimous consent to take from the Speaker's table the bill S. 3752, strike out all after the enacting clause, and insert the House bill as amended. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the Senate bill.

The Clerk read as follows:

An act (S. 3752) to provide for the operation of transportation systems while under Federal control, for the just compensation of their owners, and for other purposes.

The SPEAKER. The question is on the third reading of the Senate bill.

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

The SPEAKER. The question is, Shall the bill pass?

Mr. DENISON. On that, Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 339, nays 6, answered "present" 1, not voting 81, as follows:

YEAS—339.

Alexander	Brodbeck	Collier	Dillon
Almon	Browne	Connally, Tex.	Dixon
Anderson	Browning	Connelly, Kans.	Dominick
Ashbrook	Brumbaugh	Cooper, Ohio	Dooling
Aswell	Buchanan	Cooper, W. Va.	Doolittle
Austin	Burnett	Cooper, Wis.	Doremus
Ayres	Burroughs	Costello	Doughton
Bacharach	Byrnes, S. C.	Cox	Dowell
Baer	Byrns, Tenn.	Cramton	Drane
Bankhead	Campbell, Pa.	Crosser	Dupré
Barkley	Candler, Miss.	Currie, Mich.	Dyer
Barnhart	Cannon	Dale, N. Y.	Eagan
Beakes	Cantrill	Dale, Vt.	Edmonds
Bell	Caraway	Darrow	Elliott
Beshlin	Carew	Davidson	Ellsworth
Black	Carlin	Davis	Elston
Blackmon	Carter, Mass.	Decker	Emerson
Bland	Carter, Okla.	Dempsey	Esch
Blanton	Cary	Denton	Estopinal
Booher	Chandler, N. Y.	Dewalt	Evans
Borland	Classon	Dickinson	Fairfield
Brand	Claypool	Dies	Farr
Britten	Coady	Dill	Ferris

Fess	Juul	Oldfield	Smith, Mich.
Fields	Kearns	Oliver, Ala.	Smith, C. B.
Fisher	Keating	Oliver, N. Y.	Snook
Flood	Kehoe	Olney	Stafford
Fordney	Kelley, Mich.	Osborne	Steagall
Foss	Kelly, Pa.	O'Shaunessy	Steele
Foster	Kennedy, Iowa	Overmyer	Stephens, Miss.
Francis	Kennedy, R. I.	Overstreet	Sterling, Ill.
Freeman	Kettner	Padgett	Stevenson
French	Key, Ohio	Paige	Stiness
Fuller, Mass.	Kincheloe	Park	Strong
Gallagher	King	Parker, N. J.	Sullivan
Gallivan	Kinkaid	Parker, N. Y.	Sweet
Gandy	Kitchin	Peters	Swift
Gard	La Follette	Phelan	Switzer
Garland	Langley	Pou	Tague
Garner	Larsen	Pratt	Taylor, Ark.
Garrett, Tenn.	Lazaro	Price	Taylor, Colo.
Garrett, Tex.	Lea, Cal.	Purnell	Temple
Glass	Lee, Ga.	Quin	Templeton
Glynn	Lehlbach	Ragsdale	Thompson
Godwin, N. C.	Lenroot	Raker	Tillman
Good	Lesher	Ramsey	Tilson
Goodall	Lever	Randall	Timberlake
Goodwin, Ark.	Linthicum	Rankin	Tinkham
Gould	Little	Rayburn	Towner
Gray, Ala.	Littlepage	Reavis	Treadway
Gray, N. J.	Lobeck	Reed	Van Dyke
Green, Iowa	London	Riordan	Vare
Greene, Mass.	Lonergan	Robbins	Venable
Greene, Vt.	Lufkin	Roberts	Vestal
Griest	Lundeen	Robinson	Vinson
Hadley	Lunn	Rodenberg	Volstead
Hamill	McAndrews	Rogers	Waldow
Hamilton, Mich.	McArthur	Romjue	Walker
Hamlin	McClintic	Rouse	Walsh
Harrison, Miss.	McCormick	Rowe	Walton
Harrison, Va.	McCulloch	Rubey	Wason
Haskell	McFadden	Rucker	Watkins
Hastings	McKenzie	Russell	Watson, Pa.
Hayden	McKinley	Sabath	Watson, Va.
Heaton	McLaughlin, Mich.	Sanders, Ind.	Weaver
Heflin	McLaughlin, Pa.	Sanders, La.	Webb
Helm	Madden	Saunders, Va.	Welling
Helvering	Mansfield	Schall	Welty
Hensley	Mapes	Scott, Mich.	Whaley
Hersey	Martin	Scott, Pa.	Wheeler
Hicks	Mays	Scully	White, Me.
Hilliard	Meeker	Sears	White, Ohio
Holland	Miller, Wash.	Sells	Williams
Huddleston	Mondell	Shackleford	Wilson, Ill.
Hull, Iowa	Montague	Shallenberger	Wilson, Tex.
Hull, Tenn.	Moon	Sherley	Wingo
Humphreys	Moore, Pa.	Sherwood	Winslow
Hutchinson	Moores, Ind.	Shouse	Wise
Igoe	Morgan	Siegel	Wood, Ind.
Ireland	Morin	Sims	Woods, Iowa
Jacoway	Mudd	Sinnott	Woodyard
James	Neely	Sisson	Wright
Johnson, Ky.	Nichols, Mich.	Sloan	Young, Tex.
Johnson, Wash.	Nolan	Small	Zihlman
Jones, Va.	Norton	Smith, Idaho	

NAYS—6.

Chandler, Okla.	Gordon	Ramseyer	Thomas
Denison	Haugen		

ANSWERED "PRESENT"—1.

Knutson	Rose

NOT VOTING—81.

Anthony	Focht	Kraus	Sanders, N. Y.
Bowers	Frear	Kreider	Sanford
Butler	Fuller, Ill.	LaGuardia	Scott, Iowa
Caldwell	Gillett	Longworth	Slayden
Campbell, Kans.	Graham, Ill.	McKeown	Slemp
Capstick	Graham, Pa.	McLemore	Smith, T. F.
Church	Gregg	Magee	Snell
Clark, Fla.	Hamilton, N. Y.	Maher	Snyder
Clark, Pa.	Hardy	Mann	Stedman
Copley	Hawley	Mason	Steenerson
Crago	Hayes	Merritt	Stephens, Nebr.
Crisp	Heintz	Miller, Minn.	Sterling, Pa.
Curry, Cal.	Hollingsworth	Mott	Sumners
Dallinger	Hood	Nelson	Talbott
Dent	Houston	Nicholls, S. C.	Voigt
Drukker	Howard	Platt	Ward
Dunn	Husted	Polk	Wilson, La.
Eagle	Johnson, S. Dak.	Porter	Young, N. Dak.
Fairchild, B. L.	Jones, Tex.	Powers	
Fairchild, G. W.	Kahn	Rainey	
Flynn	Kiess, Pa.	Rowland	

So the bill was passed.

The Clerk announced the following additional pairs:

Until further notice:

Mr. TALBOTT with Mr. BROWNING.

Mr. SLAYDEN with Mr. HAYES.

Mr. MAHER with Mr. HOLLINGSWORTH.

Mr. STERLING of Pennsylvania with Mr. YOUNG of North Dakota.

Mr CALDWELL with Mr. ANTHONY.

Mr. HARDY with Mr. CLARK of Pennsylvania.

Mr. HOWARD with Mr. CRAGO.

Mr. MCLEMORE with Mr. DYER.

Mr. STEDMAN with Mr. FULLER of Illinois.

Mr. SUMNERS with Mr. GILLETT.

Mr. CLARK of Florida with Mr. GRAHAM of Illinois.

Mr. CHURCH with Mr. GRAHAM of Pennsylvania.

Mr. CRISP with Mr. HUSTED.

Mr. WILSON of Louisiana with Mr. MAGEE.

Mr. POLK with Mr. MILLER of Minnesota.

Mr. THOMAS F. SMITH with Mr. MOTT.

Mr. JONES of Texas with Mr. SNYDER.

Mr. HOOD with Mr. WARD.

Mr. FLYNN with Mr. SANDERS of New York.

Mr. DENT with Mr. SANFORD.

Mr. BROWNING. Mr. Speaker, I am paired with the gentleman from Maryland, Mr. TALBOTT. If he were present, he would vote "yea," as did I. I shall therefore allow my vote of "yea" to stand.

Mr. FIELDS. Mr. Speaker, I would inquire if the gentleman from Alabama, Mr. DENT, is recorded?

The SPEAKER. He is not recorded.

Mr. FIELDS. Mr. Speaker, Mrs. Dent phoned me this morning that Mr. DENT was sick and unable to be at the Capitol to-day, and I want therefore to explain his reason for not voting on this roll call.

Mr. PAIGE. Mr. Speaker, my colleague, Mr. DALLINGER, is ill at his home and requests me to state that if he were present he would favor this bill and would vote "yea."

Mr. STAFFORD. Mr. Speaker, I wish also to announce that if the gentlemen from New York, Messrs. SNELL, DUNN, and HAMILTON, were present, they would vote "yea."

The result of the vote was announced as above recorded.

On motion of Mr. SIMS, a motion to reconsider the vote by which the bill was passed was laid on the table.

Mr. SIMS. Mr. Speaker, I ask unanimous consent that 1,000 copies of the Senate bill with House amendments be printed.

The SPEAKER. Is there objection?

Mr. ROBBINS. Mr. Speaker, reserving the right to object, I would ask if these are for distribution, because I have some requests for copies of this bill.

Mr. SIMS. Yes; they will go to the document room.

The SPEAKER. Is there objection?

There was no objection, and it was so ordered.

Mr. SIMS. Mr. Speaker, I ask unanimous consent that the House insist on its amendments to the Senate bill and ask for a conference.

Mr. STAFFORD. Mr. Speaker, I would have to object.

Mr. SIMS. Very well, I withdraw the request.

Mr. SWIFT. Mr. Speaker, I ask unanimous consent that an amendment which I offered to the bill, which was not fully read, be printed in full in the RECORD.

The SPEAKER. Without objection, it is so ordered.

The amendment is as follows:

Amendment offered by Mr. SWIFT: Page 15, section 14, insert the following as a new section:

That the Committee on Expenditures in the Treasury Department is hereby authorized and directed, in accordance with the powers conferred by paragraph 36 of Rule XI of the House of Representatives, to examine and audit from time to time the accounts and expenditures of all monies appropriated by section 6 of this act; and said committee is authorized to employ certified public accountants, competent stenographers, and clerks, to examine persons and papers, and administer oaths, and to convene during the sessions of the House and to report from time to time the result of its examinations with any recommendations to the House; and that out of any money in the Treasury, not otherwise appropriated, the sum of $250,000 is hereby appropriated for the use of said committee for the purposes herein specified.

LEGISLATIVE, EXECUTIVE, AND JUDICIAL APPROPRIATION BILL.

Mr. BYRNS of Tennessee, by direction of the Committee on Appropriations, reported the bill (H. R. 10358) making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June 30, 1919, and for other purposes, which was read a first and second time, and, with the accompanying report (No. 346), was referred to the Committee of the Whole House on the state of the Union, and ordered printed.

Mr. STAFFORD. Mr. Speaker, I reserve all points of order on the bill.

LEAVE OF ABSENCE.

Mr. KITCHIN. Mr. Speaker, I ask for an indefinite leave of absence for Judge CRISP, of Georgia, on account of the critical illness of his sister.

The SPEAKER. Is there objection?

There was no objection.

By unanimous consent, leave of absence was granted to Mr. SMITH of Idaho, for one day, to attend the funeral of his nephew.

ORDER OF BUSINESS.

Mr. SIMS. Mr. Speaker, I ask unanimous consent that following the consideration of the pension bill, which follows this bill, that we may consider the daylight-saving bill.

Mr. NORTON. Mr. Speaker, I object.

ADJOURNMENT.

Mr. KITCHIN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 8 o'clock and 5 minutes p. m.) the House adjourned until to-morrow, Friday, March 1, 1918, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, a letter from the Federal Trade Commission, transmitting a letter from special attorney of the Federal Trade Commission in regard to additional legislation required in regard to the taking of papers where crimes are charged (H. Doc. No. 961), was taken from the Speaker's table, referred to the Committee on Interstate and Foreign Commerce, and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. CLARK of Florida, from the Committee on Public Buildings and Grounds, to which was referred the bill (H. R. 10265) to authorize the Secretary of Labor to provide housing, local transportation, and other community facilities for war needs, reported the same without amendment, accompanied by a report (No. 345), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

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

By Mr. IRELAND: A bill (H. R. 10334) relating to the title to land to be acquired as a site for a post-office building at Spring Valley, Ill.; to the Committee on Public Buildings and Grounds.

By Mr. HULL of Iowa: A bill (H. R. 10335) for the retirement of employees of the classified civil service of the United States and providing an annuity for them; to the Committee on Reform in the Civil Service.

By Mr. GALLIVAN: A bill (H. R. 10336) providing for the issuance of tobacco in its various forms as part of rations to the United States troops as the Secretary of War may direct; to the Committee on Military Affairs.

By Mr. JOHNSON of Kentucky: A bill (H. R. 10337) authorizing the acquirement and extension of the telephone system in the District of Columbia; to the Committee on the District of Columbia;

By Mr. SABATH: A bill (H. R. 10338) to amend the act approved December 23, 1913, known as the Federal reserve act; to the Committee on Banking and Currency.

By Mr. GALLIVAN: A bill (H. R. 10339) providing for the issuance of tobacco in its various forms as part of rations to the United States Navy as the Secretary of the Navy may direct; to the Committee on Naval Affairs.

By Mr. FIELDS: A bill (H. R. 10340) providing for the construction of ice piers in the harbor of Ashland, Ky., on the Ohio River; to the Committee on Rivers and Harbors.

By Mr. BYRNS of Tennessee: A bill (H. R. 10358) making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June 30, 1919, and for other purposes; to the Committee of the Whole House on the state of the Union.

By Mr. MERRITT: Resolution (H. Res. 260) relating to the order of the Postmaster General of July 16, 1917; to the Committee on the Post Office and Post Roads.

By Mr. EMERSON: Resolution (H. Res. 261) calling upon the governor of Ohio to call a special election; to the Committee on Election of President, Vice President, and Representatives in Congress.

By Mr. SLAYDEN: Joint resolution (H. J. Res. 255) authorizing the readmission to the United States of certain aliens who have been conscripted or have volunteered for service with the military forces of the United States or allied forces; to the Committee on Immigration and Naturalization.

By Mr. TREADWAY: Memorial of the General Court of Massachusetts, urging the passage by the Congress of the United States of the daylight-saving bill; to the Committee on Interstate and Foreign Commerce.

By Mr. TINKHAM: Memorial of the Commonwealth of Massachusetts, urging the passage of the daylight bill, so called, now pending in Congress; to the Committee on Interstate and Foreign Commerce.

By Mr. EVANS: Memorial of the Legislature of the State of Montana, urging the passage of Senate bill 3439, in the interest of increased food production in the United States; to the Committee on the Public Lands.

By Mr. TAGUE: Memorial of the Legislature of the State of Massachusetts, favoring the passage of the daylight-saving bill; to the Committee on Interstate and Foreign Commerce.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. DOOLITTLE: A bill (H. R. 10341) granting an increase of pension to Charles W. Cross; to the Committee on Invalid Pensions.

By Mr. FIELDS: A bill (H. R. 10342) granting an increase of pension to Hiram H. Reed; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10343) granting an increase of pension to Samuel V. Bocook; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10344) granting an increase of pension to Louis G. Murray; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10345) granting an increase of pension to David G. R. Poteet; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10346) granting an increase of pension to Benjamin Puckett; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10347) granting a pension to Pauline Saunders; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10348) granting an increase of pension to Julia A. Gorman; to the Committee on Invalid Pensions.

By Mr. HAYES: A bill (H. R. 10349) for the relief of Catherina Rea, administratrix of the estate of John Rea; to the Committee on Claims.

By Mr. HULL of Iowa: A bill (H. R. 10350) granting an increase of pension to James B. Roseman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10351) granting a pension to Henry W. Grady; to the Committee on Pensions.

By Mr. KETTNER: A bill (H. R. 10352) to remove the charge of desertion standing against the record of Francis Fayette Lyons; to the Committee on Military Affairs.

By Mr. ROSE: A bill (H. R. 10353) granting a pension to Elizabeth L. Kinkead; to the Committee on Invalid Pensions.

By Mr. SNYDER: A bill (H. R. 10354) to appoint Chaille H. Evans second lieutenant of Infantry, and place him on the retired list of the Army as second lieutenant of Infantry; to the Committee on Military Affairs.

By Mr. TEMPLE: A bill (H. R. 10355) granting an increase of pension to Robert T. Parkinson; to the Committee on Invalid Pensions.

By Mr. WELTY: A bill (H. R. 10356) granting an increase of pension to Hanson Harmon; to the Committee on Invalid Pensions.

By Mr. WINSLOW: A bill (H. R. 10357) granting an increase of pension to George W. Webber; to the Committee on Invalid Pensions.

By Mr. ASHBROOK: A bill (H. R. 10359) granting an increase of pension to Amos H. Secrist; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10360) granting an increase of pension to James M. Baxter; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10361) granting an increase of pension to Rebecca J. Kaylor; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10362) granting a pension to Tabitha J. Van Rhoden; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10363) granting a pension to Mary E. Frederick; to the Committee on Pensions.

By Mr. McCULLOCH: A bill (H. R. 10364) granting a pension to Irwin O. Carson; to the Committee on Pensions.

PETITIONS, ETC.

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

By the SPEAKER (by request): Petitions of sundry clubs of the United States, against increase in second-class mail postage; to the Committee on Ways and Means.

Also (by request), petition of Zion Methodist Episcopal Church, Pen Argyl, Pa., favoring national prohibition as a war measure; to the Committee on the Judiciary.

Also (by request), memorial of board of directors of the Rensselaer County Bar Association, Troy, N. Y., against national prohibition; to the Committee on the Judiciary.

Also (by request), memorial of Missouri Farmers' Association, relative to prevention of shortage of live stock for meat purposes; to the Committee on Agriculture.

By Mr. CAREW: Petition of the Wholesale Coal Trade Association of New York, relative to amendment to or repeal of the Lever law; to the Committee on Agriculture.

By Mr. CARY: Memorial of Milwaukee (Wis.) Lodge, No. 234, International Association of Machinists, favoring Government ownership of railroads; to the Committee on Interstate and Foreign Commerce.

Also, petition of Wisconsin Live Stock Breeders' Association, Madison, Wis., concerning licensing of dogs; to the Committee on Agriculture.

By Mr. CRAGO: Petition of citizens of Pennsylvania, protesting against Congress taking any action to suspend the game laws of the several States; to the Committee on Agriculture.

By Mr. DALE of New York: Petition of maritime committee of the Chamber of Commerce of Baltimore, Md., favoring passage of House bill 7913, relative to betterment of Lighthouse Service; to the Committee on Interstate and Foreign Commerce.

By Mr. DALE of Vermont: Petition of Woman's Home Missionary Society, Gleaners Sunday-school Class of the Methodist Church, and the local Woman's Christian Temperance Union of Bellows Falls, Vt., favoring national prohibition during the war; to the Committee on the Judiciary.

By Mr. FULLER of Illinois: Petition of the Merchants' Association of New York, favoring the Overman bill, Senate bill 3771; to the Committee on Military Affairs.

Also, petition of Thomas W. Bicknell, founder of the Society of the Sons and Daughters of the Pilgrims, for repeal of the periodical postal amendment; to the Committee on Ways and Means.

Also, petition of Central Bureau Furniture and Casket Manufacturers, opposing House bill 7353, for employment of convict labor; to the Committee on Labor.

Also, petition of National Live Stock Shippers' Protective League, favoring leaving rate-fixing power with Interstate Commerce Commission; to the Committee on Interstate and Foreign Commerce.

By Mr. GALLIVAN: Memorial of Massachusetts State Federation of Women's Clubs, of Chelsea, Mass., against increase in second-class mailing rates; to the Committee on Ways and Means.

By Mr. HILLIARD: Resolutions adopted by the Travelers' Club of Newark, N. J.; Progress Club of Nevada, Mo.; the Santa Fe (N. Mex.) Woman's Club; Springfield (Mo.) Council of National Congress of Mothers and Parent-Teacher Associations; the Woman's Club of San Angelo, Tex.; Elective Study Club of Minneapolis, Minn.; the Woman's Club of Granby, Mass.; Arkansas Press Association; and the New Mexico Federation of Women's Clubs, protesting against the zone system of periodical postage; to the Committee on Ways and Means.

By Mr. KELLY of Pennsylvania: Memorial of City Council of Erie, Pa., favoring passage of House bill 7995, relative to care, etc., of flagship *Niagara* used in Battle of Lake Erie; to the Committee on Naval Affairs.

By Mr. REED: Evidence to accompany House bill 10328 for pension for Herbert B. Holloway; to the Committee on Pensions.

By Mr. TAGUE: Petition of Massachusetts State Federation of Women's Clubs, relative to the establishment of a zone system on magazine publications; to the Committee on the Post Office and Post Roads.

By Mr. TEMPLE: Petitions of Adult Bible Class, Protestant Methodist Church, and citizens of New Castle, Pa., favoring national prohibition; to the Committee on the Judiciary.

By Mr. TILSON: Petition of carriers of Bridgeport and Meriden (Conn.) post offices, favoring H. R. 9414, a bill to increase salaries of postal employees; to the Committee on the Post Office and Post Roads.

By Mr. VESTAL: Petition of citizens of Adams County, Ind., favoring prohibition as a war measure; to the Committee on the Judiciary.

Also, petition of citizens of Wells County, Ind., concerning food production and conservation; to the Committee on Agriculture.

SENATE.

FRIDAY, *March 1, 1918.*

Rev. William F. McDowell, of the city of Washington, bishop of the Methodist Episcopal Church, offered the following prayer:

Almighty God, do Thou control our minds and hold our hearts in Thy hand. Direct our deliberations for the highest good of the country and the greatest good of mankind; and grant Thy blessing to the Government of the United States and to our allies in this great struggle. In the name of the Lord we ask it. Amen.

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

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by G. F. Turner, one of its clerks, announced that the House insists upon its amendment to the bill (S. 3752) to provide for the operation of transportation systems while under Federal control, for the just compensation of their owners, and for other purposes, requests a conference with the Senate on the disagreeing votes of the two Houses thereon, and had appointed Mr. SIMS, Mr. DOREMUS, and Mr. ESCH managers at the conference on the part of the House.

PETITIONS AND MEMORIALS.

Mr. McNARY (for Mr. CHAMBERLAIN) presented a petition of the Marion Lawrence Bible Class, of the Methodist Episcopal Church, of Salem, Oreg., praying for the closing of all breweries and saloons for the period of the war, which was referred to the Committee on the Judiciary.

Mr. LODGE presented a petition of Local Branch, Massachusetts State Federation of Woman's Clubs, of Wollaston, Mass., praying for the repeal of the present postage rate on second-class mail matter, which was referred to the Committee on Post Offices and Post Roads.

Mr. KNOX presented memorials of sundry citizens of Altoona, Pa., remonstrating against the placing of railroad tracks directly opposite the Lucy Webb Hayes Training School and the Sibley Memorial Hospital, in the city of Washington, D. C., which were referred to the Committee on the District of Columbia.

He also presented a petition of the Chamber of Commerce, of Philadelphia, Pa., praying that an appropriation be made providing for the deepening of the Delaware River from Philadelphia to the Atlantic Ocean, which was referred to the Committee on Commerce.

He also presented a memorial of the congregation of the Chartiers Presbyterian Church, of Canonsburg, Pa., praying for the adoption of an amendment to the Constitution to prohibit polygamy, which was referred to the Committee on the Judiciary.

He also presented petitions of Local Lodge, No. 735, International Association of Machinists, of Beaver Falls; of Local Lodge, No. 798, International Association of Machinists, of Butler; and of sundry citizens of Philadelphia, all in the State of Pennsylvania, praying for the submission of a Federal suffrage amendment to the legislatures of the several States, which were ordered to lie on the table.

Mr. THOMPSON presented a petition of the Woman's Kansas Day Club, of Topeka, Kans., praying for the submission of a Federal suffrage amendment to the legislatures of the several States, which was ordered to lie on the table.

He also presented a petition of the Woman's Club of Topeka, Kans., praying for the enactment of legislation to protect the United States flag from misuse or desecration, which was referred to the Committee on the Judiciary.

PNEUMATIC-TUBE MAIL SERVICE (S. DOC. NO. 191).

Mr. BANKHEAD. Mr. President, I ask unanimous consent to be permitted to present at this time the report of the joint commission appointed by the two Houses to investigate the pneumatic-tube situation. It is a very short report.

I desire to state for the information of the Senate that there will be quite an amount of additional matter to accompany the report. This additional matter consists of reports of the engineers and their findings and conclusions, reports of accountants who have carefully gone through the books of the pneumatic-tube service companies, and other publications that appear to be essential so that the Senate may have full and complete information.

I make this report to-day, Mr. President, because under the resolution authorizing the appointment of the commission they were required to report not later than to-day.

I wish to state that one member of the commission on the part of the House will file a minority report.

The PRESIDENT pro tempore. In the absence of objection, the report will be printed.

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. UNDERWOOD:

A bill (S. 3994) to amend an act entitled "An act to authorize condemnation proceedings of lands for military purposes," approved July 2, 1917, and for other purposes; to the Committee on Military Affairs.

By Mr. SHAFROTH:

A bill (S. 3995) to amend section 224 of the Revised Statutes of the United States relating to certificates of discharge; to the Committee on Military Affairs.