By Mr. BOYLAN: A bill (H. R. 5277) authorizing the President of the United States to appoint Frederick Felix to the position and rank of captain in the Army of the United States and immediately retire him with the rank and pay of a captain; to the Committee on Military Affairs.

By Mr. CLARKE of New York: A bill (H. R. 5278) for the relief of Edward N. Moore; to the Committee on Military Affairs.

By Mr. CROWTHER: A bill (H. R. 5279) for the relief of A. J. Baker Co. (Inc.); to the Committee on Claims.

By Mr. FAIRCHILD: A bill (H. R. 5280) granting a pension to Margaret L. Fardette; to the Committee on Invalid Pensions.

By Mr. HAWES: A bill (H. R. 5281) granting an increase of pension to Margaret Daley; to the Committee on Pensions.

By Mr. HILL of Maryland: A bill (H. R. 5282) to place Maj. Gen. Hunter Liggett and Maj. Gen. Henry T. Allen, retired by operation of law, and Maj. Gen. Robert L. Bullard, upon retirement by operation of law, on the retired list of the Army as lieutenant generals without additional pay or allowances; to the Committee on Military Affairs.

Also, a bill (H. R. 5283) to reimburse the city of Baltimore, State of Maryland, for moneys expended to aid the United States in the construction of works of defense during the Civil War; to the Committee on War Claims.

By Mr. HOLADAY: A bill (H. R. 5284) granting a pension to Milligan Comstock; to the Committee on Pensions.

Also, a bill (H. R. 5285) granting an increase of pension to Harry Schwartz; to the Committee on Pensions.

By Mr. HUDSPETH: A bill (H. R. 5286) granting a pension to Eli Wickson; to the Committee on Pensions.

Also, a bill (H. R. 5287) granting a pension to Lee Morgan Wickson; to the Committee on Pensions.

By Mr. KEARNS: A bill (H. R. 5288) granting an increase of pension to Lizzie Clay; to the Committee on Invalid Pensions.

By Mr. KIESS: A bill (H. R. 5289) granting a pension to Lydia E. Kohler; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5290) granting an increase of pension to Mary Marley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5291) granting an increase of pension to Evelina C. Gross; to the Committee on Invalid Pensions.

By Mr. LINEBERGER: A bill (H. R. 5292) granting a pension to Margaret M. Bardwell; to the Committee on Invalid Pensions.

By Mr. LINTHICUM: A bill (H. R. 5293) granting an increase of pension to Robert M. Maginniss; to the Commtitee on Pensions.

By Mr. MACGREGOR: A bill (H. R. 5294) granting an increase of pension to Elizabeth Schorpp; to the Committee on Invalid Pensions.

By Mr. McDUFFIE: A bill (H. R. 5295) for the relief of Maj. Robert Lee McLeod; to the Committee on Military Affairs.

By Mr. McLAUGHLIN of Michigan: A bill (H. R. 5296) granting a pension to Eliza A. Keech; to the Committee on Invalid Pensions.

By Mr. McSWAIN: A bill (H. R. 5297) granting a pension to Warren M. Anderson; to the Committee on Pensions.

By Mr. MORRIS: A bill (H. R. 5298) granting a pension to James P. Bradley; to the Committee on Pensions.

By Mr. REECE: A bill (H. R. 5299) granting increased compensation to Wilson S. Jaynes; to the Committee on Claims.

By Mr. SINNOTT: A bill (H. R. 5300) granting an increase of Pension to Mary C. Allen; to the Committee on Pensions.

By Mr. SPEAKS: A bill (H. R. 5301) for the relief of Ephrian Ellis; to the Committee on Reform in the Civil Service.

By Mr. STALKER: A bill (H. R. 5302) for the relief of Frank Ayers; to the Committee on Reform in the Civil Service.

By Mr. TABER: A bill (H. R. 5303) granting an increase of pension to Louis H. Blake; to the Committee on Pensions.

Also, a bill (H. R. 5304) granting a pension to Ella B. Collins; to the Committee on Pensions.

By Mr. TILLMAN: A bill (H. R. 5305) to pay additional compensation to Ida Alexander; to the Committee on Pensions.

By Mr. WEAVER: A bill (H. R. 5306) providing for the closing of Weaver Place NW., and for other purposes; to the Committee on the District of Columbia.

Also, a bill (H. R. 5307) for the relief of J. A. Galloway; to the Committee on Claims.

Also, a bill (H. R. 5308) for the relief of Mattie D. Jacobs; to the Committee on Claims.

Also, a bill (H. R. 5309) granting an increase of pension to Lucius P. Burress; to the Committee on Pensions.

By Mr. WOLFF: A bill (H. R. 5310) for the relief of J. H. Martin; to the Committee on Claims.

By Mr. WYANT: A bill (H. R. 5311) granting a pension to Mary C. Derby; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5312) granting an increase of pension to Lizzie Leasure; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5313) authorizing the Secretary of War to donate to the town of Monessen, State of Pennsylvania, one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 5314) authorizing the Secretary of War to donate to the town of Mount Pleasant, State of Pennsylvania, one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 5315) authorizing the Secretary of War to donate to the town of Trafford, State of Pennsylvania, one German cannon or fieldpiece; to the Committee on Military Affairs.

PETITIONS, ETC.

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

514. By the SPEAKER (by request): Petition of sundry citizens of Cedar Rapids, Iowa, urging the repeal of all unfair excise taxes; to the Committee on Ways and Means.

515. By Mr. ABERNETHY: Petition of Hon. George P. Pell, corporation commissioner of North Carolina, and of the National Association of Railway and Utilities Commissioners, Miami, Fla., seeking relief for the people by amending the transportation act so as to allow certain matters to be passed upon by State commissions instead of Interstate Commerce Commission; to the Committee on Interstate and Foreign Commerce.

516. By Mr. BULWINKLE: Petition of the National Association of Railway and Utilities Commissioners, favoring amendments to the interstate commerce act; to the Committee on Interstate and Foreign Commerce.

517. By Mr. BURTON: Petition signed by 1,200 residents of the city of Cleveland, requesting support of the measure now pending to amend the Volstead Act by permitting the manufacture and sale of beer and light wines; to the Committee on the Judiciary.

518. By Mr. CROWTHER: Petition of the board of directors of the Maritime Association of the Port of New York, indorsing the so-called Mellon plan of tax revision; to the Committee on Ways and Means.

519. Also, petition of the board of directors of the Maritime Association of the Port of New York, in opposition to the enactment of legislation providing for the payment of a soldier bonus, and petitions of Edgar B. and Helen H. Holden and E. Otis Hunt, of Schenectady, N. Y.; and John A. Ostrander, of Amsterdam, N. Y., indorsing the Mellon plan of tax revision; to the Committee on Ways and Means.

520. By Mr. FULLER: Petitions of the Forest City Bit & Tool Co., of Rockford, Ill., and sundry citizens of Illinois, favoring reduction of Federal taxes as proposed by the Secretary of the Treasury; to the Committee on Ways and Means.

521. By Mr. GOLDSBOROUGH: Petition of rural carriers of the counties of Kent, Queen Anne, Caroline, Dorchester, Worcester, and Cecil, in the State of Maryland, praying for an equipment allowance; to the Committee on the Post Office and Post Roads.

522. By Mr. KIESS: Papers accompanying House bill 1556, granting a pension to Edgar P. Rice; to the Committee on Invalid Pensions.

523. By Mr. WATSON: Petition of Valley Forge Chapter, Daughters of the American Revolution, opposing any amendment to the Constitution limiting the power of the Supreme Court; to the Committee on the Judiciary.

524. Also, petition of Valley Forge Chapter, Daughters of the American Revolution, favoring Mellon's plan of tax reduction; to the Committee on Ways and Means.

HOUSE OF REPRESENTATIVES.

SATURDAY, *January 12, 1924.*

The House met at 12 o'clock noon, and was called to order by the Speaker.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our Father and our God, to whom we are responsible for the duties of each new-born day, consider and hear us. Continue the ministrations of Thy love and mercy unto us and bring the deliberations of this day into harmony with Thy holy will. Give unto us the help of Thy spirit, which exalts, enriches, and purifies our thoughts. May we always give to this Government of our fathers and its free institutions our

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sacrificial devotion. Ever enable us to plan and think together for the growing good and prosperity of the Republic. We pray in the name of Jesus and His glorified cross. Amen.

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

LEAVE TO ADDRESS THE HOUSE.

Mr. HERSEY. Mr. Speaker, I ask unanimous consent that on February 12, after the reading of the Journal and the disposal of paprs on the Speaker's desk, I may address the House for 40 minutes on "Lincoln, the man of common sense."

The SPEAKER. The gentleman from Maine asks unanimous consent that on February 12, after the reading of the Journal and disposal of papers on the Speaker's desk, he may address the House for 40 minutes on "Lincoln, the man of common sense." Is there objection?

There was no objection.

ELECTION TO THE COMMITTEE ON EDUCATION.

Mr. LONGWORTH. Mr. Speaker, a vacancy exists on the majority of the Committee on Education. I move that that vacancy be filled by the election of the gentleman from Connecticut, Mr. FENN.

The SPEAKER. The gentleman from Ohio moves the election of the gentleman from Connecticut [Mr. FENN] to fill a vacancy on the Committee on Education. The question is on agreeing to that motion.

The motion was agreed to.

TAX REVISION.

Mr. GARNER of Texas. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by presenting some additional tables on the tax question.

The SPEAKER. The gentleman from Texas asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

There was no objection.

Mr. GARNER of Texas. Mr. Speaker, under the leave granted me to extend my remarks in the RECORD, I include the following:

Comparison of the Mellon and Democratic tax plans with the present law (married persons without dependents).

Number of persons making returns in each class for 1921.	Income.	Amount of normal tax under—			Amount of surtax under—			Amount of surtax reduction under—		Amount of greater reduction of surtax under—	
		Present.	Mellon.	Democratic.	Present.	Mellon.	Democratic.	Mellon.	Democratic.	Democratic.	Mellon.
401,849 under	$1,000										
	2,000										
	3,000	$20	$15								
	4,000	60	45	$20							
	5,000	100	75	40							
6,087,968	6,000	160	120	80							
	7,000	240	180	120	$10			$10	$10		
	8,000	320	240	160	20			20	20		
	9,000	400	300	220	30			30	30		
	10,000	480	360	280	40			40	40		
	11,000	560	420	340	60	$10		50	60	$10	
	12,000	640	480	400	80	20		60	80	20	
	13,000	720	540	460	110	40	$10	70	100	30	
	14,000	800	600	520	140	60	20	80	120	40	
114,244	15,000	880	660	580	180	90	40	90	140	50	
	16,000	960	720	640	220	120	60	100	160	60	
	17,000	1,040	780	700	270	160	90	110	180	70	
	18,000	1,120	840	760	320	200	120	120	200	80	
	19,000	1,200	900	820	380	250	160	130	220	90	
	20,000	1,280	960	880	440	300	200	140	240	100	
	21,000	1,360	1,020	940	520	360	250	160	270	110	
	22,000	1,440	1,080	1,000	600	420	300	180	300	120	
	23,000	1,520	1,140	1,060	690	490	360	200	330	130	
	24,000	1,600	1,200	1,120	780	560	420	220	360	140	
28,948	25,000	1,680	1,260	1,180	880	640	490	240	390	150	
	26,000	1,760	1,320	1,240	980	720	560	260	420	160	
	27,000	1,840	1,380	1,300	1,090	810	640	280	450	170	
	28,000	1,920	1,440	1,360	1,200	900	720	300	480	180	
	29,000	2,000	1,500	1,420	1,320	1,000	810	320	510	190	
	30,000	2,080	1,560	1,480	1,440	1,100	900	340	540	200	
	31,000	2,160	1,620	1,540	1,570	1,210	1,000	360	570	210	
	32,000	2,240	1,680	1,600	1,700	1,320	1,100	380	600	220	
	33,000	2,320	1,740	1,660	1,850	1,440	1,210	410	640	230	
	34,000	2,400	1,800	1,720	2,000	1,560	1,320	440	680	240	
12,047	35,000	2,480	1,860	1,780	2,150	1,690	1,440	460	710	250	
	36,000	2,560	1,920	1,840	2,300	1,820	1,560	480	740	260	
	37,000	2,640	1,980	1,900	2,460	1,960	1,690	500	770	270	
	38,000	2,720	2,040	1,960	2,620	2,100	1,820	520	800	280	
	39,000	2,800	2,100	2,020	2,790	2,240	1,960	550	830	280	
	40,000	2,880	2,160	2,080	2,960	2,380	2,100	580	860	280	
	41,000	2,960	2,220	2,140	3,140	2,530	2,250	610	890	280	
	42,000	3,040	2,280	2,200	3,320	2,680	2,400	640	920	280	
	43,000	3,120	2,340	2,260	3,510	2,830	2,560	680	950	270	
	44,000	3,200	2,400	2,320	3,700	2,980	2,720	720	980	260	
6,051	45,000	3,280	2,460	2,380	3,900	3,130	2,890	770	1,010	240	
	46,000	3,360	2,520	2,440	4,100	3,280	3,060	820	1,040	220	
	47,000	3,440	2,580	2,500	4,310	3,440	3,240	870	1,070	200	
	48,000	3,520	2,640	2,560	4,520	3,600	3,420	920	1,100	180	
	49,000	3,600	2,700	2,620	4,740	3,760	3,610	980	1,130	150	
	50,000	3,680	2,760	2,680	4,960	3,920	3,800	1,040	1,160	120	
	51,000	3,760	2,820	2,740	5,190	4,080	4,000	1,110	1,190	80	
	52,000	3,840	2,880	2,800	5,420	4,240	4,200	1,180	1,220	40	
	53,000	3,920	2,940	2,860	5,660	4,410	4,410	1,250	1,250		
	54,000	4,000	3,000	2,920	5,900	4,580	4,620	1,320	1,280		$40
3,431	55,000	4,080	3,060	2,980	6,150	4,750	4,840	1,400	1,310		90
	56,000	4,160	3,120	3,040	6,400	4,920	5,060	1,480	1,340		140
	57,000	4,240	3,180	3,100	6,660	5,090	5,290	1,570	1,370		200
	58,000	4,320	3,240	3,160	6,920	5,260	5,520	1,660	1,400		260
	59,000	4,400	3,300	3,220	7,190	5,440	5,760	1,750	1,430		320
	60,000	4,480	3,360	3,280	7,460	5,620	6,000	1,840	1,460		380
	61,000	4,560	3,420	3,340	7,740	5,800	6,250	1,940	1,490		450
	62,000	4,640	3,480	3,400	8,020	5,980	6,510	2,040	1,510		530
	63,000	4,720	3,540	3,460	8,310	6,160	6,780	2,150	1,530		620
	64,000	4,800	3,600	3,520	8,600	6,340	7,060	2,260	1,540		720
2,240	65,000	4,880	3,660	3,580	8,900	6,530	7,350	2,370	1,550		820
	66,000	4,960	3,720	3,640	9,200	6,720	7,650	2,480	1,550		930
	67,000	5,040	3,780	3,700	9,510	6,910	7,960	2,600	1,550		1,050
	68,000	5,120	3,840	3,760	9,820	7,100	8,270	2,720	1,550		1,170
	69,000	5,200	3,900	3,820	10,140	7,290	8,590	2,850	1,550		1,300
	70,000	5,280	3,960	3,880	10,460	7,480	8,910	2,980	1,550		1,430

Comparison of the Mellon and Democratic tax plans with the present law (married persons without dependents)—Continued.

Number of persons making returns in each class for 1921.	Income.	Amount of normal tax under—			Amount of surtax under—			Amount of surtax reduction under—		Amount of greater reduction of surtax under—	
		Present.	Mellon.	Democratic.	Present.	Mellon.	Democratic.	Mellon.	Democratic.	Democratic.	Mellon.
	$71,000	$5,360	$4,020	$3,946	$10,790	$7,680	$9,240	$3,110	$1,550	.....	$1,560
	72,000	5,440	4,080	4,000	11,120	7,880	9,570	3,240	1,550	.....	1,690
	73,000	5,520	4,140	4,060	11,460	8,080	9,910	3,380	1,550	.....	1,830
	74,000	5,600	4,200	4,120	11,800	8,280	10,250	3,520	1,550	.....	1,970
1,423	75,000	5,680	4,260	4,180	12,150	8,480	10,600	3,670	1,550	.....	2,120
	76,000	5,760	4,320	4,240	12,500	8,680	10,950	3,820	1,550	.....	2,270
	77,000	5,840	4,380	4,300	12,860	8,890	11,310	3,970	1,550	.....	2,420
	78,000	5,920	4,440	4,360	13,220	9,100	11,670	4,120	1,550	.....	2,570
	79,000	6,000	4,500	4,420	13,590	9,310	12,040	4,280	1,550	.....	2,730
	80,000	6,080	4,560	4,480	13,960	9,520	12,410	4,440	1,550	.....	2,890
	81,000	6,160	4,620	4,540	14,340	9,730	12,790	4,610	1,550	.....	3,060
	82,000	6,240	4,680	4,600	14,720	9,940	13,170	4,780	1,550	.....	3,230
	83,000	6,320	4,740	4,660	15,110	10,160	13,560	4,950	1,550	.....	3,400
	84,000	6,400	4,800	4,720	15,500	10,380	13,950	5,120	1,550	.....	3,570
957	85,000	6,480	4,860	4,780	15,900	10,600	14,350	5,300	1,550	.....	3,750
	86,000	6,560	4,920	4,840	16,300	10,820	14,750	5,480	1,550	.....	3,930
	87,000	6,640	4,980	4,900	16,710	11,040	15,160	5,670	1,550	.....	4,120
	88,000	6,720	5,040	4,960	17,120	11,260	15,570	5,860	1,550	.....	4,310
	89,000	6,800	5,100	5,020	17,540	11,490	15,990	6,050	1,550	.....	4,500
	90,000	6,880	5,160	5,080	17,960	11,720	16,410	6,240	1,550	.....	4,690
	91,000	6,960	5,220	5,140	18,390	11,950	16,840	6,440	1,550	.....	4,890
	92,000	7,040	5,280	5,200	18,820	12,180	17,270	6,640	1,550	.....	5,090
	93,000	7,120	5,340	5,260	19,260	12,410	17,710	6,850	1,550	.....	5,300
	94,000	7,200	5,400	5,320	19,700	12,640	18,150	7,060	1,550	.....	5,510
666	95,000	7,280	5,460	5,380	20,150	12,880	18,590	7,270	1,560	.....	5,710
	96,000	7,360	5,520	5,440	20,600	13,120	19,030	7,480	1,570	.....	5,910
	97,000	7,440	5,580	5,500	21,060	13,360	19,470	7,700	1,580	.....	6,110
	98,000	7,520	5,640	5,560	21,520	13,600	19,910	7,920	1,610	.....	6,310
	99,000	7,600	5,700	5,620	21,990	13,840	20,350	8,150	1,640	.....	6,510
	100,000	7,680	5,760	5,680	22,460	14,080	20,790	8,380	1,670	.....	6,710
1,817	150,000	11,680	8,760	8,680	46,460	26,580	42,790	19,880	3,670	.....	16,210
451	200,000	15,680	11,760	11,680	70,960	39,080	64,790	31,880	6,170	.....	25,710
	250,000	19,680	14,760	14,680	95,960	51,580	86,790	44,380	9,170	.....	35,210
63	500,000	39,680	29,760	29,680	220,960	114,080	196,790	106,880	24,170	.....	82,710
	1,000,000	79,680	59,760	59,680	470,960	239,080	416,790	231,880	54,170	.....	177,710
21	2,000,000	159,680	119,760	119,680	970,960	489,080	856,790	481,880	114,170	.....	367,710
	3,000,000	239,680	179,760	179,680	1,470,960	739,080	1,296,790	731,880	174,170	.....	557,710
	4,000,000	319,680	239,760	239,680	1,970,960	989,080	1,736,790	981,880	234,170	.....	747,710
	5,000,000	399,680	299,760	299,680	2,470,960	1,239,080	2,176,790	1,231,880	294,170	.....	937,710

Number of persons making returns in each class for 1921.	Income.	Amount of total tax under—			Amount of reduction of total tax under—		Amount of greater reduction of total tax under—		Percentage of reduction of total tax under—	
		Present.	Mellon.	Democratic.	Mellon.	Democratic.	Democratic.	Mellon.	Mellon.	Democratic.
									Per cent.	*Per cent.*
401,849 under	$1,000	.....	.....	.....	.....	.....	.....	.....	.....	.....
	2,000	.....	.....	.....	.....	.....	.....	.....	.....	.....
	3,000	$20	$15	.....	$5	$20	$15	.....	25.00	100.00
	4,000	60	45	$20	15	40	25	.....	25.00	66.67
	5,000	100	75	40	25	60	35	.....	25.00	60.00
6,087,968	6,000	160	120	80	40	80	40	.....	25.00	50.00
	7,000	250	180	120	70	130	60	.....	28.00	52.00
	8,000	340	240	160	100	180	80	.....	29.41	52.94
	9,000	430	300	220	130	210	80	.....	30.23	48.84
	10,000	520	360	280	160	240	80	.....	30.76	46.15
	11,000	620	430	340	190	280	90	.....	30.64	45.16
	12,000	720	500	400	220	320	100	.....	30.55	44.44
	13,000	830	580	470	250	360	110	.....	30.12	43.37
	14,000	940	660	540	280	400	120	.....	29.78	42.55
114,244	15,000	1,060	750	620	310	440	130	.....	29.24	41.51
	16,000	1,180	840	700	340	480	140	.....	28.81	40.68
	17,000	1,310	940	790	370	520	150	.....	28.24	39.69
	18,000	1,440	1,040	880	400	560	160	.....	27.77	38.89
	19,000	1,580	1,150	980	430	600	170	.....	27.21	37.97
	20,000	1,720	1,260	1,080	460	640	180	.....	26.74	37.21
	21,000	1,880	1,380	1,190	500	690	190	.....	26.59	36.70
	22,000	2,040	1,500	1,300	540	740	200	.....	26.47	36.27
	23,000	2,210	1,630	1,420	580	790	210	.....	26.24	35.75
	24,000	2,380	1,760	1,540	620	840	220	.....	26.05	35.29
28,948	25,000	2,560	1,900	1,670	660	890	230	.....	25.78	34.77
	26,000	2,740	2,040	1,800	700	940	240	.....	25.54	34.31
	27,000	2,930	2,190	1,940	740	990	250	.....	25.25	33.79
	28,000	3,120	2,340	2,080	780	1,040	260	.....	25.00	33.33
	29,000	3,320	2,500	2,230	820	1,090	270	.....	24.69	32.83
	30,000	3,520	2,660	2,380	860	1,140	280	.....	24.43	32.39
	31,000	3,730	2,830	2,540	900	1,190	290	.....	24.12	31.90
	32,000	3,940	3,000	2,700	940	1,240	300	.....	23.85	31.47
	33,000	4,170	3,180	2,870	990	1,300	310	.....	23.74	31.18
	34,000	4,400	3,360	3,040	1,040	1,360	320	.....	23.63	30.91
12,047	35,000	4,630	3,550	3,220	1,080	1,410	330	.....	23.32	30.45
	36,004	4,860	3,740	3,400	1,120	1,460	340	.....	23.04	30.04
	37,000	5,100	3,940	3,590	1,160	1,510	350	.....	22.74	29.61
	38,000	5,340	4,140	3,780	1,200	1,560	360	.....	22.47	29.21
	39,000	5,590	4,340	3,980	1,250	1,610	360	.....	22.36	28.80
	40,000	5,840	4,540	4,180	1,300	1,660	360	.....	22.26	28.42
	41,000	6,100	4,750	4,390	1,350	1,710	360	.....	22.13	28.03
	42,000	6,360	4,960	4,600	1,400	1,760	360	.....	22.01	27.67
	43,000	6,630	5,170	4,820	1,460	1,810	350	.....	22.02	27.30
	44,000	6,900	5,380	5,040	1,520	1,860	340	.....	22.03	26.96
6,051	45,000	7,180	5,590	5,270	1,590	1,910	320	.....	22.14	26.60
	46,000	7,460	5,800	5,500	1,660	1,960	300	.....	22.25	26.27
	47,000	7,750	6,020	5,740	1,730	2,010	280	.....	22.32	25.94
	48,000	8,040	6,240	5,980	1,800	2,060	260	.....	22.38	25.62
	49,000	8,340	6,460	6,230	1,880	2,110	230	.....	22.54	25.30
	50,000	8,640	6,680	6,480	1,960	2,160	200	.....	22.68	25.00

Comparison of the Mellon and Democratic tax plans with the present law (married persons without dependents)—Continued.

Number of persons making returns in each class for 1921.	Income.	Amount of total tax under—			Amount of reduction of total tax under—		Amount of greater reduction of total tax under—		Percentage of reduction of total tax under—	
		Present.	Mellon.	Democratic.	Mellon.	Democratic.	Democratic.	Mellon.	Mellon.	Democratic.
									Per cent.	*Per cent.*
	$51,000	$8,950	$5,900	$6,740	$2,050	$2,210	$160	.....	22.90	24.69
	52,000	9,260	7,120	7,000	2,140	2,260	120	.....	23.11	24.41
	53,000	9,580	7,350	7,270	2,230	2,310	80	.....	23.27	24.11
	54,000	9,900	7,580	7,540	2,320	2,360	40	.....	23.43	23.84
3,431	55,000	10,230	7,810	7,820	2,420	2,410	.....	$10	23.65	23.56
	56,000	10,560	8,040	8,100	2,520	2,460	.....	60	23.86	23.30
	57,000	10,900	8,270	8,390	2,630	2,510	.....	120	24.12	23.03
	58,000	11,240	8,500	8,680	2,740	2,560	.....	180	24.37	22.78
	59,000	11,590	8,740	8,980	2,850	2,610	.....	240	24.59	22.53
	60,000	11,940	8,980	9,280	2,960	2,660	.....	300	24.79	22.28
	61,000	12,300	9,220	9,590	3,080	2,710	.....	370	25.04	22.03
	62,000	12,660	9,460	9,910	3,200	2,750	.....	450	25.28	21.72
	63,000	13,030	9,700	10,240	3,330	2,790	.....	540	25.55	21.41
	64,000	13,400	9,940	10,580	3,460	2,820	.....	640	25.82	21.04
2,240	65,000	13,780	10,190	10,930	3,590	2,850	.....	740	26.05	20.68
	66,000	14,160	10,440	11,290	3,720	2,870	.....	850	26.27	20.27
	67,000	14,550	10,690	11,660	3,860	2,890	.....	970	26.53	19.86
	68,000	14,940	10,940	12,030	4,000	2,910	.....	1,090	26.77	19.48
	69,000	15,340	11,190	12,410	4,150	2,930	.....	1,220	27.05	19.10
	70,000	15,740	11,440	12,790	4,300	2,950	.....	1,350	27.31	18.74
	71,000	16,150	11,700	13,180	4,450	2,970	.....	1,480	27.55	18.39
	72,000	16,560	11,960	13,570	4,600	2,990	.....	1,610	27.78	18.06
	73,000	16,980	12,220	13,970	4,760	3,010	.....	1,750	28.03	17.73
	74,000	17,400	12,480	14,370	4,920	3,030	.....	1,890	28.28	17.41
1,423	75,000	17,830	12,740	14,780	5,090	3,050	.....	2,040	28.55	17.11
	76,000	18,260	13,000	15,190	5,260	3,070	.....	2,190	28.81	16.81
	77,000	18,700	13,270	15,610	5,430	3,090	.....	2,340	29.04	16.52
	78,000	19,140	13,540	16,030	5,600	3,110	.....	2,490	29.26	16.25
	79,000	19,590	13,810	16,460	5,780	3,130	.....	2,650	29.50	15.98
	80,000	20,040	14,080	16,890	5,960	3,150	.....	2,810	29.74	15.71
	81,000	20,500	14,350	17,330	6,150	3,170	.....	2,980	30.00	15.46
	82,000	20,960	14,620	17,770	6,340	3,190	.....	3,150	30.25	15.22
	83,000	21,430	14,900	18,220	6,530	3,210	.....	3,320	30.47	14.98
	84,000	21,900	15,180	18,670	6,720	3,230	.....	3,490	30.68	14.75
957	85,000	22,380	15,460	19,130	6,920	3,250	.....	3,670	30.92	14.52
	86,000	22,860	15,740	19,590	7,120	3,270	.....	3,850	31.15	14.30
	87,000	23,350	16,020	20,060	7,330	3,290	.....	4,040	31.39	14.09
	88,000	23,840	16,300	20,530	7,540	3,310	.....	4,230	31.63	13.88
	89,000	24,340	16,590	21,010	7,750	3,330	.....	4,420	31.84	13.68
	90,000	24,840	16,880	21,490	7,960	3,350	.....	4,610	32.04	13.49
	91,000	25,350	17,170	21,980	8,180	3,370	.....	4,810	32.27	13.29
	92,000	25,860	17,460	22,470	8,400	3,390	.....	5,010	32.48	13.11
	93,000	26,380	17,750	22,970	8,630	3,410	.....	5,220	32.71	12.93
	94,000	26,900	18,040	23,470	8,860	3,430	.....	5,430	32.94	12.75
666	95,000	27,430	18,340	23,970	9,090	3,460	.....	5,630	33.14	12.61
	96,000	27,960	18,640	24,470	9,320	3,490	.....	5,830	33.33	12.48
	97,000	28,500	18,940	24,970	9,560	3,530	.....	6,030	33.54	12.39
	98,000	29,040	19,240	25,470	9,800	3,570	.....	6,230	33.74	12.29
	99,000	29,590	19,540	25,970	10,050	3,620	.....	6,430	33.97	12.23
	100,000	30,140	19,840	26,470	10,300	3,670	.....	6,630	34.17	12.18
1,817	150,000	58,140	35,340	51,470	22,800	6,670	.....	16,130	39.21	11.47
451	200,000	86,640	50,840	76,470	35,800	10,170	.....	25,630	41.32	11.74
63	250,000	115,640	66,340	101,470	49,300	14,170	.....	35,130	42.63	12.25
	500,000	260,640	143,840	226,470	116,800	34,170	.....	82,630	44.81	13.11
	1,000,000	550,640	298,840	476,470	251,800	74,170	.....	177,630	45.72	13.47
	2,000,000	1,130,640	608,840	976,470	521,800	154,170	.....	367,630	46.15	13.64
21	3,000,000	1,710,640	918,840	1,476,470	791,800	234,170	.....	557,630	46.28	13.69
	4,000,000	2,290,640	1,228,840	1,976,470	1,061,800	314,170	.....	747,630	46.35	13.72
	5,000,000	2,870,640	1,538,840	2,476,470	1,331,800	394,170	.....	937,630	46.39	13.73

INTERIOR DEPARTMENT APPROPRIATION BILL.

Mr. CRAMTON. 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 bill (H. R. 5078) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1925, and for other purposes.

The SPEAKER. The gentleman from Michigan moves that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 5078, the Interior Department appropriation bill. The question is on agreeing to that motion.

The motion was agreed to.

The SPEAKER. The gentleman from Connecticut [Mr. TILSON] will please take the chair.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 5078) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1925, and for other purposes, with Mr. TILSON in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 5078, which the Clerk will report.

The Clerk read as follows:

A bill (H. R. 5078) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1925, and for other purposes.

The CHAIRMAN. The gentleman from Oklahoma is recognized.

Mr. CARTER. I have not anybody here now to yield to.

Mr. CRAMTON. I yield 15 minutes to the gentleman from Utah [Mr. COLTON].

The CHAIRMAN. The gentleman from Utah is recognized for 15 minutes.

Mr. COLTON. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from Utah asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. ROACH. Mr. Chairman, may I inquire how much time is left?

The CHAIRMAN. Four hours and seven minutes, as the Chair is informed by the timekeeper.

Mr. CRAMTON. Will the Chair further state how that time is divided?

The CHAIRMAN. The gentleman from Michigan [Mr. CRAMTON] has 1 hour and 11 minutes remaining. The remainder of the time is at the disposal of the gentleman from Oklahoma [Mr. CARTER]. The gentleman from Utah [Mr. COLTON] is recognized.

Mr. COLTON. Mr. Chairman and gentlemen of the committee, the whole policy of reclamation of arid lands is being "weighed in the balance" before the American people. I feel that a complete understanding of the work that is being done and of the general policy now being followed will insure a verdict of "not found wanting." Everybody knows the troubles of the farmers of America, but in addition to high freight

rates, high cost of production, and low price of products, the farmers upon the reclamation projects have their water payments to make. But they expect to make them, and they are making them just as rapidly as possible.

I do not know just exactly what my good friend from Michigan [Mr. CRAMTON] meant the other day when he said "the trouble is that nobody out West ever expects the Government to foreclose a lien upon anything." If he meant by that that the people of the West regard lightly the obligations of a contract, then I take sharp issue with the gentleman. No better people live anywhere in the world than those who have gone out and pioneered the great western country and literally made the desert blossom like a rose. [Applause.] Those people do regard seriously every contract they make, and they do expect to live up to those made. They are only asking for time to adjust themselves to the new conditions which have arisen since the war, and then their obligations with the Government will be met. They are afraid this Government might foreclose its lien. They regard their obligation with the Government as a business obligation entirely. We deny most emphatically any inference that the people of the West do not expect to live up to their contracts.

When the present Secretary of the Interior came into office he found complaints coming in from every part of the country regarding the Reclamation Service. It was currently reported that very few of the original settlers upon these projects were still upon the land, and reports at least, if not organized propaganda, were being circulated in the country to the effect that reclamation is a failure.

I do not believe the present Secretary of the Interior ever entertained any such thought; but he wanted to proceed in an intelligent manner in the consideration of this great question and wanted to know, and wanted the people of the United States to know, just how this great trust was being administered by the Government. With that end in view he invited a commission composed of high-class representative citizens of the United States to come to Washington or to go elsewhere in the United States and make a thorough and complete investigation of this whole subject, to get the viewpoint of the settler, to know at first-hand the grounds for his complaint, the grounds of his request for further time in which to make his payments, and to know also the cost of administration and whether or not a great saving could not be made to the Government itself in its overhead expenses.

May I read briefly from the Secretary's letter inviting these men to engage in this work:

> The purpose of this inquiry, in which I very much hope you may participate, is to have the processes of administration of this trust reviewed by men of affairs, applying their best thought to this important governmental agency.

He says further:

> I want you to make a careful examination and study of the various projects and units of projects which are practically completed and are now in the operating stage. The object of these investigations will be to determine what curtailment can be made in office rents, equipments, and in administration and operating forces. Complaints of excessive costs of operation on projects have come to this office, so please secure for me all the information possible on these matters, making such recommendations as in your judgment would be beneficial.

I congratulate Secretary Work on taking this step. He deserves the highest commendation. He showed at the outset a keen grasp of the situation. We of the West are back of him. Surely no intelligent person considering the scope of this great governmental agency can object to an investigation and to the work of this fact-finding commission.

Mr. HUDSPETH. Will the gentleman yield?

Mr. COLTON. I will yield to the gentleman, but I hope I may have a little more time.

Mr. HUDSPETH. I just want to ask the gentleman this question: In view of the statement that has been made to the effect that reclamation is a failure throughout the West, has the gentleman any data which he can give this committee as to the value of these lands for taxable and other purposes before they were reclaimed and approximately their value to-day?

Mr. COLTON. I have much information along that line.

Mr. HUDSPETH. If the gentleman has such information, I would certainly be glad to have it inserted in the RECORD.

Mr. COLTON. The value of the lands at the time the reclamation policy was commenced on the public lands of the United States averaged less than $10 an acre. Government reclamation and irrigation of these same lands has increased their value to as high as $200 per acre and in some States even higher. It has added to the taxable wealth of the United States since 1902 more than $500,000,000 of taxable property, to say nothing of the value of the crops that are now being raised on reclamation projects, which approximate $150,000,000 annually. It is an investment; it is not an appropriation.

The Government, when it undertook reclamation, embarked upon one of the best policies that any government could undertake, namely, that of making an investment wherein it will get its money back and, at the same time, provide homes for its settlers and increase the taxable property of this country, as it has done.

But I wanted to speak a word further regarding this fact-finding commission. It happens that one of those men comes from my State, a man of the highest ability and integrity. The others are all men of the highest type. We shall await with great interest the result of their findings. I feel sure their work will result in great good to the Government.

Referring to the remarks of my colleague [Mr. LEATHERWOOD] yesterday, may I say also that it was my understanding, in common with his and others, that in view of the conditions obtaining in the Reclamation Service there would be a holiday, so far as building new projects or units are concerned, until the whole subject could be thoroughly investigated and understood. We can then proceed intelligently.

We do not speak of this in a spirit of jealousy; we are glad for the opportunity of our sister States; but we did understand that until this commission made its findings and that until this whole subject could be understood and acted upon intelligently there would be a holiday. It is against the work of the committee in providing for the two new projects mentioned by my colleague [Mr. LEATHERWOOD] that we lift our voices in protest. I indorse and am in hearty accord with the statements made here yesterday by my colleague. That does not mean we are not firm supporters of the whole policy of reclamation and that we are not well-wishers of every State that has an enterprise.

I remarked a few minutes ago, in answer to the question put by the gentleman from Texas [Mr. HUDSPETH], that reclamation is a business investment and a business undertaking for this Government of the highest order when measured alone from the standpoint of finance; but who will measure its value in dollars and cents? The public lands of the United States have largely been taken up—I mean those that are available for homesteads—and the only way I can see for the future to provide more homes for the citizens of this country is through the reclamation of arid lands of the West and the swamp lands of the South, and it does seem to me we ought not to be wholly devoid of sentiment in the consideration of this great question.

There is discontent in this country—to a limited extent, at least. While I think we are better off than any country in the world, we perhaps realize our fortunate condition less than any other country in the world. But no happier people can be found, no more contented people can be found, and no better people than those who go out upon the land and build homes for themselves and their children. Home building lies at the basis of this great policy of reclamation. So I say this policy of home building is paying to the Government many, many times the amount of the investment. The future is assured, notwithstanding the little discouragements of the present. The department already has under consideration at least 26 more projects that are feasible and practicable and which will reclaim over 5,000,000 acres of land.

May I say that no better projects can be found in the United States than within the borders of my own State? We have been waiting for the opportune time for their development. We think the time has arrived and just as soon as the fact-finding commission makes its report we expect another project in the State of Utah to be commenced. In fact, we want more than one. Utah is only asking for justice. She will not be satisfied until it is obtained.

Mr. HUDSPETH. Will the gentleman yield for another question?

Mr. COLTON. Yes; with pleasure.

Mr. HUDSPETH. Does the gentleman know of a single project under the reclamation system that is to-day asking that its obligations be absolutely canceled by this Government?

Mr. COLTON. I know of no such project. Further, I know of no sentiment that exists, particularly among the people of the West, for the abrogation of any fair contracts that have been entered into between the Government and the project settlers. They expect to pay their obligations. I do know, of course, of attempts being made for deferred payments upon some of these projects, but that is a very different thing from the abrogation of these contracts and to get out from under

them entirely. No such spirit, so far as I am informed, exists anywhere in the great States where these projects are located.

Just a word further. My own State has paid into the general reclamation fund more through the sale of its public lands than it has taken out. Now, the Reclamation Service at the present time has three or four projects under consideration, which are feasible and practicable, and they will bring, I am sure, the cost per acre within a fair and reasonable limit. That being true, we ask that they be built.

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

Mr. COLTON. May I have two minutes more?

Mr. CARTER. I yield the gentleman five minutes more.

The CHAIRMAN. The gentleman from Utah is recognized for five additional minutes.

Mr. COLTON. I want to say a word for the settlers on reclamation projects. It has been found that in practically every case the final costs of the construction of these projects exceed the original estimates. As to the projects which are now completed, for instance, the original estimate was something over $93,000,000, and they have cost over $141,000,000. It is to secure a knowledge of these things that this fact-finding commission is now at work; it is to ascertain whether or not the engineers made a mistake in the beginning. In most cases the complaint of the settlers is that they have had to pay more than they agreed to pay in the beginning; that they based their contracts when they entered into them on the theory that the land would cost them a certain sum per acre, but that in almost every case the cost has doubled, and, in many instances, quadrupled the amount of the original estimate.

Mr. RICHARDS. In my State the cost has been increased seven times.

Mr. COLTON. My colleague from Nevada [Mr. RICHARDS] remarks that in his State the cost has exceeded the original estimate seven times. Who will blame the settlers, then, when they ask for more time? It is not the settlers who are seeking to change the contract; it is practically the Reclamation Service itself. While the cost may not have been written into the contracts, yet the settlers entered into them, in most cases, with the idea that their lands would cost so much per acre, based on the original estimates submitted by Government engineers.

Gentlemen, I have had time only to briefly touch upon this great question of reclamation. Let me repeat that Utah to-day does not come before this committee complaining of what other States have had; Utah is asking only to be placed in the same category with its sister States of the West and desires only to claim its share of this great work in providing new homes and new taxable property for her citizens. Only about 25 per cent of the land in my State is on the tax roll. The other 75 per cent is bearing no part of the burden of our taxes. We are asking the Government to proceed with this reclamation work not only because it pays in dollars and cents, not only because it embraces one of the most farsighted, far-reaching, and beneficial policies any Government could adopt, but because we want homes for our people. The home builders are the best citizens in the world. We want people to come and live in the great West. It is the best part of the best country on earth. While we are encouraging men and women to come to our State we want to encourage the very best, and they are the ones who want homes. [Applause.]

Mr. Chairman, I yield back the rest of my time.

The CHAIRMAN. The gentleman yields back one minute.

Mr. CARTER. Mr. Chairman, I yield 20 minutes to the gentleman from Montana [Mr. EVANS].

Mr. EVANS of Montana. Mr. Chairman and gentlemen, if I may, I desire to talk to the House a few moments upon the question of the Flathead irrigation project carried in this bill. To begin with, permit me to say that I have no criticism of the committee or the chairman of the committee that brought in this bill except the criticism of poor judgment upon that question. I do not think this irrigation project is thoroughly understood by the House or by the committee or perhaps by the department, and if you will bear with me I am going to suggest that there was in Montana for many years what is known as the Flathead Indian Reservation. It consisted of a territory in a basin, not perhaps unlike this Hall, consisting of about 1,000,000 acres of land. Some 20 years ago the Government, through its Congress, conceived the idea of embarking upon the proposition of opening this reservation, and by a bill passed through the Congress it was provided that the Indians, about 2,000 in number, should take their lands in severalty, 40 or 80 acres, as the case might be, and that the remainder of the agricultural lands of that reservation should then be subject to homestead entry by homesteaders, white people, at an appraised value.

The Government appraised the land at $1.50 to $7 per acre, so that the homesteader had to pay anywhere from $1.50 to $7 per acre, depending upon the appraisement of the individual land he took, and then had to comply with the homestead law for a period of three or five years, as the case might be. Then the Government found in the lower part of this great basin about 150,000 acres of agricultural land that might be irrigated, and it embarked upon the plan of reclaiming that land. Part of this land had been taken by the Indians as their individual allotments, part of it had been taken by the white men as homesteads, and the Government said, "We will withhold title to these homesteads until this land is reclaimed, and then, when the citizens have paid their fair share of the cost of reclamation, we will give them title, and we will charge to the Indian a like amount, pro rated, for his acreage within the arid strip of territory that is being reclaimed." So this is not primarily an Indian project. The larger portion of these arid lands that are being reclaimed was homesteaded by white men. The reservation was opened in 1908, and these people went on the reservation 15 years ago with the understanding made by the Government of the United States and the Congress of the United States that we would reclaim the lands and would reclaim them in a reasonable time and would give these people title to the land upon the payment of the cost of the reclamation. It was estimated by the engineers of the Bureau of Reclamation that it would cost about $40 to $45 per acre. We now find that when it is completed it will cost considerably more than that, and that is largely brought about by the fact that the Government has not conducted the matter in a businesslike way. It appropriated about $200,000 a year, or perhaps $250,000 or $300,000 a year, on an average for 15 years upon a project that will cost $6,500,000 or $7,000,000, and then we complain that we get nothing back. The truth is the overhead charges in conducting a business transaction like that of $7,000,000, with an expenditure of $300,000 a year—the overhead charges and the waste represent about half the amount of money that has been spent on the project. These people have been there 15 years waiting for the Government to comply with its implied contract. They can not get title to their land. The State of Montana can not even tax the land. They can tax the improvements put upon it, but they can not collect taxes for the land, because the title is in the Government of the United States, and yet the Government of the United States will not go on and carry out its implied contract, at least to reclaim these lands.

The Government has spent now four and a half to five million dollars upon this project, and the recommendation of the committee is that we spend no more money. This recommendation is based upon the fact that the committee feel the people are not using the water to the extent it is susceptible of being used, and I suspect, in some degree, there is merit in that contention. They are not using it to the extent it is susceptible of use, why? Many factors enter into it. A man who has 40 acres of land can not improve the whole 40 acres of land the first year for irrigation purposes, or perhaps for two or three years.

Again, the turnover of the people upon that land has been very considerable. Men can not live always upon barren land waiting for the Government to do something. So that the first man moves off and sells his improvements to his neighbor or some newcomer or some one else, and he in turn stands it for four or five years and then he himself moves off, and naturally the turmoil and disturbance is very great, and for that reason there is not as much water used as would otherwise be if the matter had been completed in a businesslike way. It is incomprehensible, gentlemen, that the Government of the United States should put four and a half or five million dollars in an uncompleted project and then absolutely abandon it. I have here a letter written in December from I. M. Branjord, a man of standing there, a member of the legislature, a good citizen, asking me to urge the completion of this project, and I am going to read it, if I may. In speaking of this project he says:

> The unit of the project on which Ronan is located, called the Crow unit, and embracing about 7,000 acres, has not one drop of water available. People in Ronan and on this land are anxious to get water here next year, if possible. If only $300,000 is appropriated there will be little or nothing for this new work. This is the situation.
>
> If you can do anything to raise that appropriation above $300,000, it would mean much to the people here.

The truth is the Government has not got the water yet. They have got water in spots. Here are 7,000 acres of land lying contiguous to a little town of 3,000 or 4,000 people, or perhaps

2,000 or 3,000 people, that it is claimed have been reclaimed. The ditches are there, but back in the mountain the reservoir is not sufficient to supply the water to fill those ditches to irrigate that land in the irrigation season, so there are 7,000 acres of land which, of course, did not pay any revenue last year and will not pay any next year if they do not furnish water, and it will not pay if water is furnished one season and not furnished the following season, because farmers can not carry on a successful business under such circumstances. No manufacturer or other business man could exist if every other year his business goes to pieces; of course, he accomplishes nothing.

In my judgment the fault lies partly with Congress and partly with the department. A very, very poor showing was made in the hearings on this bill as to the merits of this proposition, probably because of the turmoil in the department and the Reclamation Bureau. The gentleman from the Reclamation Service who testified, Mr. Beadle, apparently knows very little about it. He is not a field man, and I doubt if he was ever upon this project. He is the chief clerk or something of that sort in the bureau. The head of the Reclamation Service has recently been changed, and there is nobody to speak for the project. When Mr. Beadle was asked, "What are you going to do with the money," apparently he did not know.

Of course, that is all known in the field. The Reclamation Bureau had asked for $300,000 to continue this work and the Budget Bureau had approved this recommendation, but now, unfortunately, the Appropriation Committee, who brings in this bill, recommend no appropriation to continue work on this project. Such a course is unwise and unbusinesslike. It is unjust to the people who for 15 years have waited for the Government to comply with its promises. It is unjust to the Congress itself to discontinue a worthy project under such circumstances. There are 20,000 people now living on what was the Flathead Indian Reservation; a considerable part of these people are dependent largely upon the reclamation of these lands for sustenance, and yet it is proposed by this bill, without any notice whatsoever, to discontinue this work.

It appears to me that if the committee and Congress are not satisfied and feel that something should be done by the people on this project before more money is expended, then the better plan would be to make an appropriation, with a limitation upon the same, providing that the money should not be spent until the conditions were complied with.

But the committee do not ask that. They simply cut off all appropriations for further development of this project.

The discontinuance of this work for even a year means added expense and hardship to these people which in the end they must pay. I have no doubt that the actual additional expense will be more than $100,000. It means that the whole working force and organization must be broken up, moved, and disintegrated, the engineers and office force discharged or sent to some other point, the steam shovels and similar equipment shipped to some other point or disposed of, the horses and mules used in this construction to be sold at a sacrifice, only to be repurchased or replaced at some future time at an additional price. The lumber, cement, and other necessary supplies for carrying on a project costing $7,000,000 will deteriorate or disappear, so I think I am well within the mark when I suggest the actual loss by a year's delay will be $100,000. The potential loss in crops and produce will be twice as much more. It is a manifest injustice that should not be imposed by this Congress upon any body of American citizens, and I appeal to the sense of justice of the Members of this House to make a reasonably adequate appropriation to continue this work.

When the proper time comes I propose to offer an amendment, and I ask your cooperation for this worthy project. Mr. Chairman, I yield back the balance of my time.

Mr. TAYLOR of Colorado. Mr. Chairman, I yield to myself such time as I may desire to occupy.

The CHAIRMAN. The gentleman from Colorado yields himself such time as he may desire to occupy under the rules.

Mr. TAYLOR of Colorado. Mr. Chairman, the chairman [Mr. CRAMTON] of the committee that has prepared this Interior Department appropriation bill made an exhaustive presentation to the House of the provisions of the bill in his speech of last Thursday, which appears at pages 795 to 813 of the RECORD of the 10th instant, and I have no intention of further discussing the bill generally or any of its provisions in detail at this time or until the House takes it up next week for consideration section by section under the five-minute rule.

But as a member of that committee and a Representative from the West, which is so vitally interested in this bill and in the work and the success of the Interior Department, I feel that in this general debate I should refer to at least 1 of the 15 bureaus that are provided for in the bill and over which the Interior Department has jurisdiction.

The committee has made an exhaustive investigation of all these bureaus, as anyone can see from an examination of the 1,073-page printed volume of the hearings. About one-fourth of all those hearings are concerning the Reclamation Service; and there is so much discussion throughout the country and in Congress and such a vast and incredible amount of misinformation, lack of information, and incredulity about the operation of that bureau it seems to me that I ought to say something on the subject.

I want to preface my remarks, however, by saying that during the 15 years that I have been honored by the people of western Colorado with a seat on the floor of this House I never have seen a chairman of a committee do more earnest work or do more conscientious investigation in trying to creditably and efficiently perform the duties of his position than the chairman of this subcommittee on appropriations in charge of this Interior Department bill. In addition to the enormous amount of hard work the gentleman from Michigan [Mr. CRAMTON] has put in five or six months' time and a great deal of his own money traveling over the arid-land States of the West and down on the Colorado River and up in Alaska, visiting and thoroughly investigating nearly all of the 26 or 28 reclamation projects and 19 national parks; also a great many Indian schools and Indian reservations all over the West. Besides, he studied the mining conditions of the West and the activities of the Geological Survey, and the Alaskan railroad and the conditions in Alaska generally, as well as several Government hospitals and insane asylums for the white people, the Indians, and the negroes throughout the country, and many other Government activities that come under the jurisdiction of the Interior Department.

I can speak from personal knowledge, because I was in the party with him through some seven or eight of the western States, and on the trip to Alaska. But he went much farther than I or anybody else did, and he is entitled to the credit and the appreciation of the House for that splendid service to the country. [Applause.]

Mr. Chairman, the Reclamation Service was inaugurated by the act of Congress of June 17, 1902. It has, therefore, been in force over 21 years. I have two reclamation projects in my congressional district. They are in three counties adjoining my home county. I have lived right by those reclamation projects ever since they were started. In fact, I helped inaugurate them. One of them, the Uncompahgre, was the first project started in the United States, over 20 years ago. I have lived in my district for more than 40 years; so I know the country, I know the reclamation business of the West, and I know the trials, hardships, and disappointments of the pioneers who have during all those years been heroically struggling to reclaim a desert, make homes, and build up that country.

The policy of reclamation by the Government is one of the grandest policies ever adopted by Congress during the history of our country. Of all the hundreds of bureaus, commissions, boards, services, and so forth, that are every year drawing fabulous sums of the taxpayers' money out of the Federal Treasury, this is the only one of all of them that is constructive, that makes homes, that builds up the country, and never takes a dollar out of Uncle Sam's pocket that it does not pay back. This bureau has never cost the Federal Treasury a dollar, and it never will. Whether there is a loss or not, no taxpayer is ever affected by it. The reclamation funds never come from the Federal Treasury and no taxpayer ever pays any of them. All the money that goes into this fund is paid into it by the people of the western country, the public-land settlers, the people who subdue the barren waste and dig that money out of the earth.

The money that is expended on these reclamation projects is not only earned by the sweat of the brow, but no money has ever in this country been earned by harder work or more deprivations and heart-breaking disappointments and discouragements than the money that is put into that reclamation fund by the pioneers of the West. It is by the original reclamation act made a special fund to be known as the reclamation fund. It is a revolving fund. There are some six or eight million dollars a year paid into the fund from oil leases, royalties, sale of public lands, and so forth, and there are some seven or eight million dollars a year repaid into the fund by water users, as construction repayments, and operation and maintenance repayments, also for rentals of water and power, and other returns. It is all to be expended only upon reclamation projects, and can not be expended upon or for any other

purpose. None of it ever has been expended for any other purpose. As fast as the money is repaid by the water users it is reexpended by the Reclamation Service upon other projects. Large sums have been unwisely expended and practically wasted, but there is no charge of unlawful misappropriation or misapplication of any funds. There is no charge of malfeasance in office by anybody that I know of. There is no charge of fraud or graft.

I don't think anyone believes that anybody has ever stolen a dollar of all the $181,000,000 that have been paid into that fund. I think inexperience and poor judgment has cost the fund hundreds of thousands of dollars; but the controversy over the Reclamation Service is not one of criminality and should not be one of personalities. It is a question of business.

The question is whether or not that $181,000,000 has been wisely, economically, and fairly expended in compliance with the law. The question is as to the good, common sense judgment, the professional skill, and wise and prudent administration and executive ability of the Reclamation Service during the past 21 years.

A great variety of complaints and criticisms are made. The two principal ones are:

First. That the cost of construction has on most of the projects been approximately 50 per cent higher than the original estimate of the Reclamation Service; and,

Second. That the actual irrigable acreage under most of the projects has turned out to be from 25 to 40 per cent less than the original estimates. There may be some justification for an engineer underestimating the cost of construction sometimes; but there is no excuse for vastly overestimating the irrigable acreage under a proposed project.

The records show that the total estimated cost for all of the projects was $93,435,641, and that the construction costs up to June 30, 1923, were $141,787,005.74, or a difference of $48,251,364.74. On some projects a part of this increase is due to what is called "supplemental construction." But in round numbers, the cost of construction has generally been practically 50 per cent higher than the original estimate. The question now is, Who is to blame for it, and who is to pay for it? Was it the fault of the farmers who came and settled under the project in compliance with the published estimates of the reclamation engineers? Or was it the incompetence of the project engineers, or mistakes, or mismanagement, or waste, or extravagance, or too much overhead cost of the service, or all of them? Ought the project never to have been started?

Whoever is to blame or whatever the cause, the result is that on many projects the construction costs and the annual operation and maintenance cost have both become so high, so excessive and burdensome, that large numbers of the water users can not pay them. They are now delinquent several million dollars, and many of them are leaving their farms and improvements that they have spent many years of hard work upon and are moving off.

The water users have paid back into the fund $46,000,000 of the $181,000,000, leaving a balance invested and unpaid of $135,000,000. Of course the greater part of that is not due and will not be due for many years yet.

A great many of the water users have had an extension of time on their payments, and that has held them on the projects, and they are paying up. A great many more are now desperately appealing to Congress and to the Interior Department for further extensions.

Possibly some of the projects should never have been started. Be that as it may, they were started and built by the reclamation engineers. Many millions of dollars were expended out of the reclamation fund, and now the farmers say the cost is more than the land will bear, and that they can not pay it within the time fixed by law.

What is Congress going to do about it? The Interior Department can not modify the law or do anything unless we give it the authority to do so.

Of course the reclamation fund will not have to lose all of the $48,251,364.74 excess cost over the estimates of the reclamation engineers. I hope the fund will not have to lose half of it. But what if it should? It would not be a national calamity. That money was not stolen. It was expended by the Reclamation Service on these projects. And like many hundreds of private irrigation enterprises all over the West, they have cost vastly more than the land under them can stand. They go into bankruptcy and charge off the excess over and above what the farmers under the canals can pay, and then start over again. That is the only common-sense or businesslike way of doing.

This $48,000,000 excess cost is not lost. It has not been thrown away or wasted. It has been unskillfully expended along with the rest of the $181,000,000 on these 28 projects.

If any or all of that $48,000,000 is never repaid there is not a dollar lost to the Federal Treasury. The Treasury never had it and never can get it. None of you gentlemen or any of your constituents has lost a dollar.

Whatever amount has been expended upon any project over and above what the farmers under it are able to repay is lost to that fund. That amount of this revolving fund will not revolve any further. To that amount and extent new projects will be retarded. There are 50 or more localities throughout the arid West vigorously clamoring for new Government reclamation projects, about a half dozen of them in my district. But I am most emphatically opposed to starting any more or new projects until the present projects are completed and until such adjustments are made as to put them upon a successful and encouraging basis. That means a rebate of whatever excessive cost the lands can not stand, or at least a very long-time extension of payments, so that the water users can reasonably hope to live long enough to work out sometime.

There has absolutely got to be a fair investigation and survey of actual conditions on these projects and some fair and reasonable concessions must be made on many if not nearly all of them. Otherwise the reclamation fund will lose a very large part of that $135,000,000 that is now invested and unpaid.

The various projects are widely different in character in many ways—in the kind of soil, in the kind of climate, in the supply of water, in the kind of market, in distance to market, in freight rates, in transportation facilities, and many other matters that affect the actual cash productivity of the lands.

A very careful investigation should be made as to what is the real net cash value per acre of the irrigated land, the fair and ordinary cash return to the farmer on each of these projects. Find out what he can reasonably pay after his living and other expenses and properly caring for his family, educating his children, and having something fair besides for a hard year and unforeseen contingencies. And wherever the charges on any project are more than he can pay those charges have got to sooner or later be reduced. And it is much better and fairer and more humane and just to reduce them now and keep the original settlers on the land than it is to starve them out and then expect some new settlers to come in sometime and try to work out.

On some of the projects the water users can undoubtedly repay all the Government has expended if given the necessary time and opportunity, but on others they never can. The settlers have no way of paying except as they can dig it out of the soil, and if it is not in the soil, if they can not possibly get enough out of the land to live on decently and pay their bills and the Government charges besides, they can not and will not stay there. My committee is appropriating $300,000,000 in this bill to the 15 bureaus under the Interior Department for the next fiscal year and is only giving to one of the most important of all of them—the Reclamation Bureau—$10,000,000 of its own money and is leaving practically $7,000,000 in the reclamation fund at this time and are not appropriating it. The reason is because the Secretary of the Interior is now making a very thorough investigation and survey of all the projects. He wants to ascertain the actual conditions on all of these projects. He wants to ascertain why such a large per cent of the water users are delinquent, why they can not pay, why they are wanting more time, and many of them want rebates, and many are leaving and have left their lands. He wants to find out what they reasonably can pay, and what would be a just charge on each project, and how he can put it on a satisfactory and prosperous basis.

The gentleman from Washington [Mr. SUMMERS] made reference the other day to the Yakima project, where they produce $1,500 an acre per year. Of course, they can pay any amount of reclamation charges. But there are other projects where the annual production is only $15 per acre per year, and others only $25. They can not pay $3 or $4 annual operation and maintenance charges and pay $75 or $100 an acre construction charges besides.

Mr. SUMMERS of Washington. Mr. Chairman, will the gentleman yield?

Mr. TAYLOR of Colorado. Yes.

Mr. SUMMERS of Washington. The reference made was to the value of the land after it is improved. However, there have been years, of course, when the apple crop brought $1,500 or more per acre.

Mr. TAYLOR of Colorado. Yes; your project can pay any amount. Fortune has smiled upon your people. You have a

hundred advantages over the settlers on most of the other projects.

The Reclamation Service has done a wonderful work for our entire country. It is making homes out there for tens of thousands of people, and that is worth a hundred times more to Uncle Sam than all the money that has ever been put into all the reclamation projects. It means the development of the West. Those projects have already produced many hundreds of millions of dollars' worth of products that have come from those irrigated lands, and there is now an annual income of something like $150,000,000. It is a marvelous developing proposition, but they have had a world of disappointments and hard luck. They are not only handicapped by being much farther away from the markets than the farmers that are not in the arid region; they are handicapped by frightfully high freight rates; they are handicapped by meager and defective transportation, higher cost of labor and everything else, and in many other ways.

I feel that the Secretary of the Interior has taken a fair, businesslike, wise, and humane course in selecting a fact-finding commission of the highest-class men in this country and asking them to make a thorough investigation and find out the conditions, and what each one of these projects can and should stand, and ascertain definitely whether the Reclamation Service has got to lose any of the funds charged against any of these projects, and if so, how much, in order to put them on a paying and prosperous basis, and make the settlers contented and make it possible for them to go ahead and repay for their projects and make it inviting to new settlers to come in. The only criticism I have of the fact-finding commission is that they had not gone out West last fall when the weather was fine and looked at the projects and met the water users personally.

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

Mr. TAYLOR of Colorado. Yes.

Mr. WILLIAMSON. Does the gentleman have the feeling that there is any disposition on the part of the settlers on any of these projects not to pay the utmost that they are able to pay?

Mr. TAYLOR of Colorado. There is no disposition anywhere of repudiation. The water users on every project in the United States want to pay all they can, and no sensible or honest man can ask them to pay any more. But we must have somebody to intelligently and fairly decide what that amount is.

Some one has likened the projects to insolvent debtors. I am not intimating that any of these projects are bankrupt. But we have a national bankruptcy law wherein a business man who becomes involved and his debts are greater than he can pay, has a right to turn in his assets, pay what he can on the dollar and be relieved of a load that it is impossible for him to carry, and he can start out again in life with the hope of again getting ahead in the world. As a matter of fact, if any of these projects are in that condition we ought to find out what they can reasonably pay and then give them the necessary time to pay it in, and relieve them of whatever amount they can not pay. We have got to make it such an annual charge that they can pay it and be prosperous and satisfied.

I feel that the Secretary of the Interior is trying to carry out a sane, fair, and businesslike policy in getting these facts. I think Congress ought to promptly pass the administration's bill, which proposes to give the Secretary of the Interior discretionary authority, after he learns the facts from the fact-finding commission, to make such adjustments as may be necessary.

I think that is the only way to solve this problem. Otherwise, who will solve it? If we say that we are not going to make any concessions at all, then a large percentage of the present pioneers who have gone on there in good faith and spent 10 or 15 years of their lives trying to reclaim the desert, to build themselves a home, will be driven off those projects, because they will have no hope of ever being able to pay out or get title or make a home. That should not be, and is not the policy of the Government of the United States. That is not the policy of any sensible or honest business man. If a business man has honest and industrious debtors who can not pay, and they are earnestly trying to pay, he will give them a fair chance, he will always make such concessions as they must have. That is the policy that Congress must pursue or else that fund will lose millions and millions more than it has. It is the only reasonable and common-sense course to pursue.

The question of whether or not the Secretary of the Interior acted wisely or properly in peremptorily dismissing the former Director of the Reclamation Service should not in any manner jeopardize the principle or governmental policy of reclamation, and I know this Congress is too big and broadgauged a body of men to ever let the Reclamation Bureau be ground up between the upper and nether millstone of personal animosities. The law imposes upon the Secretary exclusively the duty of properly administering the Reclamation Bureau and holds him responsible for it, and he is not only expected to but required to exercise his best judgment for the welfare of that service.

I want here to stop for a moment to say a word about the present Secretary of the Interior. I have known Secretary Work for 35 years. During all that time he has been one of the most distinguished citizens and eminent physicians throughout the West. There has never been any blemish on his name. He was for many years the chairman of the Republican State central committee and the Republican national committeeman for Colorado. He and many of his friends have opposed me at every election for 25 or 30 years. But he is a frank and fair fighter that you can not help but admire. In fact, he is one of the most splendid men there is in this country. He was president of the American Medical Society and a colonel in the Medical Corps during the war and has held many honorable positions and filled them all with honor and eminent ability. He is a high-class, honorable, public-spirited, good citizen. [Applause.]

During President Arthur's administration Colorado furnished the most efficient Secretary of the Interior our country has ever had, Henry M. Teller. And Colorado is proud of Doctor Work, and every loyal son and daughter of the Centennial State hopes and believes he will be a distinguished and worthy successor of Colorado's "Grand Old Man," Senator Henry M. Teller.

Doctor Work made a great Postmaster General, and I believe he will make a great Secretary of the Interior. He is not only a great physician, but he is a man of preeminent executive ability. And, above all, he is honest and has a world of good common sense. [Applause.]

He has the courage of his convictions. He has a marvelous grasp of details and has been wonderfully successful in life financially and every other way, and I know he is trying to make a good record; and I am perfectly confident that if Congress will support him he will perform a great service, not only to the country but especially to the West, and will put the Reclamation Service upon a business and prosperous basis.

Mr. Chairman, referring again to the fact-finding commission, I desire to insert a statement on that subject by the Secretary of the Interior, and also a tabulated "Analysis of the status of the reclamation projects," as follows:

SPECIAL ADVISERS OUTLINE SCOPE OF INVESTIGATION.

SECRETARY WORK'S COMMITTEE OF SPECIAL ADVISERS ON RECLAMATION GIVES DETAILED STATEMENT OF ITS PLAN OF INQUIRY INTO PAST HISTORY, PRESENT ECONOMIC CONDITION, AND FUTURE POSSIBILITIES OF IRRIGATION PROJECTS.

Earnest desire to learn the facts concerning the operations of the Bureau of Reclamation is evidently the paramount aim of the committee of special advisers on reclamation appointed recently by Secretary of the Interior Work. The committee in whole or in part has been in almost continuous session since assembling for the first meeting on October 15, has heard the testimony of a large number of individuals, and has called constantly for reports and documents bearing on the investigation. The results of this preliminary work have been crystallized into a "plan of inquiry" relating to each project, both primary and secondary. That the inquiry will be exhaustive is indicated by the following brief summary of the plan:

The large number of secondary projects investigated by the bureau to determine their feasibility head the list, with request for information concerning their location, by whom suggested, time of examination, and findings.

The next section calls for an exhaustive historical statement concerning the primary projects, including such topics as description of lands, history of construction, changes in original engineering plans and estimates, increase in final cost due to such changes, ownership of land at time of opening, etc.

The engineering structures are to be treated comprehensively, reporting on such questions as whether they are well built, preliminary estimates of cost, final estimates of cost, whether they were built economically, operation and maintenance costs, power developments, and proposed extensions.

The soils, climate, seepage, and drainage receive a special paragraph, with numerous subheads, calling for a wide variety of data.

A paragraph of special importance relates to markets and transportation facilities, including such questions as the charges for carrying products to markets and the prices of commodities shipped into the projects.

One of the most important sections of the plan relates to the problems of settlement, and the committee asks for detailed information relating to this subject, under such heads as the size of the farm unit, the number and acreage of homesteads entered each year, the number of farms brought under cultivation, abandoned farms, sales of farms, tenantry, and the nationality, education, and previous pursuits of the settlers.

The financial history of the settlers calls for special comment, the inquiry calling for information concerning financial aid available to the settlers, amount borrowed by them, failure to meet Government obligations, accumulated profits, and increase of values.

Realizing the fact that no community can be considered successful which neglects development along social lines, the inquiry calls for information regarding the prevalence of good roads, schools, churches, amusement halls, homes and their furnishings, and automobiles. A census of automobiles on the projects will be especially illuminating as a side light on the growth of this means of transportation by the farmer.

Naturally the agricultural history of the projects has a large place in the investigation. One and two crop systems come in for special mention, as does rotation of crops. The inquiry also calls for the acreage in the various crops and the number of domestic animals. The large interest which is being taken in different associations for the disposition of farm products demands special treatment, the inquiry seeking information concerning alfalfa-meal mills, creameries, cheese factories, sugar factories, cotton gins, and the like. Under this head also come such topics as agricultural implements, irrigation practice, acre yields of various crops, shipments to and from the projects, and last but not least the cost of crop production, about which little is definitely known at the present time.

Technical aid for settlers is an interesting topic for discussion and should develop many timely suggestions concerning agricultural and business advice and the relations between the bureau and the settlers.

Full information is also requested concerning the Bureau of Reclamation, its personnel, accounting system, general policies and practices, and processes of administration. Similar questions are asked concerning the project management.

The latter part of the inquiry is devoted to questions concerning the present status of the work and of the repayments made to the Government by the settlers, an analysis of the reclamation acts, the cost of the projects and the prospect for repayment, and the future of the projects.

This is a brief summary of the general scope of the inquiry and of the tremendous task which the committee has outlined for itself. The department and the bureau will, of course, cooperate to the fullest extent with the committee in the hope that the findings will be conclusive.

THE PERSONNEL.

James R. Garfield, of Cleveland, Ohio, Secretary of the Interior in the Cabinet of President Roosevelt, who is thoroughly familiar with reclamation problems. Thomas E. Campbell, of Phoenix, Ariz., former Governor of Arizona and chairman of the Colorado River Basin project, 1921. Elwood Mead, of Berkeley, Calif, engineer, member of American Society of Civil Engineers and British Institute of Civil Engineers; engineer of Wyoming, 1888–89; chief of irrigation and drainage investigations, United States Department of Agriculture, 1897; chairman State rivers and water supply commission, Victoria, Australia, 1907–1915; consulting engineer for various irrigation works; and author of articles on irrigation and engineering subjects. Oscar E. Bradfute, of Xenia, Ohio, president American Farm Bureau Federation and of Ohio Farm Bureau Federation; member of the board of control of Ohio Agricultural Experiment Station. Julius H. Barnes, of Duluth, Minn., president United States Chamber of Commerce. Dr. John A. Widtsoe, of Salt Lake City, Utah, director Utah Experiment Station, 1900–1905; president Agricultural College of Utah, 1907–1916; president International Dry Farming Congress, 1912, and author of articles on dry farming and irrigation subjects. Clyde C. Dawson, of Denver, Colo., lawyer, who has given much attention to irrigation law and irrigation subjects.

The special advisory committee is holding daily sessions in room 6106, Interior Department Building. Thomas E. Campbell is the chairman and Dr. John A. Widtsoe is the secretary.

STATEMENT MADE BY SECRETARY OF THE INTERIOR WORK AT OPENING MEETING OF FACT-FINDING COMMITTEE TO INVESTIGATE GOVERNMENT RECLAMATION METHODS. AT 10 A. M., MONDAY, OCTOBER 15, 1923, WASHINGTON, D. C.

Soon after I was called upon to act as Secretary of the Interior, in March, 1923, my attention was particularly directed to conditions relating to the reclamation projects constructed or being constructed by the department in the Western States, and among which I have lived for 35 years.

Through complaints from organizations of water users, individual water users, reports of agents, inspectors, official records of the department, and Congress, it appeared that nearly all of the projects were in such condition that some radical reforms or improvements must be had if they were to be saved, farmers protected from loss of their homes, and the return of the money advanced by the Government for their construction and maintenance was to be secured.

The complaints and criticisms cover a variety of points, too numerous to be described here, but included charges that in many of the projects the original estimates under which settlers were induced to go upon the projects were from 50 to 100 per cent too low, and that the actual cost has been so great that it is impossible for the farmers to pay out within the time and manner fixed by law, or even at all; that mistakes, engineering and otherwise, had been made, which added materially to the cost of constructed projects; that others had been undertaken that should never have been started; that the overhead costs of the service and many of the individual projects, all borne by water users, were burdensome and excessive.

Under the system used in the Reclamation Service I have been unable to get figures that appear to be dependable as to the cost of individual projects or the total money expended on all projects.

It is represented, taken from the records of the bureau, that the Government's total investment to June 30, 1923, in round numbers is $181,000,000, and its total receipts about $46,000,000, leaving a balance invested and unpaid of $135,000,000.

The Reclamation Service, for which this department is responsible, apparently requires reorganization. Annual reports on some projects indicate their insolvency and pending failure. Out of the 28 projects only 1 has met its obligations as they fell due. Long extensions of time for payments due are being urged individually and by projects. The original 20-year period for payment is expiring on certain projects and an additional 20-year extension is being asked for. In one instance such extension is to be preceded by a 5-year moratorium.

Reclamation of arid lands by irrigation from Government funds, as heretofore practiced, is failing on a majority of projects as a business procedure and must be promptly readjusted as to methods of reimbursement for funds appropriated and for the purpose of securing to the settler a permanent home.

Your committee is requested to survey the whole subject in its entirety, give to the bureau your opinions concerning our operating methods that we may avoid errors, and finally your recommendations, which Congress may study and which should ultimately preserve the sanctity of contract, secure to farmers safety for their investments already made, and insure a return of invested funds. I want to improve and extend the service in every way possible, and solicit your suggestions and recommendations.

Government reclamation has accomplished much. There is a great field for its future. Reclamation in the West by private enterprise was begun 30 years before the Government began this work and has largely redeemed the West. Government reclamation should make a comparable showing, relieved as it is from interest charges, which is the basis of calculation in all enterprises employing private capital. I am anxious that a policy may be developed that will safeguard the future of Government reclamation, which is my only concern in this inquiry.

ANALYSIS OF THE STATUS OF IRRIGATION PROJECTS.

Secretary of the Interior Work to-day handed to the special advisory committee on reclamation his analysis of the financial status of the 28 irrigation projects constructed by the Government, upon which he is basing his reorganization of the Bureau of Reclamation.

Prepared in tabulated form, this analysis sets up the original estimates of each project with actual construction costs, original estimated acreage with acreage actually irrigated, amounts paid on construction costs, and operation and maintenance costs, and the length of time since water was first furnished on each project.

Shifting of operation and maintenance costs to construction costs and delayed announcements of public notice (which fixes the date when construction repayments must start on the projects) are shown, and the Government's approximate resources and liabilities on each of the projects are recited in the chart. In a discussion regarding the tabulation Secretary of the Interior Work said to-day:

"This intensive study of reclamation as a business is the first ever made. It should have been made 10 years ago. Agriculture, the only source for the return of the money expended by the Government, running into some $141,000,000, has not been treated as essential to reclamation nor its development encouraged as it should have been. Now, with the exact conditions revealed within the projects the framing of a new policy becomes a pressing necessity or other projects will follow those already abandoned."

Secretary Work, through the advisory committee of experts, has started the formation of a plan for making adjustments between the Government and projects. He believes in reclamation as a conception and confidently expects to see it take its proper place in the picture of the West, now that it is being reorganized as a farming activity of the Government rather than an experimental engineering venture.

"The Reclamation Service of the Government," he concluded, "has had but two directors in its history of 21 years, both engineers and each with 10 years' service. They have erected their own monuments, and the different projects are writing the inscription for them."

The analysis in full follows:

Projects.	Original estimated cost.	Net construction cost to June 30, 1923.	Original estimated irrigable acreage.	Acreage bureau prepared to supply, 1922.	Acreage actually irrigated, 1922.
Salt River, Ariz	$5,650,000.00	$10,548,119.28	200,000	213,170	203,330
Yuma, Calif.-Ariz	2,701,196.00	9,026,546.52	76,966	63,200	53,970
Orland, Calif	685,085.00	1,091,795.87	17,000	20,670	15,120
Grand Valley, Colo	4,565,000.00	4,017,921.98	53,000	30,000	12,370
Uncompahgre, Colo	2,500,000.00	6,715,074.41	100,000	97,410	64,730
Boise, Idaho	9,867,800.00	12,731,409.73	371,700	143,000	112,000
King Hill, Idaho	1,000,000.00	1,881,391.45	15,000	13,650	6,440
Minidoka, Idaho	2,538,656.00	8,054,663.26	121,000	121,560	105,590
Garden City, Kans	258,000.00	385,651.07	8,600	.....	.....
Huntley, Mont	900,000.00	1,474,408.81	35,000	32,000	19,520
Milk River, Mont	7,426,452.00	6,762,083.25	251,906	66,500	18,170
Sun River, Mont	7,372,400.00	4,245,842.94	256,000	42,470	20,530
Lower Yellowstone, Mont.-N. Dak	2,039,218.00	3,110,449.22	66,000	40,200	15,600
North Platte, Nebr.-Wyo	3,500,000.00	13,672,160.32	100,000	162,240	111,250
Newlands, Nev	5,383,997.00	6,988,475.92	370,000	73,750	44,960
Carlsbad, N. Mex	600,000.00	1,393,994.79	20,000	25,000	24,080
Hondo, N. Mex	275,000.00	371,867.17	10,000	.....	.....
Rio Grande, N. Mex.-Tex	7,200,000.00	12,146,114.43	175,000	116,000	89,590
Williston, N. Dak	235,460.00	460,107.18	8,795	7,650	1,590
Buford-Trenton, N. Dak	134,500.00	221,864.69	4,500	.....	.....
Umatilla, Oreg	1,086,000.00	2,683,399.89	20,140	24,590	13,270
Klamath, Oreg.-Calif	4,394,311.00	3,974,463.70	236,401	51,000	36,000
Belle Fourche, S. Dak	2,335,000.00	3,547,945.03	79,000	82,190	31,150
Strawberry Valley, Utah	2,722,000.00	3,466,968.00	60,000	53,890	30,820
Okanogan, Wash	432,500.00	1,302,161.65	8,650	8,000	5,570
Yakima, Wash	6,545,803.00	12,161,931.67	181,769	133,340	123,700
Riverton, Wash	6,777,025.00	1,060,228.09	100,000	.....	.....
Shoshone, Wyo	4,310,238.00	8,290,865.42	110,000	71,220	42,780
Total	93,435,641.00	141,787,005.14	3,056,427	1,692,700	1,202,130

Projects.	Original estimated cost per acre.	Actual cost per acre to June 30, 1923.	Cost per acre for area actually irrigated.	Aggregate charge per acre to settlers under public notice.	
				Original.	Supplemental.
Salt River, Ariz	$28.00	$49.50	$51.90	$60.00	.....
Yuma, Calif.-Ariz	35.10	142.80	167.45	55.00-75.00	.....
Orland, Calif	40.29	52.80	72.20	44.00	$11.00
Grand Valley, Colo	86.00	133.90	324.80	(1)	.....
Uncompahgre, Colo	25.00	68.90	103.60	70.00	.....
Boise, Idaho	26.55	89.00	113.70	26.80-77.44	.....
King Hill, Idaho	66.66	137.75	292.15	(2)	.....
Minidoka, Idaho	20.98	66.30	76.20	30.00-56.50	12.00
Garden City, Kans	30.00	.....	.....	.....	.....
Huntley, Mont	25.71	46.10	75.50	30.00	15.00
Milk River, Mont	29.48	101.70	372.20	(1)	.....
Sun River, Mont	28.80	100.00	206.80	30.00-36.00	.....
Lower Yellowstone, Mont.-N. Dak	30.90	77.35	200.00	45.00	18.50
North Platte, Nebr.-Wyo	35.00	84.30	122.90	55.00	16.00
Newlands, Nev	14.55	94.75	155.45	52.00	8.00
Carlsbad, N. Mex	30.00	55.75	57.90	45.00	.....
Hondo, N. Mex	27.50	.....	.....	.....	.....
Rio Grande, N. Mex.-Tex	30.00	104.70	135.60	90.00	.....
Williston, N. Dak	26.75	60.15	290.00	38.00	.....
Buford-Trenton, N. Dak	29.88	.....	.....	.....	.....
Umatilla, Oreg	53.90	109.10	202.20	70.00-92.00	(3)
Klamath, Oreg.-Calif	18.59	77.90	110.40	30.00-90.00	(3)
Belle Fourche, S. Dak	29.55	43.15	113.85	30.00-40.00	.....
Strawberry Valley, Utah	45.37	64.30	112.50	80.00	.....
Okanogan, Wash	50.00	162.80	233.80	(3)	(4)
Yakima, Wash	36.00	91.20	98.30	52.00-93.00	.....
Riverton, Wash	67.77	.....	.....	.....	.....
Shoshone, Wyo	39.18	116.40	193.80	50.00-95.00	19.50-30.00
Average per acre	30.57	83.76	117.94	.....	.....

Projects.	Years water delivered.	Net construction cost to June 30, 1923.	Amount paid on construction to June 30, 1923.	Difference between net construction cost and amount paid on construction.
Salt River, Ariz	17	$10,548,119.28	$891,815.82	$9,656,303.46
Yuma, Calif.-Ariz	17	9,026,546.52	1,093,052.01	7,933,494.51
Orland, Calif	14	1,091,795.87	240,614.58	851,181.29
Grand Valley, Colo	9	4,017,921.98	.....	4,017,921.98
Uncompahgre, Colo	16	6,715,074.41	102,706.34	6,612,368.07
Boise, Idaho	18	12,731,409.73	1,408,314.08	11,323,095.65
King Hill, Idaho	3	1,881,391.45	.....	1,881,391.45
Minidoka, Idaho	17	8,054,663.26	2,866,208.24	5,188,455.02
Garden City, Kans	.....	385,651.07	51,176.11	334,474.96

[1] Rental basis. [2] Dist. cont. [3] $95 and dist. [4] Contr.

Projects.	Years water delivered.	Net construction cost to June 30, 1923.	Amount paid on construction to June 30, 1923.	Difference between net construction cost and amount paid on construction.
Huntley, Mont	16	$1,474,408.81	$361,056.23	$1,113,352.58
Milk River, Mont	13	6,762,083.25	1,114.00	6,760,969.25
Sun River, Mont	15	4,245,842.94	170,178.73	4,075,664.21
Lower Yellowstone, Mont.-N. Dak	14	3,110,449.22	41,332.70	3,069,116.52
North Platte, Nebr.-Wyo	16	13,672,160.32	1,742,767.58	11,929,392.74
Newlands, Nev	18	6,988,475.92	522,100.51	6,466,375.41
Carlsbad, N. Mex	17	1,393,994.79	391,577.34	1,002,417.45
Hondo, N. Mex	.....	371,867.17	.....	371,867.17
Rio Grande, N. Mex.-Tex	16	12,146,114.43	76,491.00	12,069,623.43
Williston, N. Dak	16	460,107.18	8,250.63	451,856.55
Buford-Trenton, N. Dak	.....	221,864.69	.....	221,864.69
Umatilla, Oreg	16	2,683,399.89	373,919.76	2,309,480.13
Klamath, Oreg.-Calif	17	3,974,463.70	537,692.72	3,436,770.98
Belle Fourche, S. Dak	16	3,547,045.03	478,279.90	3,068,765.13
Strawberry Valley, Utah	9	3,466,968.00	395,582.88	3,070,385.12
Okanogan, Wash	16	1,302,161.65	54,427.70	1,247,733.95
Yakima, Wash	17	12,161,931.67	3,171,575.12	8,990,356.55
Riverton, Wash	.....	1,060,228.09	.....	1,060,228.09
Shoshone, Wyo	16	8,290,865.42	611,608.50	7,679,256.92
Total	.....	141,787,005.14	15,592,842.48	126,194,163.26

Projects.	Total operation and maintenance costs to June 30, 1923.	Total operation and maintenance receipts to June 30, 1923.	Difference between O. & M. costs and O. & M. receipts to June 30, 1923.
Yuma, Calif.-Ariz	$1,667,960.99	$956,921.08	$711,039.91
Orland, Calif	218,610.67	200,351.55	18,259.12
Uncompahgre, Colo	81,724.16	1,543.60	80,180.56
Boise, Idaho	1,631,887.35	1,424,251.14	207,636.21
Minidoka, Idaho	1,381,916.18	1,198,418.06	183,498.12
Huntley, Mont	850,502.46	321,806.29	528,696.17
Sun River, Mont	201,770.14	124,686.46	77,083.68
Lower Yellowstone, Mont.-N. Dak	744,420.61	62,361.87	682,058.74
North Platte, Nebr.-Wyo	2,032,953.08	1,347,895.73	685,057.35
Newlands, Nev	1,046,236.05	708,990.14	337,245.91
Carlsbad, N. Mex	483,724.56	405,595.17	78,129.39
Rio Grande, N. Mex.-Tex	548,366.12	386,742.40	161,623.72
Williston, N. Dak	357,244.00	28,596.51	328,647.49
Buford-Trenton, N. Dak	74,771.07	2,317.41	72,453.66
Umatilla, Oreg	534,116.72	251,651.55	282,465.17
Klamath, Oreg.-Calif	582,268.18	439,773.12	142,495.06
Belle Fourche, S. Dak	972,057.67	529,317.96	442,739.71
Strawberry Valley, Utah	352,254.65	243,775.56	108,479.09
Okanogan, Wash	379,212.10	223,082.51	156,129.59
Yakima, Wash	2,300,887.18	2,093,687.09	207,200.09
Shoshone, Wyo	616,347.91	418,978.89	197,369.02
Total	17,059,231.85	11,370,744.09	5,688,487.76

	Delinquent charges, rentals of irrigation water to June 30, 1923.	Amount unpaid by water users on construction, O. & M. water rentals.
Salt River, Ariz	.....	$9,656,303.46
Yuma, Calif.-Ariz	$4,852.05	8,649,386.48
Orland, Calif	.....	869,440.41
Grant Valley, Colo	32,904.63	4,050,825.61
Uncompahgre, Colo	36,351.96	6,728,900.59
Boise, Idaho	13,127.47	11,543,859.33
King Hill, Idaho	2,861.36	1,884,252.81
Minidoka, Idaho	267.60	5,372,220.74
Garden City, Kans	.....	334,474.96
Huntley, Mont	207.92	1,642,253.67
Milk River, Mont	23,470.81	6,784,440.05
Sun River, Mont	26,892.89	4,179,640.78
Lower Yellowstone, Mont.-N. Dak	1,396.50	3,752,571.76
North Platte, Nebr.-Wyo	584.11	12,615,034.20
Newlands, Nev	19.50	6,803,640.82
Carlsbad, N. Mex	.....	1,080,543.84
Hondo, N. Mex	35.49	371,902.66
Rio Grande, N. Mex.-Tex	34,028.18	12,265,275.33
Williston, N. Dak	.....	780,504.04
Buford-Trenton, N. Dak	.....	294,318.35
Umatilla, Oreg	.....	2,591,945.30
Klamath, Oreg.-Calif	475.80	3,579,741.84
Belle Fourche, S. Dak	150.00	3,511,654.84
Strawberry Valley, Utah	.....	3,178,864.21
Okanogan, Wash	1,643.97	1,405,507.51
Yakima, Wash	614.83	9,198,171.47
Riverton, Wash	.....	1,060,228.09
Shoshone, Wyo	252.15	7,876,878.09
Total	180,137.23	132,062,788.25

Included in the tabulation are the Buford-Trenton, Hondo, and Garden City projects, that have been abandoned by the Government, and the Riverton project now in the course of construction on which no irrigation has yet been started. The original estimates in the analysis

contain $4,899,114 on seven projects that was the estimated cost of operation and maintenance. The original estimates given also are exclusive of supplemental construction on the various projects.

The net cost of construction up to June 30, 1923, includes $12,922,455 expended for the purpose of furnishing water under special contracts and under the Warren Act and represents the amount to be repaid by the water users on each project, including operation and maintenance during construction and excluding arrearages heretofore transferred to construction. The total operation and maintenance costs given in the tabulation likewise include arrearages on operation and maintenance, but excludes operation and maintenance during construction. The total operation and maintenance receipts do not include water rentals and sales of water during the construction period, while the differences between the costs and the receipts contains $1,059,864, representing costs from January 1 to June 30, 1923, for which no assessments have been made against the water users of the project, leaving a net arrearage of $4,628,623.

In the acreage figures are excluded sales of water under the Warren Act and special contracts. Three of the projects, the Grand Valley, King Hill, and Milk River, have not yet been opened by public notice and the water is being sold on a rental basis. In the case of the Salt River project the acreage includes lands taken in by the Salt River Valley Water Users' Association, on which the association spent additional money for construction work. This project is now being operated by this association, the Government having turned it over to the water users. The Orland project is also being operated by a water-users' association. Included in the construction cost of the Yakima project to June 30, 1923, is the sum of $2,515,875.62 expended up to that time on the Rimrock Dam, which is expected to bring additional acreage under irrigation.

Mr. TAYLOR of Colorado. Mr. Chairman, during the course of his very able and comprehensive speech the chairman of this committee referred to the statement of Mr. A. P. Davis at the hearings before our subcommittee. That statement, put in the record of our committee on the last day of our hearings, contains about 20 pages and is very largely criticism of the Secretary of the Interior. The chairman of our committee inserted in his remarks a portion of Mr. Davis's statement, and I feel it is only proper and appropriate official courtesy that a statement in reply from the Secretary of the Interior should also go in the RECORD; and I therefore, under leave to extend my remarks in the RECORD, incorporate that statement, as follows:

STATEMENT OF THE SECRETARY OF THE INTERIOR.

The table "Analysis of reclamation projects," published in a recent issue of the Reclamation Record, was intended to strike a balance in reclamation as of June 30, 1923. It does not offer explanations; it simply states facts as they existed on the date mentioned, which were taken from and verified by the Bureau of Reclamation. It is the foundation for the more comprehensive survey which the Secretary of the Interior has undertaken through the committee of special advisers appointed by him some months ago.

The table shows that the total estimated cost for all the projects was $93,435,641, and that the construction costs to that date were $141,787,005.74, or a difference of $48,251,364.74. This increase is due in some instances to so-called supplemental construction, but the entire increase was not due to additional work required by the water users.

To the careful reader of the table one significant fact with reference to estimated and actual costs is apparent, viz, that the final cost to the farmer on a majority of the projects has increased over the estimate to such an extent that he has not been able to pay according to schedule. If this additional cost could have been known in the beginning, the construction of some of the projects manifestly would not have been undertaken. The water users oftentimes surrendered valuable water rights under reclamation contracts, and charges greatly in excess of those originally represented were assessed.

If, on the other hand, additional construction was necessary and the reclamation engineers went ahead with it, thereby adding to the cost of the project an amount greater than the land could be expected to repay, as is true in many instances, then the reclamation engineers are to blame. What can be said of a business administration that would sanction these additional costs without considering the ability of the farmer to repay?

It is well known that the engineers in the early days of reclamation estimated on a small portion of the works in order to get started with the project, depending upon the future to enable them to make additional estimates to cover necessary work which should have been provided for in the beginning. Ordinarily it is difficult to fix responsibility in Government bureaus, but in the Reclamation Service, which had only two directors in its life of 22 years, those responsible for administrative policy and procedure can not so easily escape criticism.

Furthermore, the original estimates were the basis on which the different Secretaries of the Interior granted authority for their construction and on which they in the earlier days made allotments out of the reclamation fund to meet the costs of construction. Had it been known then what each project would have finally contemplated and cost, many of the projects could never have been authorized, because the amount of money in the reclamation fund was the limitation on the power of the Secretary to approve projects.

The true test of any irrigation project is not its aggregate cost, but its cost per acre. The ability of the farmer to repay represents either the success or the failure of the project. Instead of comparing total estimated costs and net construction costs, the essential comparison should be between the original estimated cost per acre and the actual cost per acre.

It was the low estimated per acre cost that induced settlers to take up lands on every project. It was the low per acre cost that made every project apparently feasible. It is the high per acre cost that accounts for the financial embarrassment of so many settlers to-day on so many projects which are, in effect, bankrupt.

As an illustration, the table shows that the estimated cost per acre on the Newlands project was $14.55, and that project was approved on the basis that it would irrigate 370,000 acres of land. To date the Reclamation Service can furnish water to 73,750 acres, after 20 years of construction activity, and if the actual cost of this project is divided by the number of acres for which water is available it is apparent that the cost per acre is $94.75, as against $14.55 promised the water users. This project never would have been considered as feasible or desirable had it been known that it was going to cost close to $100 an acre, or had it been known that the cost would have been as high as $50 an acre.

The term "supplemental construction" is a pitfall into which the gullible have been seduced for many years. One type of construction which is for additional work not contemplated in the original scheme or estimate may be truly said to be "supplemental," but by far the most common additional type is simply in the nature of betterments necessary to improve poor workmanship and can not be truly designated "supplemental construction." It is work the necessity for which should have been foreseen.

For example, drainage was not provided in the original plans for any project. It was Sir William Willcox, an eminent British irrigation engineer, who is authority for saying that drainage is the first feature to be provided on any irrigation project. Otherwise, lands will become waterlogged. The present situation on many of the projects is typified at Belle Fourche, where it will require $15 an acre additional to drain the land, and the Minidoka project, where this cost is estimated at $12 an acre.

Another purpose of the analysis was to ascertain how nearly the Reclamation Service accomplished what it set out to do, viz, to irrigate a certain acreage of dry land. The only factor which enables us to measure results is in the final acreage and cost figures. For example, if, as is the case in the Newlands project, previously mentioned, the service estimated the cost at $5,383,987 to irrigate 370,000 acres, and upon completion of the works, which cost $6,988,000, only 73,750 acres are irrigable, then we have a measure of results which should not be lost sight of in talk about "supplemental construction," etc. The service did not do what it started out to do in this instance, and to that extent failed. Whether the original plans were changed, due to contingencies, does not alter the fact that the water users on 73,000 acres must return eventually $1,604,013 more than it was expected would be paid by 370,000 acres.

A few examples of increased final costs over the estimates follow:

NEWLANDS PROJECT, NEVADA.

The original estimated cost of Newlands project provided for the construction of 12 reservoirs with dams, including canals, to store water for the irrigation of 370,000 acres of land, for $5,383,997.

Of this proposed construction only two diversion dams were finally built and two reservoirs, including canals, for the irrigation of approximately 80,000 acres at a cost of $6,990,498, showing that instead of supplementary construction the actual construction fell far short of the estimated plans.

Work on two of the individual structures will serve to illustrate further excessive costs over estimates.

The estimated cost of the main lower Truckee Canal was fixed by the engineers in 1903 at $850,000; when completed in 1907 its actual cost, including earthworks and structures, was $1,534,275.

The estimated cost of the distribution and drainage canal system of the Carson Sink Valley was fixed in 1903 at $500,000; the total cost for this system in 1907 was $1,129,109.

In both features the costs were practically double the estimates.

Mr. A. P. Davis, late Director of the Reclamation Service, visited the Newlands project (originally known as the Truckee) in September, 1902, and in a report on file to Mr. F. H. Newell, then head of the Reclamation Service, said:

"The entire Truckee project, however, can be constructed for about $10 per acre irrigated, and the land will be readily taken at that figure without doubt. It might be well to place the figure higher for safety."

In the early summer of 1902 Mr. L. H. Taylor, project engineer on the Newlands (or Truckee) project, submitted a detailed estimate showing that this project would irrigate 358,933 acres at a cost of $15 per acre. Mr. Taylor's report was referred to A. P. Davis, then supervising engineer, who in a letter dated July 21, 1903, addressed to the head of the Reclamation Service, passed upon the estimate of Mr. Taylor as follows:

"I consider this estimate conservative and as nearly accurate as is now possible to make it, and I recommend that it be made the basis of charges for the irrigation of lands under this project."

Within three years after the Newlands project was started shortage of water developed and Mr. Taylor was directed to prepare plans and estimates for the Lahontan Storage Dam. This report also was referred to Mr. A. P. Davis, who, regardless of the fact that he himself had estimated that this project could be built for $10 an acre, wrote the Director of the Reclamation Service under date of October 22, 1907, regarding Mr. Taylor's estimate, as follows:

"An estimate was made for the entire project on June 27, 1903, by Mr. Taylor, which foots up $14 per acre for a project of 300,000 acres. By eliminating the items contained above, I find that his estimate for 200,000 acres of irrigable land remaining to be $3,155,000, or about $16 per acre, but it is manifestly unsafe to take this estimate for many reasons. The work accomplished has cost more than double the sum estimated in 1903 by Mr. Taylor, and the information regarding the remaining features is much less complete than was his information at that time upon the parts which have now been completed."

The Newlands project serves to illustrate another early error on the part of the Reclamation Service. In a report to the Director of the Reclamation Service, dated December 5, 1902, Mr. A. P. Davis said:

"It is very doubtful if enough land can be found in the lower Carson Valley to consume the waters of both the Truckee and Carson Basins."

A water shortage did develop in the early days of the project because the reclamation engineers, without making any investigation, had figured on using the waters of Lake Tahoe as a source of supply for their project. It quickly developed that most of the waters of this lake had already been appropriated and were not available for Government reclamation, and it was this shortage that made necessary the building of the Lahontan Dam above referred to.

UNCOMPAHGRE PROJECT, COLORADO.

The original estimated cost of this project was $2,500,000, with an actual cost of $6,715,074.

The principal engineering structure of this project was the Gunnison Tunnel, which was estimated to cost $1,000,000, as shown by the annual report of the Reclamation Service, 1903–4. The records show that a contract was let to the Taylor-Moore Co. in January, 1905, for the building of this tunnel at a cost of $1,000,000. After working about four months the company abandoned the contract. Bids were then opened for a new contract. The J. G. White Co. bid $1,541,100, the John McKechary Co. bid $1,573,016, and the A. J. Raisch Co. bid $2,123,000. Taking the stand that these bids were excessive, the engineers of the Reclamation Service rejected them and proceeded to construct the tunnel with their own force. The actual cost of this tunnel after completion, as shown by the annual report of 1920–21, was $3,038,895, or three times the original estimate and $500,000 more than the estimated cost of the entire project. There was no supplemental construction on this structure.

What is to be said of an administrative official who will reject a bid of $1,541,100 because it is too high and proceed to build works with Government forces at a cost double that of the lowest bid received?

Another example may be found in a small weir, or dam, constructed across the Gunnison River at the intake of the tunnel. The engineers estimated the cost of this weir at $35,000. The actual cost as shown by a detailed statement in the History of the Uncompahgre Project, Volume III, page 156, is $113,219. No supplementary construction was included in this piece of work.

The Uncompahgre project was largely adopted because of the favorable showing made by the engineers of the Reclamation Service, as given in a report of Mr. A. P. Davis to Mr. F. H. Newell, dated October 21, 1902, as follows:

"The land would settle readily under a charge of from $20 to $30 per acre for water right, I believe, and I have no idea that the necessary charge will exceed $15.

"My impressions from the visit I made are that the Gunnison Tunnel is one of the most promising projects for early construction. While the surveys are not completed, there can be no doubt of the financial feasibility of the project, nor any very wide uncertainty as to its cost."

The Uncompahgre project to-day has cost actually $68.90 an acre, and if the lands actually irrigated were to bear the burden the cost would be $103.60.

LOWER YELLOWSTONE PROJECT, MONTANA-NORTH DAKOTA.

A similar situation may be found to have existed on the Lower Yellowstone project. The original estimated cost was $2,039,218 for the irrigation of 66,000 acres, while the actual cost is $3,110,449 for the irrigation of 40,200 acres. This is 25,800 less acreage than was contained in the original estimates. Evidently there was not much "supplementary construction" on this project.

The Lower Yellowstone Dam, which is the main structure on this project, was estimated to cost $145,000. The actual cost as shown by the report of the Army Board of Engineers in 1910 was $333,105, or an increase of more than 100 per cent over the estimates. A contract, however, was suspended in 1908 and the reclamation engineers themselves undertook the construction. The result is the same as on the Uncompahgre project.

In speaking of this dam in their report the Army engineers say:

"Based on experience elsewhere, this cost appears very high. It is thought that a dam equally secure and equally suitable could have been built following some cheaper type for a much more reasonable expenditure."

In securing the authority of the Secretary of the Interior for the construction of the Lower Yellowstone project, it was represented by the Reclamation Service officials that the lands under the project could not stand an acreage construction charge exceeding $30 per acre, and they announced that this would be the maximum cost. In authorizing the project, the Secretary of the Interior specifically provided that the cost should not exceed $30. The actual cost per acre is approximately $70, or $40 in excess of the maximum amount fixed by the reclamation officials.

MILK RIVER PROJECT, MONTANA.

No supplemental construction occurred on the Milk River project for the reason that the estimates called for the irrigation of 251,906 acres at a cost of $7,426,452, while up to this time works have been built for the irrigation of only 66,500 acres, at an actual cost of $6,762,083.

Examination of the records of the Milk River project, which includes the storage in the St. Mary River through the Sherbourne Reservoir, shows that a part of the increase of costs over estimates was due to the abandonment of a canal running from the St. Mary to the Milk River. Construction on this canal was started in 1906 and continued until 1911, when it was abandoned at a loss of approximately $106,000, another site being chosen. This is not supplemental construction but superfluous construction, and the settlers on the land must pay for it.

The reclamation engineers also located a dam at Sherbourne Lakes, and in 1917 the side of a hill, 25 acres in extent, began to slide down on the north end of the dam, another Culebra slide, necessitating additional expenditures. One of the engineers of the Reclamation Service, in reporting on this movement of earth, said in 1918:

"Any practical field geologist visiting the dam site before the dam was started would have recognized that excavation of the north end of the dam and spillway would so disturb the angle of repose that a slide was sure to occur sooner or later."

The original estimated cost of one feature of this project, the St. Mary storage, consisting of a reservoir and canal, was $1,686,000 in 1912 and the actual cost was $2,700,377, and it now is necessary to spend additional sums to increase the capacity of the canal because it was not built according to original plans and specifications and will not carry ample water for the lands being served by it.

NORTH DAKOTA PUMPING STATION.

The North Dakota Pumping Station, now known as the Williston project, is another example where actual costs exceeded estimates without any additional construction. As a matter of fact, one of the units of this project, known as the Buford-Trenton, was abandoned at the end of 1911, after a short history of four years, at a loss to the Government of approximately $294,000.

The Buford-Trenton unit of the North Dakota Pumping Station was estimated to cost $134,500. Its actual cost was $221,864. The construction of the Williston project was estimated in the beginning at $235,460. The actual cost is shown to amount to $460,107. The cost of operating and maintaining this project now totals $357,244, an amount almost equal to the entire cost of constructing it. Of this $357,244 but $28,596 has been paid back to the Government, while only $8,250 has been repaid by the farmers on the original construction costs, totaling $460,107.

In referring to the estimated per acre cost of this project a board of engineers composed of A. P. Davis, H. N. Savage, O. H. Ensign, H. A. Storrs, and Percival M. Churchill, on September 22, 1905, stated:

"We estimate, from the preliminary surveys and estimates made, that the cost of installing the power machinery and pumps and constructing the irrigating canals and laterals will amount to approximately $25 per acre."

The actual per acre cost is $60.15 on the acreage the service is prepared to supply with water, $290 an acre on the actual irrigated acreage, but the charge to the settlers under public notice is only $38 per acre.

How is the Government going to get its money back on this basis?

SHOSHONE PROJECT, WYOMING.

In the case of the Shoshone project in Wyoming the original estimated cost was $4,310,238, while actual costs amounted to $8,290,865.

Two of the major structures on this project were the Shoshone Dam and the Corbett diversion. The engineers estimated the cost of the Shoshone Dam at $921,200. Construction was started in 1908 and completed in 1910. The actual cost of this dam, without any supplementary construction, was $1,487,395, or $566,195 more than the estimates.

The Corbett diversion likewise was estimated to cost $893,868 by the Reclamation engineers, whereas, after completion, its actual cost was $1,260,437, an increase of actual cost over estimates of $366,569.

Thus on these two major structures alone on the Shoshone project the costs exceeded estimates by $932,764, adding to the burden of the water users without regard to any additional construction that might have been done later.

SALT RIVER PROJECT.

The original estimates for this project have disappeared from the files of the Reclamation Bureau and a thorough search fails to disclose their whereabouts. The original estimate for the Salt River project given in the table was obtained from "Table of approved projects, with estimated costs," submitted to the House Committee on Irrigation of Arid Lands April 16 to 30, 1906, by the Reclamation Service. Since the table was compiled and published there has been found in the annual report of the Secretary of the Interior for the year 1905 another estimate on the cost of the Salt River project which fixed that estimate at $3,850,000 for 160,000 acres. The actual construction cost charge to the water users as of June 30, 1923, is $10,548,119.28, and the irrigable acreage is 213,170.

The project has been in operation for 17 years, but the water users have been paying on construction for only 6 years, the date of the first public notice being 1917. It is estimated that the public notice should have been issued in 1911, but owing to various influences it was delayed for almost seven years. The effect was to give the water users a moratorium on construction charges and secure water at relatively small cost on a rental basis.

In 1913 the House Committee on Expenditures in the Interior Department investigated the Salt River project and published its findings in a printed document (Rept. No. 1506, 62d Congress, 3d sess.) containing 736 printed pages. This report shows that at the time the Salt River project was first proposed two projects were being considered in Arizona, the Salt River and the San Carlos. This report makes startling disclosures and shows why the Salt River project, manifestly the more expensive of the two, was adopted, while the San Carlos was set aside. In this report the committee found as follows:

"The estimated cost of San Carlos, including diversion works and canal, was $1,380,000, while that of the Salt River was estimated to be $3,850,000. The San Carlos Dam site could be reached by rail; the Salt River Dam site was over 60 miles away from branch railroads and an expensive mountain road had to be built to reach it. In short, if the Geological Survey reports and Reclamation Service are to be believed, the San Carlos site was infinitely superior to the Salt River site in every respect. Answering an inquiry of a Phoenix speculator as to how to sidetrack the San Carlos and substitute the Salt River scheme, F. H. Newell, director, replied that his 'friend' George H. Maxwell could doubtless point out the way. * * * Where the Reclamation Service could not buy an entire canal system, they bought what they could and by a system of petty tyranny and abuse forced unwilling owners of water rights to pay excessive charges for delivering them the water which was theirs to use. * * *

"For some mysterious reason a large force of employees is still maintained at the Phoenix office, and the cost of their salaries charged up against the farmers under the project. According to Hill's statement before us, the cost for salaries alone of this force is nearly $3,000 per month, although the service claims the project is practically completed. Overhead charges (which means those not incurred in field work) amounting to $707,565 are made against this project, including the expenses of the Phoenix office, amounting to $442,379.42. While these figures are astonishing to the reader and appalling to the discouraged farmer who is expected to pay the price, even more so are other items against the project. For example, Hill testified that this service maintained an official photographer who took pictures for newspapers and magazines to show the progress of the reclamation work, and for this pretended service the farmers on this one project had been charged up to December 31, 1911, the sum of $9,089.30. In other words, the press bureau for glorifying these officials and advertising the lands for the speculators is to be saddled upon the farmers. * * *

"One witness testified that he had dug a small ditch for which the Reclamation Service paid him $85; that it took 2 men and 2 teams 2½ days; that they worked about 8 hours per day; and that $10 per day would have been a fair price, making $25 for the whole job. This same witness cited another instance wherein the Reclamation Service paid him $2,200 for a right of way after the expense of surveying and appraising the property, when there was no necessity for the purchase or survey, and that the survey, appraising, and cost of land must have totaled at least $3,000.

"Another witness declared, 'We can show waste on every hand. Some of the sums amount to only $25 or $30, perhaps, but those sums make up the discrepancy that you folks can find between the estimated cost of the dam and the $10,000,000.'

"After more than $10,000,000 had been used on the Salt River project alone this project was still incomplete. The farmers were prevailed upon to assess themselves $900,000 to finish it. This is now being spent under the direction of this service, wherefore the causes for the enormous cost are coming to light. In the work of this service no care seems to have been taken toward economy and dispatch like that general in private enterprises. The time of large crews of men was wasted by camping them miles from work and making four trips a day to and from camp to the scene of operations. Expensive concrete works were installed by one engineer, condemned by a second, and blown out with dynamite; the like repeated the second time. Some of these works cost $2,000 for each installation. Owing to ignorance or carelessness in mixing concrete, large sections washed out when the water was turned into the canals * * *."

With reference to the reliability of engineering estimates, the committee reports as follows:

"We are convinced that, if given a comparatively simple engineering problem to solve, no two of these 'engineers' could arrive at the same result, and it is a matter of grave doubt whether any one of them would have the correct solution. Their so-called 'engineering judgment' proves to be a makeshift or a matter of expediency. When they (as engineers of the Geological Survey) were urging the passage of the reclamation act they said of the San Carlos, 'The site for the dam is one which is eminently suited to the erection of a masonry structure of the highest type. No other kind of dam has been considered for this site, as it fulfills all requisites of stability in a more satisfactory manner than any other type that could be built and can be made as enduring as time.' When the Southern Pacific made known its desire to secure the canyon for a railway right of way these 'engineers' said, 'The dip of the bedrock at the site of the San Carlos Dam is in the direction of flow and may be a dangerous foundation on which to found the structure,' and 'the character of the dam site is bad, as a fault occurs at this point.'"

The committee in brief recommended and urged, among other things, that the House appropriate $25,000 to make a thorough investigation of the Reclamation Service; that several officials be removed from office during the investigation to prevent possibility of obstruction of progress; that the Department of Justice be directed to institute a suit against one of the power companies, which it is alleged was given a monopoly of the power developed at the Roosevelt Dam, and to institute such criminal proceedings as in its judgment might be maintained.

In 1915 a local board of review, consisting of Prof. Thomas U. Taylor, civil engineer, of Austin, Tex., chairman; Mr. F. W. Hanna, civil engineer, of Ankeny, Iowa, representative of the Reclamation Service; and Mr. Fred A. Jones, civil engineer, of Dallas, Tex., representative of the Water Users' Association, investigated the question of cost on the Salt River project, and submitted majority and minority reports to the Central Board of Review.

The majority report, signed by Professor Taylor and Mr. Jones, found from the books and records that there was wholesale "defective construction, excessive costs, and bad management," and on this account recommended that the sum of $3,537,809 should be eliminated and deducted from the total construction cost.

Mr. TAYLOR of Colorado. Mr. Chairman, I reserve the balance of my time. [Applause.]

Mr. SUMMERS of Washington. Mr. Chairman and gentlemen, the question I raise at this time is, Has the reclamation of desert lands by the Federal Government been a success? If so, whom has it benefited? This is the question that is in the minds of the people of the country and of the Congress at this particular time.

Twenty-one years ago the Federal Government embarked upon a new policy—the reclamation of worthless, arid lands by the use of money accruing in the Federal Treasury from the sale of public lands.

Looking back over this 21-year period, we ask: Has this policy been a success?

If so, whom has it benefited?

But, to begin with, let me remind you the lands selected for reclamation had a rainfall of only 4 to 7 inches per annum

and were therefore untillable and of little value, yielding from 2 to 10 cents an acre for pasture, if used at all.

THE DEVELOPMENT OF A PROJECT.

Let us briefly trace the development of an irrigation project.

The civil engineer, with his helpers, goes upon the land with scientific instruments, tapes, axes, and shovels.

Here we find two classes directly benefited—the eastern manufacturer and labor, skilled and unskilled.

The project is found feasible and construction is begun. Great impounding dams and ditches must be constructed.

A large force of men is employed and vast quantities of construction materials and concrete mixers, wheelbarrows, shovels, axes, hoes, ditching machinery, wagons, and scrapers are required.

Again labor and the factories of the East are directly involved.

But looking further we see iron and coal mines digging out the materials for the eastern factories.

We see the railroads transporting raw materials to the mills and manufactured products across the country to the western plains.

We know that additional transportation calls for more freight cars and engines and rails and for more labor.

We know that employed labor everywhere buys more clothing and hats and gloves and shoes, and eats more food than unemployed labor.

When the project is completed the railroad brings the emigrant, who builds houses from materials from everywhere and furnishes them with eastern furniture and carpets and kitchen utensils. He encircles his little sage-brush farm with wire from an eastern mill.

With agricultural implements from Ohio, Indiana, and Illinois he stirs this virgin soil for the first time in all the centuries.

Is it all worth while?

So far we have spent the money loaned by the Federal Government for labor, both in the East and West, on the project, in the coal and iron mines, and on the railroads, and have drawn heavily on the factories of the East.

But more and over and above all we have provided for a homeless family a home and an opportunity to work and earn a living by the sweat of the brow on a farm, close to nature, the best place that any family in all the world ever lived. [Applause.]

IS RECLAMATION A SUCCESS?

But after all, is the reclamation of arid lands a success?

Have there been any mistakes made under our Federal reclamation policy? Undoubtedly there have been and especially during the early years or experimental period.

Has every reclaimed acre proven profitable? No.

Do farmers on these projects ever fail? Yes; but the same might be truthfully said of farmers in the fertile Miami Valley in Ohio, or the Susquehanna Valley of Pennsylvania.

No great enterprise can be judged by its exceptionally good or exceptionally bad performances.

A BRIEF REVIEW.

Let us make a brief review of this great national undertaking.

On February 1, 1922, we find 25 Government reclamation projects in 16 different States.

The smallest is the North Dakota pumping project of 7,650 acres.

The largest is the Salt River project of 213,000 acres in Arizona.

The total area of the 25 projects is 1,667,310 acres.

The principal crops grown are alfalfa, fruits, cotton, citrous fruit, potatoes, melons, sugar beets, berries, and a limited amount of grain.

The value of these crops for the 1919 and 1920 period was $155,145,790.

In addition to the acreage just referred to, water has been sold by the Reclamation Service under the Warren Act for the irrigation of 1,183,300 additional acres.

On these Warren Act lands during the 1919–20 period crops to the value of $107,000,000 were grown.

THE YAKIMA PROJECT.

Perhaps a better idea of the ultimate results of reclamation may be had from a detail study of the Yakima project in the State of Washington.

The Yakima project, as constructed to 1922, comprised 132,730 acres and sold water to 148,000 additional acres

As a result of irrigation an exceedingly dry, almost worthless, sage-brush plain, with a few stockmen and herders, has changed to one of the most beautiful and productive valleys in all the world.

Numerous thriving villages and towns dot the valley, beautiful homes are found everywhere, and the city of Yakima—one of the outstanding little cities of the United States—with its broad, paved streets, splendid up-to-date business houses, churches, schools, and residences, and its 20,000 population now stands where but a few years ago the fragrant sage-brush and the jack rabbit held undisputed sway.

This project shipped out 67,000 carloads of products, valued at $80,000,000, in 1919–20.

During the same period it shipped into the Yakima country from the Central and Eastern States the following:

Commodity and value of commodities.

Automobiles, tires, and accessories	$5,825,000
Hardware and building supplies	2,300,000
Canned goods, mixed groceries, and breakfast foods	4,150,000
Farm machinery	1,250,000
Ready-to-wear clothing	3,500,000
Shoes	2,000,000
Furniture and household supplies	2,700,000
Cotton and woolen goods	2,200,000
Drugs and sundries	2,350,000
Millinery, notions, crockery, and electrical apparatus	1,950,000
Insurance premiums paid to eastern companies	6,200,000
Total	34,425,000

Thus we see that of the $80,000,000 earned in two years by the Yakima project farmers, more than $34,000,000, or nearly 50 cents out of every dollar, is spent with the manufacturers and with the jobbers of the East.

Irrigation has also developed in the Yakima Valley, so I am informed, 12,000 income-tax payers, whereas without irrigation they certainly would not exceed 1,200. In fact, of the $9,200,000 that flows annually from the State of Washington to the Federal Treasury, many millions are derived directly and indirectly from our reclamation projects.

The fact-finding committee of the Department of the Interior recently made this statement in regard to the Yakima project:

> Our survey and investigation thus far finds the Yakima as one of the outstanding successful projects; it has repaid on construction and operation and maintenance a greater sum of money than any other project.

Meanwhile the Yakima and the other projects are repaying a loan made from the Federal Treasury at the rate of a million dollars per year, and are also paying into the revolving reclamation fund more than $2,000,000 annually.

At this point I want to call your attention to the fact that during the past six years there has been constructed as a part of the Yakima project the Rim Rock Dam and storage reservoir, at an approximate cost of $5,000,000. This dam will be completed within the next few months, but can not be utilized till the Yakima project is extended by the construction of more canals.

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

Mr. TAYLOR of Colorado. I yield to the gentleman 20 minutes more.

The CHAIRMAN. The gentleman from Washington is recognized for 20 minutes more.

Mr. SUMMERS of Washington. There are four additional units of the Yakima project. Looking forward to the extension of this project, the Reclamation Service directed a number of expert engineers to investigate the four additional units. This they did during the past summer and fall. They pronounce the Kittitas High Line extension as the most economical. We hope before this session of Congress is ended to have an appropriation for an extension of the Yakima project in that direction. Economy of public funds demands that this be done.

LOOKING TO THE FUTURE.

There are those who oppose further development because of depressed agricultural conditions at this time. It should be remembered that the Kittitas High Line, the Columbia Basin, or any other project begun now will not become a factor in production short of 6 to 10 years, when our population will have increased by many millions, our ability to consume will have increased accordingly, and world markets no doubt will have become more stable.

Meanwhile, during the years of construction there will be an increased demand for labor, for food, and for manufactured products of every kind from the East.

Gentlemen, let us lift our vision beyond our own doorsteps and view with a prophetic business eye the future of this greatest constructive policy every adopted by the American Congress.

RESULTS.

From the sale of public lands in Arizona, California, Colorado, Idaho, Kansas, Montana, Nebraska, Nevada, New Mexico, North Dakota, South Dakota, Oklahoma, Oregon, Utah, Washington, and Wyoming there has flown into the—

Reclamation revolving fund	$106, 279, 523
From the oil leasing act	12, 195, 897
Bond loan ($1,000,000 of which is being repaid annually since 1920)	20, 000, 000
Miscellaneous	4, 404, 941
Total June 30, 1923	142, 880, 361

The net construction costs of all projects to—

Nov. 1, 1923, were	$148, 557, 275. 96
Due and repaid	16, 045, 846. 97
Due and unpaid	2, 156, 908. 71

For the operation and maintenance of the various projects there has been—

Expended a total of	$15, 897, 984. 27
On this there has been repaid	11, 675, 937. 09
Due and unpaid	1, 895, 818. 94

These are the official figures. They show a total deficit of less than 3 per cent on all operations during the past 21 years under the Federal reclamation law.

I challenge any Federal bank or other commercial organization to make a better showing.

To summarize, our Federal reclamation policy, directly and indirectly, has converted 2,850,000 acres of sage-brush desert into 33,000 highly productive farms.

Some gentlemen question the soundness of the policy of loaning these funds for the purposes of reclamation.

Permit me to remind you gentlemen of the East that by act of Congress of June 23, 1836, there was distributed from the Public Treasury the following amounts, not one dollar of which has ever been repaid:

Maine	$955, 838. 25
New Hampshire	669, 086. 79
Massachusetts	1, 338, 173. 58
Vermont	669, 086. 79
Connecticut	764, 670. 60
Rhode Island	382, 335. 30
New York	4, 014, 520. 71
New Jersey	764, 670. 69
Pennsylvania	2, 867, 514. 78
Delaware	286, 751. 49
Maryland	955, 838. 25
Virginia	2, 198, 427. 99
North Carolina	1, 433, 757. 39
South Carolina	1, 051, 422. 09
Georgia	1, 051, 422. 09
Alabama	669, 086. 79
Louisiana	477, 919. 14
Mississippi	382, 335. 30
Tennessee	1, 433, 757. 39
Kentucky	1, 433, 757. 39
Ohio	2, 007, 260. 34
Missouri	382, 335. 30
Indiana	860, 254. 44
Illinois	477, 919. 14
Michigan	286, 751. 49
Arkansas	286, 751. 49
Total	28, 101, 644. 91

I submit to you, gentlemen, that if this loan were called with interest to date it would take care of many of the problems that the Treasury of the United States is confronting at this time.

NATION-WIDE BENEFITS.

This map [indicating] shows the origin of 674 carload shipments of manufactured products that go annually to one of the 26 irrigation projects of the West. These lines [indicating] indicate the origin of carload shipments. This has no reference to broken lots, and you will see that the shipments originated in practically every State of the Union.

The Yakima, Naches, Minidoka, and Twin Falls projects, in Washington and Idaho, are reached by several railroads, one of which railroads in 1920 carried into these projects the number of cars of freight and express and from the States here indicated:

	Cars.
Missouri	175
Iowa	82
Illinois	283
Kansas	60
Minnesota	77
Indiana	63
Ohio	97
Pennsylvania	26
New York	48
Massachusetts	8
New Jersey	25
West Virginia	4
Michigan	213
Wisconsin	167
Oklahoma	20
Texas	28
Louisiana	21
Arkansas	6
Mississippi, Florida, Connecticut (each)	1
Alabama	5
South Carolina	2
Tennessee	3
Kentucky	2
Nebraska	227
South Dakota	8
North Dakota	6
Montana	85
Wyoming	1, 058
Colorado	116
Utah	4, 874
Nevada	66
California	524
Oregon	1, 399
Washington	1, 802
Idaho	7, 391

Reclamation has provided homes and a livelihood in town and country for 500,000 patriotic American citizens.

It sustains 879 schools, 649 churches, and 247 banks, with deposits of $144,000,000.

It has put $500,000,000 on the tax rolls.

It creates wealth to the extent of $131,000,000 annually and distributes 50 cents out of every dollar among all the States east of the Rocky Mountains.

It employs labor and adds to its purchasing power everywhere.

It helps the farmers of the Central and Eastern States, who supply the breakfast foods, pancake flours, sirups, canned goods, and other daily needs of the irrigation farmer.

It also helps the eastern farmers because they must feed the hordes of workmen in eastern mills that supply our wants.

It pays many millions annually to every railroad in the United States and contributes largely to the success of our transcontinental lines.

It has produced tens of thousands of Federal income-tax payers who help to carry the tax burden for the whole country.

It asks no gifts from the Federal Treasury, but repays to the Treasury all that it borrows. Reclamation farmers have already repaid more than $16,000,000 on construction charges. In this respect it differs from the appropriations or donations from the Federal Treasury for river, harbor, and every other development undertaken by the Federal Government, none of which are ever repaid.

It has converted every thorough investigator, however prejudiced he may have been against reclamation. It invites all who may not be kindly disposed to come and see for themselves, knowing full well that those who come to scoff will remain to praise.

Again we ask, Has the Federal reclamation policy been a success?

Whom has it benefited?

In 1920 there was shipped into the Salt River Valley project in Arizona 7,935 cars of freight as indicated on this chart from—

Michigan	337
Wisconsin	213
Illinois	457
Indiana	104
Ohio	225
Iowa	36
Missouri	218
Kansas	195
Nebraska	33
Oklahoma	193
Arkansas	26
Tennessee	18
Georgia	3
Alabama	22
Louisiana	12
Texas	981
Kentucky	32
West Virginia	18
Pennsylvania	39
New York	67
Massachusetts	12
Connecticut	7
Maine	3
New Jersey	18
Maryland	4
Mississippi, Florida, Virginia, New Hampshire (each)	1
Minnesota	40
North Dakota	1
Wyoming	43
Colorado	142
New Mexico	564
Utah	46
Idaho	48
Montana	6
Washington	114
Oregon	502
Nevada	9
California	2, 897
Arizona	206

Without irrigation these lands would have remained as barren as when the first white man stepped foot on this Continent. Not one single car of freight would have been gathered and transported here from the factories, farms, and mines of any or all the States of the Union.

The figures just quoted amply justify the assertion that our Federal reclamation policy is a success, and that every State from the Atlantic to the Pacific and from Canada to the Gulf is benefited.

There are 17,000,000 acres of unreclaimed irrigable lands in the West.

The question I ask you, my colleagues, is, Shall it be throughout the ages drifting sands or production, homes, and markets? [Applause.]

Mr. HUDSPETH. Mr. Chairman, will the gentleman yield there for a question?

Mr. SUMMERS of Washington. Yes.

Mr. HUDSPETH. Do those 17,000,000 acres include Government land generally or just arid lands? In my State we have no public lands, but we have millions of acres of unreclaimed land.

Mr. SUMMERS of Washington. It includes all lands that can be profitably irrigated. [Applause.]

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

Mr. TAYLOR of Colorado. Mr. Chairman, will the gentleman yield back the remainder of his time?

Mr. SUMMERS of Washington. Yes; I yield back the remainder of my time.

The CHAIRMAN. The gentleman from Washington yields back eight minutes.

Mr. TAYLOR of Colorado. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from Colorado asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. SUMMERS of Washington. Mr. Chairman, I make the same request, that I may extend my remarks in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. MURPHY. Mr. Chairman, I yield 20 minutes to the gentleman from Minnesota [Mr. KVALE].

The CHAIRMAN. The gentleman from Minnesota is recognized for 20 minutes.

Mr. KVALE. Mr. Chairman, there is one question in which I am interested more than in any other for the present, and that is the problem of relief for the farmer, especially the farmer of the Northwest. I hope to have a word to say on that subject later on, if the opportunity is given me, when the Committee on Agriculture is ready to report. But after having listened, and with a great deal of interest, to the many addresses in this House on the subject of prohibition and law enforcement—addresses by pronounced wets and pronounced drys—and waiting in vain to hear discussed what I firmly believe to be the crucial point of the question and the main reason for the utter disregard for the eighteenth amendment so prevalent to-day, I have decided I could hold my peace no longer.

And this will have to be my apology for breaking one of the sacred traditions of this body, a tradition which I assure you I respect, to wit, that a freshman at this institution must wear his green cap for a certain length of time. So if you will pardon this one little exception, I am perfectly willing to wear mine the allotted and prescribed time, whatever that be.

Mr. Chairman, I have introduced a bill which reads as follows—and let it be said at the outset that this bill is not fathered by or sponsored by the Anti-Saloon League; nor do I look to that source for any support for it; it is too dry and too progressive for that organization, or perhaps I should say for the leaders in that organization.

Mr. NELSON of Wisconsin. I ask that the Clerk read the bill.

The CHAIRMAN. Without objection, the Clerk will read the bill in the gentleman's time.

The Clerk read as follows:

A bill (H. R. 5192) supplemental to the national prohibition act.

Be it enacted, etc., That the words "person," "liquor," and the phrase "intoxicating liquor," when used in this act, shall have the same meaning as they have in Title II of the national prohibition act.

SEC. 2. That every person or persons holding intoxicating liquors for personal use, under the provisions of the national prohibition act, shall hereafter be required to list the same for taxation on the 1st day of January of each year, said list to be filed with the collector of internal revenue for the district in which said person or persons reside. Such lists shall state the names of the various liquors on hand, with the quantity of such liquor and the alcoholic content. Such lists shall be open for inspection by the public.

SEC. 3. Every person or persons having on hand intoxicating liquors, scheduled as provided in the foregoing section, shall pay annually a graded tax on the same, as follows: $10 per gallon on each gallon of alcohol or less contained in such liquors; a surtax increasing at the rate of $1 per gallon for the second gallon, $2 per gallon for the third gallon, and continuing at the same rate of increase for the quantity on hand.

SEC. 4. Every person or persons having on hand intoxicating liquors taxable as provided in the preceding section shall pay the said tax at the same time the income taxes are paid and on the same conditions.

SEC. 5. The revenue officers of the Government are hereby authorized and required to collect the tax above provided for under the same penalties as are provided for the collection of income taxes.

Mr. BLANTON. Will the distinguished gentleman from Minnesota yield?

Mr. KVALE. When I am through with my remarks.

Mr. BLANTON. I mean at this point as to that bill.

Mr. KVALE. When I am through with my remarks I will cheerfully yield.

The CHAIRMAN. The gentleman declines to yield at this time.

Mr. KVALE. Mr. Chairman, the national prohibition act, sometimes erroneously and ridiculously named after a man who never in all his life had given the saloon or the liquor traffic any cause for worry—that act, framed by lawyers of the Anti-Saloon League, was so framed, and has so operated since its enactment into law, as to be a law for the poor and a privilege for the rich. [Applause.]

I appreciate the fact that the Members of the Sixty-sixth Congress who voted for this law did so firmly believing that it really would bring prohibition, and having the fullest confidence in those who originally drafted the bill and laid it before the committee to be reported to the House. But the law in operation has belied its promise. And why?

Let us glance hastily at some of the provisions of the law. In Title II, section 1, we read:

* * * The word "liquor" * * * shall be construed to include * * * wine * * * containing one-half of 1 per cent or more of alcohol by volume fit for use for beverage purposes. * * *

In section 6:

No one shall manufacture * * * any liquor without first obtaining a permit from the commissioners so to do. * * *

In section 21:

Any room, house, building, boat, vehicle, structure, or place where intoxicating liquor is manufactured * * * in violation of this title * * * is hereby declared to be a common nuisance, and any person who maintains such a common nuisance shall be guilty of a misdemeanor, and upon conviction thereof shall be fined not more than $1,000 or be imprisoned for not more than one year, or both.

In section 29:

Any person who manufactures * * * liquor in violation of this title shall for a first offense be fined not more than $1,000 or imprisoned not exceeding six months, and for a second or subsequent offense shall be fined not less than $200 nor more than $2,000 and be imprisoned not less than one month nor more than five years.

According to this law, then, anyone who makes a gallon of grape wine containing more than one-half of 1 per cent of alcohol by volume is to have his house and home confiscated and may be fined $1,000 and imprisoned for one year. And if he makes a gallon of wine a second time he may be fined $2,000 and sent to prison for five years.

I am not objecting to these provisions, Mr. Chairman, drastic though they be when compared to the punishment meted out for the infringement of other laws equally sacred. The basis for my objection is the presence of a colored gentleman in the woodpile. And I need no legal searchlight or microscope to discover said gentleman safely and snugly tucked away in the apertures of section 33. The first half of that section reads as if this were a real prohibition law, for it really prohibits. Listen to this:

SEC. 33. After February 1, 1920, the possession of liquors by any person not legally permitted under this title to possess liquor shall be prima facie evidence that such liquor is kept for the purpose of being sold, bartered, exchanged, given away, furnished, or otherwise disposed of in violation of the provisions of this title. Every person legally permitted under this title to have liquor shall report to the

commissioner within 10 days after the date when the eighteenth amendment of the Constitution of the United States goes into effect the kind and amount of intoxicating liquors in his possession.

It makes the society toper shudder. But—let him allay his fears. For there is a "but." There is a second half to this wonderful section 33. At the reading of the law up to this point the millionaire stands aghast, wondering if the world has suddenly come to an end before his very eyes. At any rate, the world in which he cares to live is no more. When, all of a sudden, the author of the national prohibition act winks at the millionaire and beckons him into another room. That other room is the second half of section 33. That second half shelters more colored gentlemen than all of the Southern States and Africa combined.

But it shall not be unlawful to possess liquors in one's private dwelling * * *.

Ah, that one word "liquors." What a different sound it has here. What a boon to the parched throat. Unqualified as to quality, save and except that it shall contain not less than one-half of 1 per cent nor more than 100 per cent of alcohol by volume. Unqualified as to quantity, limited only by the extent of room in the millionaire's cellar or cellars, his purse, and his appetite. What a ray of light in the dark gloom of the national prohibition act. Read it again, O favored millionaire; lick your chops and slake your thirst.

* * * But it shall not be unlawful to possess liquors in one's private dwelling while the same is occupied and used by him as his dwelling only. * * *

But he may, and as a matter of fact does, have several such "dwellings"—by courtesy called "home"—one in New York, Philadelphia, Washington, or Pittsburgh, as the case may be, and another in Newport or Atlantic City, or both.

* * * And such liquors need not be reported. * * *

No stronger guard could have been placed, no more impenetrable wall of protection could ever have been built around the Newport and Atlantic City whisky cellars than this part of section 33—"such liquors need not be reported." I could believe this part of the law to have been penned by the gentleman sometimes credited with the authorship of the whole law.

* * * Provided such liquors are for use only for the personal consumption of the owner thereof and his family. * * *

Meaning thereby, presumably, his children, his children's children and great grandchildren, his uncles, and all his cousins to the nth degree.

* * * And his bona fide guests. * * *

Ah, yes. Not only the millionaire's family in all its ramifications, but his guests. Again no limitations. That word includes all nations and kindreds and tongues, the grand hailing sign of distress serving as the password. And pray do not overlook the "bona fide" qualifications. Indeed, if rumor is to be credited, very often these bone fide guests are transformed into Fido guests, rolling under the table with the other Fidos. Oh, the damnable hypocrisy of it all!

According to the national prohibition act, a person may have all the liquor he wants, and may invite all his friends and give them all they want, all they can hold, and all be perfectly respectable, law-abiding citizens, provided only that he had money enough to fill his cellar, all his cellars, with high-priced liquors prior to the enactment of this law. And so we are witnessing the spectacle of many of our so-called "better class" of people wallowing in liquor because they had money enough to provide the wherewithal for the wallowing, and the poorer class denied what many of them consider a highly prized privilege of the rich alone. Money provides the whisky bath; the law provides the immunity bath.

I am not a lawyer. I do not claim to be deeply versed in the technicalities and the fine points of law. But I do claim to know a little about principles, and morals, and ethics. And I protest that it is a mighty low standard of ethics that makes it perfectly legitimate and lawful for the millionaire and his children and children's children to guzzle down all the liquor demanded by the animal in them and at the same time makes it a crime for the man in overalls to make a gallon of wine. Any law that makes a coveted privilege of the rich man a crime for the poor man is a travesty on justice and a farce.

And this is one of the main reasons for the utter disregard for the eighteenth amendment and the national prohibition act. The poor man who wants his liquor knows that he can not have it because he does not or did not have the money. And it engenders resentment on his part. He also believes that in a great many cases the rich man, who enjoys all these liquor privileges because of his money, stole that money from him. And it makes him doubly resentful. And then some people think they can compel a man by brute force to obey a law which he considers a flagrant and glaring injustice. I pity the man who has no better knowledge of human nature.

We have endeavored to enact into law a double standard of morality—one for the rich and another for the poor. And this is in perfect harmony with our attitude toward other problems. The first amendment to the Constitution is trampled upon by men in high places. And then we expect men in the lower strata of life to respect other amendments.

We grab an ex-service man and send him to prison for stealing a can of beans to allay his hunger; and the profiteering millionaire, who made his millions out of the suffering and the starvation of the poor soldier, goes scot-free, and may even occupy a front pew in some of our so-called Christian churches. And then, with sanctimonious unction, we deplore the disregard and disrespect for law. To me it is a God's wonder that there still are so many people in the United States who have respect for the law, for any law.

I am speaking, you will note, not from the viewpoint of the skilled lawyer but from the layman's point of view. The poor man feels that morally he has as great a right to his liquor as has the rich man, and that having the liquor before the law went into effect or making it after the law was placed on the statute books is all one and the same. And, barring technicalities and quibbling, what are you going to answer him?

I do not want to see the eighteenth amendment repealed. I hope to God it never will be. And I will oppose the repeal of it with whatever strength I have as long as I live. But I also want to say, parenthetically, that I consider it nothing short of bigotry to call a man un-American and a nullificationist because in a perfectly legal and constitutional way he wants to repeal this amendment, or any other amendment which he believes to be against the best interests of the Nation.

But, opposed as I am, unequivocally, to a repeal, in part or in whole, while I am neither a prophet nor the son of a prophet, I can foresee, and it seems to me any man using his reason should be able to see, that in the not distant future the American people will rise in their might and demand a repeal of it as the only possible escape from the abominable hypocrisy connected with the present enforcement of the law—if that hypocrisy shall continue.

The statement has been made on the floor of this House within the last week, and I have not seen anyone rise to deny the truth of the statement, that you can buy all the liquor you want if you only have the money. Yes, money, money, money; that is the deciding factor always.

I can not speak from experience; I have not bought; I have not tried to buy as much as the half pint which the law allows you to buy on a doctor's prescription, and every 10 days at that. Yet what I see all about me, what I hear, and what I read convinces me of the truth of that statement. And the average man throughout this whole country knows this to be the case. And he also knows, untutored though he be, that there is such a thing as obeying the letter, the technicality of the law, and at the same time violating the spirit of the law. Which is the worse? I know, and you know, which of the two is the greater offense before the bar of eternal justice. And I believe that even before the bar of public opinion the violation of the spirit of the law is the greater crime.

Now, I care not one whit for the loopholes provided by the technicalities of the national prohibition act. The spirit of the law is prohibition, pure and simple, for the rich and poor, for high and low. That was the intent and purpose of the people of the United States when in the manner prescribed by the Constitution itself they made that law a part of our Constitution.

But what we do have is worse than a farce. It is the greatest tragedy ever witnessed in civilization. A greater American than any now living has said that this Nation can not endure half slave and half free. No more will this Nation endure half wet and half dry. I leave to pens and tongues more able than mine to describe the ravages of liquor. My point is that these conditions are undermining our Constitution and, like a cancerous growth, eating away the very vitals of our laws and our Government.

The CHAIRMAN (Mr. TEMPLE). The time of the gentleman from Minnesota has expired.

Mr. KVALE. May I have one minute more?

Mr. CARTER. I yield the gentleman five additional minutes.

The CHAIRMAN. The gentleman is recognized for five additional minutes.

Mr. BLANTON. Now, will the gentleman yield?

Mr. KVALE. I will when I am through with my remarks.

By the manner in which we are to-day enforcing, or rather failing to enforce, the eighteenth amendment we are breeding a nation of hypocrites. And God pity the offspring.

Nor is the lay mind capable of understanding why foreigners sojourning in our country and newcomers still owing allegiance to other governments should be accorded privileges denied to citizens of the United States, or should have a curse heaped upon their heads from which citizens of the United States are shielded, all depending on your viewpoint. I am not discussing international law. I cheerfully leave that to the numerous and ubiquitous lawyers in our country.

But the average man questions the right—law or no law—of allowing the representatives of a foreign government to bring shiploads of liquor to these shores when another man is sent to jail for bringing a bottle of it in his pocket, all because he happens to be an American citizen. If there be such an international law or custom or what not, then all the worse for the law. I protest again that accepted standards of ethics demand that such a custom be obliterated. And, if it is not, it will in the course of time obliterate the eighteenth amendment.

We read about our ambassador to Great Britain on state occasions doffing his American garb, and harking back to the days of his childhood, appearing in knickerbockers at the Court of St. James. If our ambassadors are expected to become English, or French, or Polish in their customs and their costumes while abroad, may we not look for the same courtesy on the part of the representatives of other nations while domiciled within the confines of this Nation's Capital?

When the Turkish Government was represented here at Washington did the ambassador keep a harem at the embassy? Did he have 75 or 100 wives with him? If not, then why not? You say because it would have outraged the decency of American manhood and womanhood. Quite so. I say it outrages the decency of every law-abiding American to see foreigners on our shores flouting a law which an American citizen is expected to obey.

My plea, then, is to so amend the national prohibition act, or any other act touching the subject, as to make prohibition effective not only for the poor but for the rich as well, and then enforce it. Then, and not until then, have you any right to expect of the poor man that he shall respect the eighteenth amendment. You never can allow the millionaire to have all the liquor he wants and at the same time compel the man in overalls to obey the eighteenth amendment. It can not be done.

Mr. BLANTON. Will the gentleman yield?

Mr. KVALE. Cheerfully.

Mr. BLANTON. Will the gentleman give us some idea about the amount of liquor he thinks the millionaires have in their cellars?

Mr. KVALE. I have not visited any cellars that belong to the millionaires, and I do not know except from hearsay.

Mr. BLANTON. What is the gentleman's idea about it? The gentleman is seeking to tax this storage capacity, and the gentleman must have some idea about how much he thinks is in the cellars of the millionaires. How many gallons does he think the greatest contain?

Mr. KVALE. I believe the gentleman from Texas would be able to enlighten this House better than I can. [Laughter and applause.]

Mr. BLANTON. The gentleman from Texas is not seeking to tax it; he is seeking to take it out of their cellars and pour it into the Potomac River. I am not seeking to tax it, but if the gentleman from Texas had sought to tax it he would be able to tell about how much revenue would probably be obtained from that system of taxation.

Mr. KVALE. I shall be very much indebted to the gentleman from Texas if he will enlighten us on that subject. I confess I do not know.

Mr. BLANTON. I will try to do so in a moment.

Mr. BERGER. Will the gentleman yield?

Mr. KVALE. I will yield to the gentleman from Wisconsin.

Mr. BERGER. The gentleman from Minnesota is not of the opinion, I hope, that we can enforce any law against the habits and customs of a nation. In other words, every law must be based upon the customs of the people. If a law is made which is against popular customs it can not be carried out. Is that your opinion?

Mr. KVALE. My opinion is that the majority should rule; and if the majority says a law shall stand on the statute books, I want that law enforced.

Mr. BERGER. If the gentleman from Minnesota will permit me, I got the impression from the gentleman's speech that prohibition, at least the Volstead law, is a capitalistic contraption, because it has different provisions for the poor than for the rich.

Mr. KVALE. The gentleman has rightly understood me.

Mr. BERGER. Who do you think—and I am just asking for the gentleman's opinion—is furnishing the funds for the Anti-Saloon League at the present time?

Mr. BLANTON. The citizenship of America.

Mr. BERGER. Well, I belong to the citizenship of America, but I have not furnished a cent.

Mr. BLANTON. There are men on the floor of this House who have furnished some of the funds.

Mr. BERGER. And there are a great many who have not furnished any. I do not think the gentleman from Oklahoma [Mr. CARTER] has contributed.

Mr. KVALE. I can not answer the question of the gentleman from Wisconsin [Mr. BERGER] except to this extent, that in times past I contributed to the funds of the Anti-Saloon League, but in later years I found that the Anti-Saloon League was simply, so far as my knowledge of it goes in the States of Wisconsin and Minnesota, an adjunct of the reactionary Grand Old Party. [Laughter and applause.]

Mr. BERGER. Will the gentleman yield to me for one more question?

Mr. KVALE. I will.

Mr. BERGER. Is it not a fact that there is more drunkenness at the present time—I am speaking from observation—that is from what I have seen in Chicago, New York, and Philadelphia [laughter]; for I have never been drunk in my life and never expect to be—is it not a fact that there is more drunkenness at the present time than there ever has been before?

Mr. KVALE. I do not believe it. I believe there is less drunkenness now.

Mr. BERGER. I can say there is more, with this difference, they are drinking poison now instead of liquor.

The CHAIRMAN. The time of the gentleman from Minnesota [Mr. KVALE] has expired.

Mr. CARTER. I yield five minutes to the gentleman from Texas [Mr. BLANTON].

Mr. NELSON of Wisconsin. Mr. Chairman, I ask unanimous consent that the gentleman from Minnesota [Mr. KVALE] may extend his remarks in the RECORD if he desires.

Mr. KVALE. I thank the gentleman, but I do not desire to submit anything further. Let them go in as they are.

Mr. BLANTON. The distinguished gentleman from Minnesota [Mr. KVALE] denominates the Volstead law as a wide-open farce passed for the benefit of the rich. He denounces Mr. Volstead as not a dry, but a tool of the rich drys.

Mr. KVALE. Will the gentleman yield? I have not mentioned the gentleman's name in this House.

Mr. BLANTON. But we know of whom the gentleman was speaking when he was addressing us. The gentleman from Minnesota claims to be a better prohibitionist than the former chairman of the Judiciary Committee.

Mr. BERGER. Well, he is. [Laughter.] Mr. KVALE is more consistent.

Mr. BLANTON. Let us see if he is. He admits Volstead took liquor from the poor. He says he does not want the rich to have liquor in their cellars untaxed, because the poor man has not any. What method does the distinguished minister from Minnesota offer to take the liquor out of the millionaire's cellar? He provides in his bill here—and we may presume it is the best he has to offer, because when a man offers a bill it must be the best legislation that he has in his system——

Mr. KVALE. Will the gentleman yield?

Mr. BLANTON. In a moment. What method does he offer to take the liquor out of the millionaire's cellar? In his bill he proposes "to put a tax of $10 a gallon on the first gallon, $11 on the second, $12 on the third, and $1 extra on each succeeding gallon." That is his method.

Mr. KVALE. Will the gentleman yield just a moment?

Mr. BLANTON. I want to answer the gentleman first, and then I will yield. That is his method. The gentleman from Minnesota thinks that taxing his liquors will relieve the millionaire of the privilege of having liquor in his cellar when the poor man has none. What would that tax mean to the millionaire? What would that tax amount to? Would it stop the hoarding of liquor in their cellars? The gentleman from Minnesota proposes that millionaires should make a report on the first day of each year as to how much liquor they have on hand. Could they not do concerning liquors on the 1st of January like people do with respect to their intangible assets? Could they not move the liquor out of their cellars shortly before making their report? The little tax they would pay under the gentleman's bill to this Government would be a mere bagatelle to the millionaire. It would not stop him from hoarding a single pint or any number of gallons. Suppose they had a hundred

gallons or 200 gallons or 500 gallons or even 1,000 gallons, what would the proposed tax amount to when paid by a millionaire? What would it mean to them? Why, they spend more than the tax would amount to on one little golf tournament down in Florida during the winter months or one little pleasure trip on a yacht. It would amount to nothing. The millionaire, my dear brother from Minnesota, would pay the little tax and still have his liquor in his cellar and your poor men in Minnesota who sent the gentleman here to dry this Nation would still be clamoring at him for not having done what he proposed to do, and when he reports to them on his return they might send somebody here dryer than even Mr. Volstead's successor, after the next election, to bring about something that he does not propose to bring about in his present bill. Now, I yield to the gentleman.

Mr. KVALE. The gentleman says it is the best I have to offer. I will answer that by saying it is the best I hope to see passed in this House; and if the gentleman from Texas can bring before this House a measure that will empty the cellars of the millionaires, I will support him.

Mr. BLANTON. The gentleman is a new Member, but he ought to keep up better with the proceedings of Congress. If the gentleman will inspect the RECORD, he will find out that last week the gentleman from Texas introduced a resolution in this House that called attention to the fact that every executive officer of this Government, every member of the judiciary, every Senator and every Representative, every officer and enlisted man of the Army, Navy, and Marine Corps, and every other employee of this Government was under oath to support and defend the Constitution and the laws of this Government. I proposed in that resolution that every single one of them who conspired with the bootleggers, the criminals of the land, to break our law should be put out of public office. There is a measure that would clean the Government. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. BLANTON. Please yield me five minutes more.

Mr. KVALE. What does all that have to do with the millionaire's cellar?

Mr. CARTER. I yield the gentleman five minutes more.

Mr. BLANTON. If the gentleman from Minnesota had looked into the RECORD a little closer, he would have seen I did not stop there. I introduced another resolution, calling attention to the fact that it was impossible for our Government or any other Government to punish the ministers of foreign countries for violations of our law; but I called attention to the fact that in this day and time every civilized country of the world under international law recognized the fact that ministers should obey the law of the country to which they were accredited; and if we could not punish them, I called attention to the fact that whenever they violated our laws we could declare them persona non grata to our Government and our Secretary of State should hand them their passports and they should be returned to their respective governments. That was another measure I proposed.

Mr. BERGER. Will the gentleman yield?

Mr. BLANTON. In a moment. If the gentleman had gone further in investigating the CONGRESSIONAL RECORD, he would have seen that the gentleman from Texas has introduced another resolution for consideration by the gentleman and the other Members of this House, wherein I called attention to the fact that with our great coast on the East, the Atlantic, and our great Pacific western coast and the miles of border between the United States and Canada and the 1,900 miles of border between us and Mexico, counting the sinuosities of the Rio Grande River, with police authority alone it is impossible to prevent the smuggling of aliens and narcotics and intoxicating liquors into this country; and I called attention to the fact that we should turn over to the President of this Nation the Navy [laughter], and I am for it; I am in favor of giving him everything he wants to uphold our Constitution. Oh, the greatest man in the United States just now is not the man in the White House. It is the son of our distinguished colleague Mr. BUTLER, the son of this worthy old soldier, who, in Philadelphia, single handed, is cleaning up that city like it has never been cleaned before. [Applause.] I take my hat off to Gen. Smedley Butler, and the best people of this Nation are behind him.

The President should have the Navy. Why should not he have it? If we would say to the smuggling criminals of the world the President has the Navy and will use it, it would strike terror into the hearts of every one of them and they would stop that smuggling and that violation without the firing of a gun. They are afraid of the Navy. They are afraid of Smedley Butler, the great marine fighter, the leader of the Marine Corps of the United States. That is why he is now doing such good work in Philadelphia.

Mr. BERGER. Will the gentleman from Texas yield?

Mr. BLANTON. Yes.

Mr. BERGER. Does the gentleman from Texas believe that we can enforce any law against the habits and customs of a nation?

Mr. BLANTON. Yes; this Government enforced the abolition of slavery against the South.

Mr. BERGER. But that was no habit. Slavery was an economic institution, which did not fit modern times.

Mr. BLANTON. It was at least a custom.

Mr. BERGER. Nor was it a custom.

Mr. BLANTON. It was enforced against, though previously created by, a law of the Nation.

Mr. BERGER. Yes; and we had four years of civil war to do so. Do you want a civil war to enforce this?

Mr. BLANTON. No; and there would not be any, for there is only a little handful, comparatively, of these Constitution breakers after all.

Mr. BERGER. A little handful in Congress. [Laughter.]

Mr. BLANTON. There is only a little handful anywhere who do not believe in obeying the Constitution, the fundamental law of the land. Every good citizen believes in upholding it. The gentleman says that the rich man can have all he wants and the poor man can not manufacture a little wine. I want to ask the gentleman from Minnesota to go to the gentleman from Maryland, our distinguished colleague from Maryland, Colonel HILL, of Baltimore, and he will find out that even a rich, influential Congressman, a former colonel in the United States Army, can not make wine even in Baltimore, the wettest place on earth, because the Government stopped him, sealed up his wine-press cellar, and said you can not go any further than the poorest man in Minnesota.

Mr. BERGER. Yes. Colonel HILL invited the officers to come and take it.

Mr. BLANTON. There may be judges in Wisconsin and Minnesota who think like the two gentlemen, but even you two gentlemen are as divergent as can be. The gentleman from Minnesota [Mr. KVALE] believes in the supremity of the Constitution, while the gentleman from Wisconsin [Mr. BERGER] believes more in expediency, as to whether or not he shall uphold it altogether. We do not want any expediency when it comes to the fundamental law of the Nation. [Applause.]

The CHAIRMAN (Mr. TEMPLE). The time of the gentleman from Texas has expired.

Mr. CRAMTON. Mr. Chairman, the gentleman from Oklahoma [Mr. CARTER] has kindly yielded me three minutes, as my time has been promised to other gentlemen. We have been specially interested in the speech of the gentleman from Minnesota [Mr. KVALE]—we may as well be frank about it—for the reason that he succeeds in this House Mr. Volstead, who, as chairman of the Committee on the Judiciary, performed a lasting national service in his handling of the drafting and passage of the Volstead Act. The gentleman from Minnesota comes now into the House as his successor, and the House has been especially interested to know wherein the present Representative from the district differs from his predecessor.

I do not propose now to argue any of the statements made by the gentleman from Minnesota. The gentleman from Wisconsin [Mr. BERGER] and myself are alike in this, and I think it is the only thing we are in accord about, and that is each of us finds something in the gentleman's speech with which he heartily agrees and much more with which he heartily disagrees. I do not propose to argue any matters in which we disagree. It seemed that I might clarify the atmosphere a little and find out what the gentleman's speech is about. The gentleman has mostly devoted his speech to the difference in opportunities between the millionaire and the ordinary man. I will not discuss how many more ordinary men there are than millionaires, but the chief point made in the gentleman's speech was that the millionaire has an opportunity to have liquor in his cellar while the poor man does not. I find nothing in the law as to the rights of one man over that of another as to what he may have in his cellar. I realize that when it comes to paying for it one has an advantage over another. I have always thought that the man who did not have anything to pay for it with was as well off as he who could get it and went and got drunk, but that is apart from the question. The law does not make any distinction.

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

Mr. CARTER. Mr. Chairman, I yield to the gentleman from Michigan three minutes more.

Mr. CRAMTON. I am glad the gentleman from Minnesota [Mr. KVALE] is here, because if I have come to a wrong conclusion I want to be corrected. I was uncertain for a time whether the gentleman from Minnesota was advocating having less in the cellars of the rich or more in the cellars of the poor. In other words, whether he was against the wine now in the cellars of the rich or wanted to increase opportunities for beer and wine in the cellars of the poor; and I would be glad to have the gentleman make a direct answer as to what he has in mind.

Mr. KVALE. I thought I had made myself clear.

Mr. CRAMTON. I think the gentleman did, and I came to the conclusion that he wanted to abolish the wine that is in the cellars of the rich.

Mr. KVALE. Then, may I suggest that it is rather unfair to insinuate that I had meant anything else.

Mr. CRAMTON. Oh, I try always not to be unfair, and hence I have taken pains to give the gentleman opportunity to correct me if wrong.

Mr. KVALE. And may I add also that I am opposed to the introduction again of wines and beer. I want it taken away from the rich and not only from the poor, as at present.

Mr. CRAMTON. We are getting together right along. That makes that clear. The remedy of the gentleman is to get the wine out of the cellars of the rich, rather than to put the wine into the cellars of the poor. The purpose of my taking the floor is to call the attention of those gentlemen who most heartily applauded the speech of the gentleman from Minnesota—and I notice that they are those who are to-day seeking to bring about an opportunity for the sale of beer and wine in this country—to the fact that they applauded the wrong man, for it developes he is not with them on beer and wine. Then, suppose the gentleman from Minnesota [Mr. KVALE] prevails in his program to drive beer and wine out of the cellars of the rich and the poor, and these gentlemen who applauded him bring back the sale of beer and wine, together with their protest that we are to have no saloons, then where is the man going to drink his beer and wine? If he can not drink it in the home or in the cellar and there is no saloon where he can drink it, then of what avail is it to bring it back? I merely rose to call attention, in a more or less obscure situation which seems to have arisen, to the very incongruity of the whole proposition.

Mr. KVALE. Permit me to say that the drys did applaud, all except officials of the Anti-Saloon League.

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

Mr. CARTER. Mr. Chairman, I yield 20 minutes to the gentleman from Georgia [Mr. LARSEN].

Mr. LARSEN of Georgia. Mr. Chairman, we have spent about 30 minutes here listening to gentlemen who say that they have introduced resolutions and having them tell us what splendid provisions are embraced in those resolutions. As a humble Member, who has had some rather sad experience during the past two years with resolutions, I suggest to these gentlemen who are so deeply interested in their resolutions now pending that unless the personnel of the new Rules Committee has changed recently the probabilities are that they will not be able to get much action, except such as they make for themselves. While upon this subject I am reminded of the fact that next Monday is the day set apart by this body for the consideration of a revision of the rules, and I sincerely trust that the service to be performed by the House at that time may be productive not only of advantages to the deliberations and actions of this body but also of the country at large.

Some two years ago I introduced a resolution providing for an investigation of the Veterans' Bureau. That was in March, 1922. Not long after that the gentleman from Virginia [Mr. MOORE] introduced a resolution asking for an investigation of the Bureau of Printing and Engraving. What became of those resolutions? Notwithstanding our persistent activities for nearly two years, the resolutions slept with the committee, then died, and were finally buried at the end of the Congress. The Treasury Department has recently indicated that those men who were discharged from the Bureau of Printing and Engraving were done an injustice. If they were done an injustice, it was done a year and a half ago. Some of them since that time have gone to the great beyond. Others have been forced into employment in various industries throughout the country, and some of them have been forced to go to foreign lands in order to pursue their usual vocation. If these employees were done any injustice, as indicated by the Treasury Department, which is certainly in a position to know, because the bureau comes under that department, who is responsible for it? I answer that by saying the Committee on Rules. One of the things that I contended that occurred under the reorganization of the Veterans' Bureau was that it had resulted in the employment of some 4,000 more people in the Government service than had been in the Government employ before that time; that these employees have been transferred from the Public Health Service and the country had been led to believe that we were reducing the number of employees, but that each and every place was filled in the Public Health Service and that in point of fact the result was we were taking on employees instead of discharging them.

In the resolution which I introduced at that time, I asked that an investigation be had to determine as to the efficiency of the service being rendered by the bureau, and that a general, sweeping investigation along all those lines be had. What became of it? The distinguished chairman of the Rules Committee pocketed the resolution and no man has ever been able to get any action from him.

Mr. MOORE of Virginia. Does the gentleman know of any resolution asking for an investigation, introduced by a Democratic Member of the House, ever being considered by that committee and reported out?

Mr. LARSEN of Georgia. I do not think it was considered by anyone except the chairman, and he considered it just long enought to pocket it. The Democratic members were deprived of opportunity to consider them or report them out.

Mr. MOORE of Virginia. There never was any effective report which led to action on any of the resolutions that were sent to that committee from the minority side, was there?

Mr. LARSEN of Georgia. Not once, so far as I know.

Mr. MOORE of Virginia. And they might just as well have been consigned to the morgue of the District of Columbia.

Mr. LARSEN of Georgia. I think that is a very proper observation. I hope that after next Monday we may have a revision of the rules that will make such a situation as that impossible. I called attention two years ago to the fact that there were employed in the Veterans' Bureau 4,000 more people than the service of that department of the Government needed, and I asked for an investigation to ascertain why they were needed. What did that mean? Some may say that it did not mean much. I call attention to the fact that 4,000 employees in the Veterans' Bureau, at an average salary of $1,500 a year, which is about the average salary, would amount to something like $6,000,000. Was that worth looking after? Finally, when I was unable to procure an investigation through the Committee on Rules or any other committee of this House, I was forced to seek assistance of the Senate. That is a very disagreeable thing to do and a condition that ought not to prevail in this House at any time.

The House of Representatives is supposed to be the popular branch of this Government. We come fresh from the people and represent the humble citizen throughout this country. It ought not to be said that the House of Representatives will not function when a matter of investigation in which the people of the country are vitally concerned is at stake. And yet that is the condition that we were placed in. I had to get a Senator to introduce the resolution, and when we finally got it through the Senate what did the investigation reveal? One of the most shameful, disgraceful rings of conspiracy in the history of this Government, and everybody knows it.

Mr. RANKIN. Will the gentleman yield?

Mr. LARSEN of Georgia. I will.

Mr. RANKIN. We had this question up for discussion a year ago, and when several men in the House were clamoring for an investigation of the Veterans' Bureau is it not a fact that it was stated upon the floor here, and uncontradicted, that in some cities where they had these regional offices of the Veterans' Bureau they had moved out of the Government building where they were paying no rent at all and into other buildings where they were paying rent to the extent of $50,000 a year, and I wondered if that condition still prevails.

Mr. LARSEN of Georgia. I am not prepared to say just at this moment whether that exact condition prevails at this time. I trust it does not, but I am rather inclined to believe that such is not the case, but there is no doubt that a condition equally as bad as that stated by the gentleman did prevail until the investigation was had.

Mr. RANKIN. If the gentleman will yield further, in order to disabuse his mind, I will say that condition still prevails. I say that for the simple reason that I made an investigation a year ago and I found that condition prevailed in the city of New Orleans, I found that practically a similar condition prevailed in the city of Boston, I found that somewhat a similar condition prevailed in the city of New York, I found that a similar condition prevailed in every section of the

United States where these regional offices had been established, and I have learned of no change, and if it has been changed it has not been made public.

Mr. LARSEN of Georgia. I would regret very much to know those are the conditions. I had been led to believe that the new director had corrected some of those bad practices that had prevailed in the bureau, and I still believe to some extent he has, because I am informed that in reference to a number of these employees since this investigation was made and while it was being made he reduced the personnel of the Veterans' Bureau more than 2,000 members, so that in this respect the investigation itself resulted in an annual saving to the people of the country of at least $3,000,000 a year. That was the amount paid to those unnecessary employees.

Mr. KING. Will the gentleman yield?

Mr. LARSEN of Georgia. I will.

Mr. KING. I was wondering if the gentleman has lost his resolution and that he can not find it anywhere. I have had some experience along that line. I was wondering if he found the resolution if he would look and see if my resolution to investigate the Federal Reserve Board was not among the files. [Laughter and applause.]

Mr LARSEN of Georgia. If the gentleman was trying to investigate the Federal Reserve Board he was probably engaged in a very laudable undertaking. I am very sorry he did not get his investigation. I think more investigations along these lines would result in a great saving to the people of this country. [Applause.]

Mr. HOWARD of Oklahoma. Will the gentleman yield?

Mr. LARSEN of Georgia. I will.

Mr. HOWARD of Oklahoma. Did the gentleman know that recently the present director had made an investigation of the Dallas bureau by appointing three lawyers from Dallas, whose names we have been as yet unable to obtain, to investigate that bureau, and that the only matter referred to in that report was that the employees were not receiving enough salary?

Mr. LARSEN of Georgia. I did not know that.

Mr. CONNALLY of Texas. Will the gentleman yield?

Mr. LARSEN of Georgia. Yes.

Mr. CONNALLY of Texas. I want to ask the gentleman whether the Senate has been much more liberal than the House in granting investigations, notably of the Veterans' Bureau, and the same in regard to the Teapot Dome matter?

Mr. LARSEN of Georgia. Yes, and the Teapot Dome matter is another scandal that is a disgrace to the people of this country. In this connection I want to say the gentleman from Texas, to whom I just yielded, introduced last year a House joint resolution for the purpose of investigating the Veterans' Bureau. Notwithstanding he is a very distinguished and able Member of the House, the chairman of the Rules Committee pocketed it just as he would a resolution of the humblest Member. As the gentleman implied, the Senate is a great deal more liberal. I introduced a House joint resolution as I could not obtain action on a House resolution, but no action could be procured on it. The Senate, after making a preliminary investigation, recommended, as I understand, that we have a joint committee. The leadership of this House then refused or failed to participate in a joint investigation. Why, I do not know. But, gentlemen, there is another point I want to bring to your attention. The investigation has disclosed the fact that a great fraud and conspiracy was perpetrated against the Government——

The CHAIRMAN. The gentleman asked to be notified when he had five minutes remaining. The gentleman now has five minutes remaining.

Mr. LARSEN of Georgia. I thank the Chairman. It is known who the guilty parties are. Who are they? To start with, the deposed director, Forbes. Where is he? What is he doing? What has been done to him? Nothing. Why has he not been arrested? Why should he not have been arrested? Several weeks ago the press stated a grand jury would be impaneled for the purpose of investigating this matter and indicting the parties accused.

The investigating committee had sworn testimony before it. Something like 2,000 pages of sworn testimony and records of the blackest and darkest chapters in the history of this country for 25 years, so far as fraud and conspiracy are concerned, are available. Yet what are we waiting on? Under date of January 9 I addressed a letter to the Attorney General calling his attention to the fact that no action has been taken on these matters, and up to this good hour I have not yet received any reply to the letter, although, in justice to him, I should state that I called up his office yesterday afternoon on the telephone and I was told that they would try to give me an answer to-day. I also was advised about 30 minutes ago that the Attorney General's office had been calling me this afternoon. I do not know whether he propose to act or not. But he ought not, like Nero of old, to sit fiddling while Rome is burning.

One of these alleged conspirators is to-day said to be in a foreign land, probably a fugitive from justice, while a great department of the Government here in Washington sits down with 2,000 pages of sworn testimony before it and—everybody knowing that the man is guilty—does nothing. Why? Gentlemen, has it come to pass that the greatest department of this Government will not function simply because some man of prominence is shown to be a thief or a conspirator? If it has, God save the country!

Gentlemen, not only is the former Director of the Veterans' Bureau shown to have been guilty of conspiracy, but there are other parties connected with him, and if I may have the privilege of inserting their names in the RECORD I will give them just as they have been printed, which information I have already furnished the Attorney General.

I urged him to arrest Thompson-Kelly Co. Do you know who the Thompson-Kelly Co. is? Have you thought about the Thompson-Kelly Co.? Those men up in Boston and other places are supposed to be rather insignificant, but in point of fact I understand they and their associates are among the most prominent and influential men in the entire country. They ought to be arrested. Yes; and I am satisfied that if you arrest them and get them to talking, you will find out that there is somebody else in this country that is as crooked as Forbes, and you will find out that he is a big man, too.

I am fearful that is the reason why they are not yet arrested, but their prominence is a reason why they should be. If they were bootleggers or a defaulting postmaster, they would be arrested before going three blocks.

What happened to Phillips, of Georgia? He happened to own a summer home in Philadelphia. Late one Saturday afternoon last summer he went over to Philadelphia to spend a week end. The newspapers were filled with reports that he was trying to escape from the country and that the Department of Justice was seeking to arrest him. He had not been indicted. They arrested him without an indictment. But why should not the Thompson-Kelly Co., Forbes, O'Leary, and others of the alleged conspirators now be arrested also?

The CHAIRMAN. The gentleman from Georgia asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. LARSEN of Georgia. Mr. Chairman, I yield back the balance of my time.

Mr. CRAMTON. Mr. Chairman, I yield 10 minutes to the gentleman from Idaho [Mr. SMITH].

The CHAIRMAN. The gentleman from Idaho is recognized for 10 minutes.

Mr. SMITH. Mr. Chairman, a few days ago when the able chairman of the Subcommittee on Appropriations having in charge the appropriation bill for the Interior Department was presenting the facts in regard to the various items, he took considerable time to discuss the Minidoka project in Idaho. A controversy has arisen as to the meaning of certain modifications of provisions contained in a contract entered into between the Government and various irrigating projects in 1920 and a contract entered into by the Government and one large irrigation district, which comprised these various irrigation districts entered into in 1923, in connection with construction of the American Falls Reservoir. In the discussion of the matter by the gentleman from Michigan [Mr. CRAMTON] the name of Mr. R. E. Shepherd, who is the president of the American Falls irrigation district, was referred to, and the impression seems to be abroad that the chairman of the subcommittee cast some aspersions on this distinguished gentleman. I am pleased to say Mr. Shepherd is one of the most prominent citizens of Idaho, a gentleman who has many admirers all over the West, because of his probity and his integrity and the wonderful things he has accomplished for the development of the northwestern country.

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

Mr. SMITH. Yes; certainly.

Mr. CRAMTON. I am glad the gentleman has brought the matter to the attention of the House. It gives me opportunity to say that in nothing that I have said have I intended that there should be any such inference, and I do not think there has been any such inference to be properly drawn from what I have said. So far as I have any knowledge of Mr. Shepherd, he is not only a man of integrity but of high standing in his part of the country. As far as I criticized the contract in question, it has been my intention to have my criticism apply to the contract, not to Judge Shepherd nor to the district.

From my own point of view Judge Shepherd was looking out for the interest of his district, of which he was president, and I thought he looked out for it very successfully, doing only that which he had the right to do in their interest. I did feel and I do feel that there has not been sufficient care given by those charged with the administration of the interests of the Government, and, so far as our committee has been able to do it, we have been trying to look out for the interests of the Government with the same zeal that Mr. Shepherd has been looking out for the interests of the district.

Mr. SMITH. I listened to the gentleman's remarks when the matter was being discussed on Thursday last, and personally I do not think he has cast any reflection on Mr. Shepherd, or that he intended to do so, but because of the news items which were sent to some of the western papers a different impression prevails among some of the people. Mr. Shepherd, under date of the 5th instant, having read some of these items, wrote me a letter which I desire to read to the House in order that his position in the matter may be understood.

Mr. LEATHERWOOD. Will the gentleman yield?

Mr. SMITH. Yes.

Mr. LEATHERWOOD. I would like to inquire of the gentleman whether he believes the contract with the Minidoka project, which we heard referred to by the chairman of the subcommittee, is a fair contract to both the Government and the people of the State of Idaho?

Mr. SMITH. I have not read either the contract of 1920 or 1923, but in a general way I know what they contain. The supplemental contract, or the letter addressed to the Secretary of the Interior, and approved by him, is apparently misunderstood by those who are criticizing it. If you will listen to Mr. Shepherd's statement I think the misunderstanding will be cleared up:

JEROME, IDAHO, *January 5, 1924.*

Hon. ADDISON T. SMITH, *Washington, D. C.*

DEAR MR. SMITH: The present controversies over appropriations for the American Falls Reservoir are causing a great deal of uneasiness throughout southern Idaho. I am wondering whether the reports appearing in the Salt Lake Tribune and the Boise Statesman reflect the true situation. The attitude of Congressman CRAMTON toward this enterprise is hard for me to understand.

Mr. CRAMTON. Will the gentleman permit an interruption simply to say this, that the reports which have been appearing from Washington in those two papers have been grossly inaccurate as to all the proceedings of the committee in connection with this matter?

Mr. LEATHERWOOD. Will the gentleman yield?

Mr. SMITH. Yes.

Mr. LEATHERWOOD. If the gentleman who has the floor will yield, perhaps the chairman of the subcommittee will answer my question. I know nothing about the authorship of these articles, but I am interested in the statement just made by Mr. CRAMTON, of Michigan. Are all of the statements that have appeared in the Salt Lake Tribune with reference to the proceedings of the subcommittee false?

Mr. CRAMTON. I will say to the gentleman that I have not seen them all, nor have I any desire to see them all, but in those that I have seen there is a very high percentage of errors.

Mr. SMITH. Mr. Shepherd further states:

For your information I desire to briefly review the history of this enterprise in so far as the reservoir district is concerned.

The extreme water shortage of 1919, which caused a loss in the sugar-beet crop alone of over $3,000,000, led to a meeting at Idaho Falls of all the various canal companies diverting water from Snake River above Milner Dam. There were present at this meeting the officers of the United States Reclamation Service, the governor and the reclamation officials of this State, the officers and directors of practically all of the canal companies, as well as a large number of citizens directly interested in the conservation of the waters of Snake River.

At that time and for some time prior thereto Judge Richards, of Boise, and a number of others, including Mr. I. B. Perrine, had filings on the American Falls Reservoir site and were proposing to use these waters in the development of the Bruneau project. Realizing, however, that once the American Falls Reservoir was constructed and the waters definitely appropriated, there would no longer be any opportunity for the further development of existing projects or any means left whereby they might protect themselves against extreme water conditions such as the 1919 situation, these gentlemen offered to surrender their filings to the Government for the purpose of permitting the reservoir to be built by the Government and the waters of the Snake River to be conserved by it for the use and protection of all existing projects, including an extension of the Minidoka project. I do not now recall, but it is possible that you were present personally at this meeting.

At any rate, immediately following this general meeting, the Reclamation Service did prepare contracts whereby an opportunity was given the various canal companies to participate in the building of this reservoir, and practically all of the canal companies entered into such contracts excepting the north side project. The condition of this company was such that it was not prepared at that time to enter into any financial engagement and would not be able until such time as the affairs of the company were straightened out and the canal company fully vested with this property, and as soon as this was accomplished it was agreed this company would join with the others in this undertaking.

Everybody went ahead in good faith, and considerable sums of money were paid to the Government in order to initiate the work. This was early in the year 1920. I think the contracts called for the payment of $2 an acre-foot when and as called for, and which in fact became due in the fall of 1920. It is unnecessary for me to repeat the condition all of the farmers in the Snake River Valley, as well as in the country generally, found themselves in that fall. There have been but one or two occasions in my whole lifetime like it. The press was full of interviews with prominent men to the effect that this condition was but temporary and that we would soon be out of it. Therefore an extension of time was granted for one year. Meantime the Government had established an office at American Falls and was engaged in negotiating for the necessary right of way.

The fall of 1921 found the people of this valley in an even worse condition, if anything, than the fall of 1920. A large number of banks had failed meantime and we were in the midst of a very severe financial storm. Many of the canal companies felt that until the better condition came about the whole program should be discontinued. It must be remembered that the contracts with the Government provided that the interest of the several canal companies was to be paid for in cash as the work progressed, and had conditions continued as they were prior to the fall of 1920 there would have been little difficulty, as you know, in meeting the cost of this reservoir by direct assessment. The amount chargeable against the Twin Falls Canal, for instance, under the first assessment was $200,000. Under ordinary conditions prior to that time it would have been a very simple matter to have collected so small a sum as $1 per acre from the Twin Falls County farmers, but this was an impossible thing in the fall of 1921.

The Twin Falls project, to which he refers, has 200,000 acres of land actually under cultivation.

I have not before me the amount of indebtedness the banks in this territory then owed to the Federal reserve bank, but it was well over the $3,000,000 mark, and the agents of the Federal reserve bank were constantly pressing for the payment of this indebtedness. As this largely represented agricultural indebtedness, the farmers were being put to it to pay up and there was nothing left out of which to build a reservoir or anything else.

You probably know the situation of the sheepmen who are largely interested in the lands in this valley. I know of a number of very large clips of wool out of which the sheep grower realized less than 5 cents a pound. Many of them were driven to the wall and we were in about as serious plight as I ever experienced. Were the people here responsible for this condition, and had they had anything to do with bringing it upon themselves, they perhaps might not have had any right to expect aid or comfort from the outside, but our situation was not of our own making; all of which you well know.

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

Mr. SMITH. May I have 10 minutes more?

Mr. CARTER. I yield to the gentleman 10 minutes more.

The CHAIRMAN. The gentleman is recognized for 10 minutes more.

Mr. SMITH. The letter further states:

A meeting was called of all the canal companies to consider what should be done with reference to the American Falls Reservoir. It was evident that the farmers could not pay and neither could they then borrow on any short-time proposition to provide the funds to meet their contracts with the Reclamation Service. It was decided at the meeting that Mr. Swendsen and myself should go to Washington and take the matter up with Secretary Fall. This was in December, 1921, or else in January, 1922; I am not quite certain, but it was right about that time.

This we did. The immediate occasion for our going was the fact that the Government had, relying upon these contracts, negotiated with the Idaho Power Co. for such of its rights at American Falls as would be necessary for the reservoir, and that a time had been set within which this contract would have to be executed by the Government or else the entire negotiation would fail. As you know, the reservoir would be impossible unless these rights were acquired. The power

company, in turn, were in the midst of refinancing their organization, and it was necessary for them to have some definite knowledge as to what was to happen to their American Falls property.

We were aided in our efforts with Secretary Fall by Senators BORAH and GOODING, as well as by Director A. P. Davis and others. While Secretary Fall was very sympathetic, and fully appreciated the situation, he felt that he was powerless to proceed with the American Falls work unless at least 1,000,000 acre-feet of the reservoir's capacity would be definitely taken by all interested. Various plans were discussed, and it was finally suggested by him that we might be able to organize a large irrigation district and finance ourselves by a bond issue, it being realized that the amount of indebtedness per acre for this purpose would be small, and he was of the opinion that the bonds of such a district would be marketable. This seemed to be the only way out of the situation, and if successful would enable those desiring to participate in the reservoir to pay their part in cash.

Mr. Swendsen and I agreed to return and present this matter to the people for their consideration. This was done, and you know of the large amount of work that was put in in devoloping this plan. The laws of Idaho are such that a large amount of time was necessarily required to create any irrigation district, and an undertaking where over 400,000 acres were all to be brought together under one large irrigation district was something never before undertaken in this State, and it was soon found that legislation would be required in order to make any such undertaking feasible. You are familiar with the tremendous amount of work that a large number of us have put in and our eventual success. The district has been organized and represents an area of which the assessed valuation exceeds $34,000,000, and the entire legality of all proceedings, including the legal liability under the contract negotiated with the Government, have all been reviewed by the lower courts and confirmed, down to the benefit assessments by which the direct liability of each acre of land in all this vast area has been fixed. The legality of all of the steps up to and including the bond issue will be reviewed by the supreme court of this State on the 17th of this month, and I am advised that we may expect a complete affirmation of the entire proceedings, so that the question of the legal existence of this district and the validity of the indebtedness it is incurring to pay for this reservoir will be forever concluded. We were led to do all this on being told by the large bond concerns who are proposing to purchase these bonds that this will very much increase their marketability and will assure us a much lower rate of interest. A difference of even 1 per cent in the rate of interest would amount to nearly $500,000 of savings during the life of these bonds.

In all this work I wish to say that we have had the hearty cooperation and good will of all the officers and attorneys of the Reclamation Service. Our work has been harmonious.

At the time I was in Washington to negotiate and conclude the contract as between the reservoir district and the Government I had confidently expected that we should be able to conclude all matters affecting the reservoir, including the purchase of such lands belonging to the Fort Hall Indian Reservation as would be flooded by the reservoir. I had been told that the Government, in anticipation of this question, had appointed a board of appraisers and advisers, who had gone over all of these lands and had determined the amount that should be paid by the reservoir district therefor. I went over this report and found that the appraised values were much higher than lands of similar character could be bought for, and I felt that the price was very favorable to the Indians. I would be glad if you would inform yourself on this branch of it. Many of these lands were actually appraised at a higher price than we are charging for lands on this project which have a fully paid water right and which are capable of higher-class farming than can be had at the elevation of these lands. However, I felt that in view of the circumstances it was better for all those interested to contribute to this price rather than dispute the appraisal.

It was expected and understood by many who participated in these negotiations that the Secretary of the Interior had the power to acquire these lands for this purpose, but when we met with the Commissioner of Indian Affairs and his assistants and legal adviser, the question was raised as to his authority, whereupon the Secretary referred the entire matter to his legal adviser, with the result that he was advised that an act of Congress was necessary. You can well imagine my surprise to find that notwithstanding all that had gone before, and all of the efforts and hard labor that we had all expended in this matter, there was this uncertain factor, and I did not feel that this district should be called upon to actually sell its bonds and create this large indebtedness until this question was cleared up.

Inasmuch as it was definitely settled that an act of Congress was required, I then raised the question as to what would be the attitude of the Indian Department toward such legislation, and was informed that they would cooperate and that we might expect the enactment of this law as a matter of course. I was further informed that this whole matter, which involves so large a part of the agricultural portion of the State of Idaho and its future development, had been considered by President Harding and various members of his Cabinet, and that they were all favorable to this development; and I came away from Washington entirely satisfied that when Congress met the needed legislation would be enacted, and I so informed the people of this district and advised that we proceed without delay with all necessary steps so that we should be prepared to sell our bonds promptly as soon as this act of Congress was passed. This we have done, and I know of no reason why we shall not be able to put up our money and fully meet our part of the contract.

I believe you have a copy of this contract. If so, you will note that we are not only to pay the current amount that will be due from time to time, but we are to deposit with the Government the entire estimated cost of this work that would be chargeable against the district, and that such portion as is not required in cash at the time is to be invested in Government securities, with full authority to sell the same from time to time as the money is required.

I want to call your attention, and Congress should know, that this district is not asking one dime of credit from the Government, but is paying in advance and is placing its funds entirely at the disposal of the Government to meet this obligation on account of this reservoir. I hardly think there has ever been any other Government work of this character where the contracting parties are providing for the entire cost in advance in this manner. I know that at the time this transaction was concluded we were complimented on the manner in which we were proceeding, and it was hoped and expected that we were setting a precedent for work of this kind which might materially assist in similar undertakings.

Mr. CRAMTON. I wonder whether my friend the gentleman from Idaho would mind an interruption there in order that I may make an observation in connection with that statement. Is it not a fact that to-day the expenditure of Government funds in connection with this proposed reservoir is under way; that during the current year money has been spent and is now being spent out of the current appropriations? Is not that true?

Mr. SMITH. That is true.

Mr. CRAMTON. Is it not also true that this district, represented by Mr. Shepherd—which, under the contract, was to have paid 10 cents per acre-foot at the time of the approval of the contract and then within 90 days after the approval of the contract $2 per acre-foot more—has not up to this time contributed one penny to the Treasury of the United States?

Mr. SMITH. That may be true so far as the American Falls district is concerned, but it is not true with reference to some of the individual districts.

Mr. CRAMTON. Yes. There are certain independent companies, none of which have been merged with the American Falls Reservoir.

Mr. SMITH. They have advanced about $450,000?

Mr. CRAMTON. Four hundred and eighty thousand dollars against $2,275,000 contributed by the Government.

Mr. SMITH. But Mr. Shepherd is attempting to explain why the bonds have not been sold.

Mr. CRAMTON. I realize that necessity, but I thought he was also saying that not a dime of Government money was being expended on their account, and that they were to contribute and had contributed their own share.

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

Mr. SMITH. May I have time in which to complete the reading of this letter?

Mr. CARTER. How much time does the gentleman from Idaho think he will require to complete the reading of the letter?

Mr. SMITH. I should think about five minutes.

Mr. CARTER. I yield the gentleman five minutes more.

The CHAIRMAN. The gentleman from Idaho is recognized for five minutes more.

Mr. SMITH. I think Mr. Shepherd has reference to eventually putting up all the money they are expected to put up, and that they are not asking any money from the Government for their share of the expense of constructing the reservoir.

These negotiations were had and entirely completed before the Secretary and Director Davis had their trouble. I want to say that in all of our negotiations we had the hearty cooperation and assistance of Director Davis and others of the Reclamation Service, and none of us had the slightest idea or inkling of any trouble as between these two gentlemen, and I was not aware that there was anything about to happen and only learned of it from the newspapers in Washington shortly after we had concluded our contract. I realize that this episode, which followed so closely after the concluding of our contract, gave the impression in certain quarters that the one was in some way the result of the other. This is a most unfortunate situation and one which has been aggravated to some extent by reason of the fact that the successor of Director Davis happened to be a former governor of

our State, and the further fact that his home in this State happened to be at American Falls. Neither of these conditions, however, in the slightest degree enter into these negotiations nor had anything to do with them. So far as American Falls is concerned, or Governor Davis, neither participate in any way in the use of this reservoir. It happens to be the only place in the entire Snake River Valley above Milner Dam where it is possible to impound and conserve the waters from the large watershed of the Snake River, and if these waters are to be conserved and made useful, the reservoir will have to be built at that point.

The Twin Falls districts, both south and north sides, as well as the Minidoka project, now have a reservoir at Jackson Lake, Wyo. The Fort Hall project now has a reservoir on the headwaters of the Blackfoot River. This great plan for the American Falls Reservoir makes it possible for these reservoirs to be used for the benefit of that large area of the valley lying above American Falls, and this section of the country below American Falls contemplates a transfer of its storage rights for those desiring the same living above American Falls. In this way you can readily see the immense advantage that will be given to all of the farmers in the entire Snake River Valley who are dependent upon the conservation of Snake River water for the agricultural development of this vast region. The work is of such character that it can only be worked out through the agency of the Government, and I very much hope you will be able to impress upon your associates in Congress the vast importance of this undertaking and our entire good faith in the enterprise. I very much fear that the controversy which has arisen over the changes made in the personnel of the Reclamation Service and the various questions which now confront Congress with relation thereto may have a very detrimental effect upon this entire valley. Keeping in mind all that has gone before and the definite assurance which the people in this valley have had with reference to this work, and the fact that they have put themselves in a position to fully comply with the Government's requirements, it will be a very serious matter to have any interruption or refusal by Congress to carry out this contract.

As an instance of the consequences that would follow, I might mention that some time ago the people of Jerome and the North Side entered into negotiations for the building of a sugar factory here. We were told that as soon as a supplemental water supply was secured, so that a recurrence of the conditions of 1919 could not happen, the factory would be built. Relying upon this contract, and fully expecting that the American Falls Reservoir would be built, an agreement was entered into a short time ago with the Amalgamated Sugar Co. whereby a sugar factory will be built in Jerome in 1925. You know what a sugar factory means to the agricultural development of any locality, and the fact that a factory would follow immediately with the work at American Falls has had a great deal to do with putting heart and courage into the farmers of Jerome County. It has materially improved the credit and conditions generally hereabouts.

I know of nothing that could happen that would do more to depress conditions up and down this entire Snake River Valley than to be told, after all, that the reservoir would not be built. You know the full extent to which this enterprise has entered into the business and agricultural conditions of this valley, and I sincerely hope that after all these people will not be penalized because of any personal controversy that may have arisen and for which we are not in the least responsible.

I know that Mr. CRAMTON when he was out here was misinformed with reference to this enterprise, but I assumed that before ever he would take any position adverse to the people of this great valley he would advise himself of the true facts. I still hope that the reports which reach us at this distance are incorrect, and feel confident that you will be able to secure the needed legislation in order that this enterprise may not be interrupted, and I shall await with interest information on this subject from you. If there is anything that we can do to clear up this matter, I shall be very glad to assist in doing so.

With kind personal regards, I am

Very truly yours, R. E. SHEPHERD, *President*.

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

Mr. CRAMTON. Mr. Chairman, I yield the gentleman one minute in order that I may make an observation. I visited the project in company with the gentleman from Idaho [Mr. FRENCH], of this subcommittee, and the gentleman from Idaho [Mr. SMITH]. At that time I made definite statement of what I thought were the necessities of the situation. That statement was rather widely published in Idaho, but until this day I have had no word or communication from anyone in that organization, from Judge Shepherd or otherwise, seeking to furnish me with any further information.

Mr. SMITH. I am sure Mr. Shepherd would be glad to furnish any information you might desire, but probably would not wish to take the initiative in doing so.

Mr. CRAMTON. He has had six months of opportunity to do so and has had ample notice.

Mr. SMITH. He is planning, I understand, to come to Washington and talk personally with the gentleman from Michigan in regard to the matter.

I wish to say further that I do not believe the reclamation States have a better friend than the chairman of the subcommittee [Mr. CRAMTON]. Although an eastern man, he wishes to aid in the development of the resources of the West and is alive to our problems, which he is constantly studying.

I recall that when he was in Idaho a few months ago he wanted to go across the mountains about 200 miles to look at the Blackfeet Reservoir. I tried to persuade him not to go, because it would be such an uncomfortable trip, but he said, "I am going," and of course I went with him. He has visited practically every irrigation project, some of them several times, at great inconvenience and discomfort, in his eagerness to make the reclamation policy of the Government a real success.

I desire to submit in this connection the explanation of the contracts in dispute by Hon. Ottamar Hamele, general counsel of the Reclamation Bureau, to the Subcommittee on Appropriations, which is as follows:

A Government office to be used for carrying on the American Falls development was established at American Falls, Idaho, in 1920, and up to December 26, 1920, 24 separate cooperative contracts were negotiated with individuals, canal companies, and irrigation districts. These contracts were prepared upon two common forms approved by the Department of the Interior March 6, 1920. They provided in each case for the purchase by the contractor of capacity in the proposed reservoir, defined in acre-feet, the cost to be paid in advance, 10 cents per acre-foot on the date of the contract, $2 per acre-foot within 90 days from date of notice of approval of the contract by the United States, and the remainder in installments based on estimates of cost and upon requests made by the Government. The contractor provided security for payment either by a bond or by a mortgage lien on the contractor's property. An advisory board of seven members with power to represent the contractors in dealing with the Government was authorized by the contracts. The United States had the power to cancel the contracts on failure of the contractors to make payments. The value of these contracts can not be stated in dollars, for the reason that the cost per acre-foot was not known. The size of the reservoir was dependent upon the number of cooperative contracts finally secured, and the cost per acre-foot of capacity was dependent on the size of the reservoir. It was roughly estimated that the cost might be $10 per acre-foot. The following is a list of these 24 contracts, showing in each case the name of the contractor, the date of the contract, and the acre-feet capacity contracted for:

Contractor.	Date of contract.	Acre-feet.
Frank Paree	Apr. 23, 1920	100
Blackfoot Irrigation Co	May 7, 1920	20,000
New Lavaside Ditch Co. (Ltd.)	May 22, 1920	4,000
Burgess Canal & Irrigating Co	May 27, 1920	5,120
Lenroot Canal Co. (Ltd.)	May 28, 1920	9,000
Sunnydell irrigation district	do	8,000
Rudy Irrigation Canal Co. (Ltd.)	May 29, 1920	2,000
People's Canal & Irrigation Co	do	16,000
Antoine Poitevin	May 31, 1920	1,500
F. H. Churchill	do	500
Harrison Canal & Irrigation Co	June 1, 1920	10,000
Enterprise Canal Co. (Ltd.)	do	6,000
Idaho irrigation district	do	25,000
M. Eugene Holt	do	150
Butte & Market Lake Canal Co	June 2, 1920	9,000
Corbett Slough Ditch Co	June 3, 1920	8,000
Minnie Schodde	Oct. 26, 1920	900
New Sweden irrigation district	May 27, 1920	25,000
Snake River Valley irrigation district	do	20,000
Murtaugh Canal Co	June 1, 1920	20,000
Twin Falls Canal Co	Apr. 14, 1920	100,000
Martin Canal Co	May 22, 1920	750
Woodville Canal Co	May 29, 1920	5,000
Aberdeen-Springfield Canal Co	June 15, 1920	37,500
Total acre-feet		333,520

The terms of all of these 24 cooperative contracts were agreed upon at the peak of inflation and before the agricultural depression began. All of the contractors paid the initial instalment of 10 cents per acre-foot, but on account of the disorders of deflation no second installment is now paid. As a result the work at American Falls was practically suspended. The 17 contracts first above listed are subject to cancellation and are not being relied upon. Supplementary contracts have been made with the contractors, New Sweden irrigation district, Snake River Valley irrigation district, and Murtaugh Canal Co., preserving the old contracts and providing for use by these contractors of irrigation water from Jackson Lake pending construction of the American Falls Reservoir. Under this arrangement the New Sweden irrigation district has paid the United States $125,000, the Snake River Valley irrigation dis-

trict has paid the United States $100,000, and the Murtaugh Canal Co. has paid the United States $150,000, all for use in American Falls construction. The rights of the Murtaugh Canal Co. have been assigned to the Milner low-lift irrigation district.

The contractors, Twin Falls Canal Co., Martin Canal Co., Woodville Canal Co., and Aberdeen-Springfield Canal Co., have merged their lands with other lands in a new irrigation district called the American Falls Reservoir district. This district has an assessed valuation of about $30,000,000 and has voted bonds for $2,700,000 for the purpose of cooperating with the Government in the construction of American Falls Reservoir. On June 15, 1923, cooperative contracts were made with the American Falls Reservoir district and with a new contractor, the Empire irrigation district, for 300,000 acre-feet and 110,000 acre-feet, respectively. The American Falls Reservoir district has the right to reduce its contract to 280,000 acre-feet. No payment has been made on either of these two contracts, but our understanding is that substantial sums will be available for payment in the near future.

The new contracts with the American Falls Reservoir district and the Empire irrigation district follow in a general way the old forms, but with some exceptions. To article 18 has been added a plan for determining what amount shall be charged to Government power development at the American Falls Reservoir. To article 43 has been added a provision that the Government shall be allowed 6 per cent interest on moneys advanced by the United States ahead of moneys advanced by the contractors. In article 47 a change has been made respecting representation on the advisory board. The contract with the American Falls Reservoir district is made subject to letter of June 15, 1923, from R. E. Shepherd to Secretary Work, which letter has been put in the record. The five new contracts above referred to are listed below:

Contractor.	Date of contract.	Acre-feet.
New Sweden irrigation district [1]	Sept. 26, 1922	25,000
Snake River Valley irrigation district [1]	Feb. 6, 1923	20,000
Murtaugh Canal Co. (Milner low-lift irrigation district, assignee) [1]	July 29, 1922	20,000
American Falls Reservoir district	June 15, 1923	[2] 300,000
Empire irrigation district	do	110,000
Total acre-feet		475,000

[1] Supplementary to old contract.
[2] May be reduced to 280,000.

The Hillsdale irrigation district is now contemplating the execution of a contract calling for 26,000 acre-feet capacity in the reservoir.

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

Mr. SMITH. May I have permission to extend my remarks in the RECORD?

The CHAIRMAN. The gentleman from Idaho asks permission to extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. CARTER. I yield 10 minutes to the gentleman from Mississippi [Mr. RANKIN].

The CHAIRMAN. The gentleman from Mississippi [Mr. RANKIN] is recognized for 10 minutes.

Mr. RANKIN. Mr. Chairman, Members of Congress are receiving stereotyped copies of letters from the big corporations, their agents or representatives, all over the United States, soliciting them to vote for the Mellon plan, and some of our constituents have asked us what the Mellon plan means. Some of them want to know whether that plan is so called because it was promulgated by the Secretary of the Treasury, Mr. Mellon, or because he would be the chief beneficiary thereunder. And for information, Mr. Chairman, seeing a large number of the leaders on the Republican side present, I wish to ask them if some of them will please tell me at this time what Mr. Mellon's annual income amounts to. I wish to ask them what income taxes he pays, if they know or care to divulge it; I wish to ask them if they can tell me the incomes of the various and sundry corporations with which he is connected, and if not, I should like to ask them if they can tell me what income taxes those corporations pay, in order that the people who read the CONGRESSIONAL RECORD may at least have some light on this so-called Mellon plan.

Now, I am reliably informed that one of the leading Republicans in this House stated recently that Mr. Mellon's private income was above $5,000,000 a year. If you leaders on the Republican side, who are present here and listening, know whether or not that is correct, I should like to have your answer. If that is true, Mr. Chairman, here is what the Mellon plan means: It means that a man with an income of $5,000,000 a year—such as Mr. Mellon is said to enjoy—would have his income taxes reduced by $1,500,000 a year under the Mellon plan.

The other day my distinguished friend from Pennsylvania [Mr. DARROW] came in here with a great long petition said to be from the farmers of some sections of the United States, and which he undertook to lead Congress to believe was in favor of the Mellon plan, when, as a matter of fact, when properly read and understood, it was only a protest against the existing conditions.

Mr. LOWREY. Will the gentleman yield?

Mr. RANKIN. I can not yield now. I will yield later.

Mr. LOWREY. I want to ask the gentleman a friendly question.

Mr. RANKIN. When I conclude my remarks I will be pleased to yield.

Now, would you not like to see the farmers of Minnesota, who have repudiated the Republican Party and sent independents to both the House and the Senate as a protest against existing conditions under the present administration—would you not like to see those farmers out there who have annual incomes of $5,000,000 and up gathered around the banquet table with Mr. Mellon enjoying the hilarity which I am sure will come to them when they realize what a great boon there is for them in this Mellon plan which would reduce their incomes $1,500,000 on the first five million?

If they have incomes of only $1,000,000 each, as probably the farmers of Iowa have, where the distinguished chairman of the Ways and Means Committee [Mr. GREEN] hails from, they can still have their joy unconfined because their income taxes will be reduced $251,874 apiece. If that is not balm to the injured spirits and feelings and purses of the farmers of Iowa, what do you expect to do for them?

But if they live farther out—in the State of Nebraska, we will say—as the people of that proud Commonwealth registered only a mild protest by defeating one-half the Republican delegation from that State in the last House, and have annual incomes of only $500,000 each, owing to high freight rates on farm products, they would still have no grievance, because their taxes would still be reduced $116,784 each under the Mellon plan. Now, that certainly ought to encourage the farmers out there in Nebraska, where they are raising Irish potatoes and shipping them down to Washington and New York and then having to go to the bank and borrow money to pay the balance on the freight over and above what the amount realized from the potatoes lacks of paying the transportation charges.

But if they live farther down, we will say, in the State of Kansas, and only have an income of $250,000 a year, they will still get a reduction of $49,284 under the Mellon plan. No wonder the farmers of Kansas are so prosperous! But suppose we take the farmers over in the State of Illinois—and I apologize to the gentlemen from Illinois, for surely the farmers of that State who signed this petition have incomes of more than $100,000 each—but we will just say they live in Illinois, for the sake of argument, and that they are wheat farmers or corn farmers or potato farmers, having incomes of $100,000 a year; why, they ought to be satisfied, because this will reduce their income taxes $10,284 each under this Mellon plan.

But if they live in Michigan and happen to be day laborers, with incomes of only $50,000 each, they will have their income taxes reduced $1,944 each by this wonderful Mellon plan. Surely labor will fall for that, and there will be great rejoicing among the laboring men of Michigan when they find out they are going to "enjoy" such a reduction.

But you know the cotton farmers of the South do not realize that every one of them that clears a million dollars a year on his farm is entitled to a reduction of $251,784 in his income taxes under the Mellon plan. Possibly that is why they did not sign the Darrow petition.

Of course, if you have an income of no more than $2,000 and you happen to be a married man you do not get any reduction at all under the Mellon plan.

If you have an income of $3,000, do you know what you get? You get a reduction of $5 a year. The man who has an income of $5,000,000 a year, as perhaps the Secretary of the Treasury has, who is known to be one of the three or four richest men in the world, gets three hundred thousand times as much reduction under the Mellon plan as the man who has an income of $3,000 and has a wife and children to support.

Gentlemen, you talk about the agricultural sections; do you know what the matter is with this country? The trouble is the farmers have no incomes at all after they pay their expenses. The average farmer in the United States is not to-day paying his expenses and paying the taxes on his land, much less an income tax such as I have described. He is not even getting the crumbs that fall from the financial table under this

plan, and you all know it. He is not getting a single thing; but this plan is only for those men who are able to pay taxes and who make these incomes over and above what their actual expenses and their ad valorem taxes amount to. Mr. Chairman, a great many of the men and a great many of the enterprises that are clamoring for this measure were ridiculing the Democratic administration and abusing the President of the United States for three years before America entered the war.

They referred to a typewriter as a Democratic machine gun. When conditions developed which drew us into that conflict a great many of these enterprises began profiteering and taking advantage of a weak place in the income-tax law to place their ill-gotten gains beyond the pale of taxation. They now come up and ask you to reduce the income taxes of those men $250,000,000 a year, and at the same time to turn back the soldiers of the World War and refuse to pay them their adjusted compensation which they earned in going through the dirt and sweat and blood and hell of a world conflict. They ask you to take it from them and pour it into the pockets of these men who are most able to pay. That is what the Mellon plan means.

A distinguished ex-Secretary of the Treasury said recently that the adjusted compensation could be paid with $1,500,000,000; that $77,000,000 a year for 50 years would pay it and at the same time pay the interest on the unpaid principal. Do not deceive yourselves. This Mellon plan is brought forward primarily to destroy the adjusted compensation for veterans of the World War, and it is going to do it the way the thing is drifting now. We will relieve the big interests of taxes to the amount of $250,000,000 annually, or three times the amount it would take to pay the adjusted compensation. Not only that but if you adopt that Mellon plan you will create a deficit in the Federal Treasury. Where is the money coming from to meet it?

The CHAIRMAN (Mr. TILSON). The time of the gentleman has expired.

Mr. RANKIN. May I have five minutes more?

Mr. TAYLOR of Colorado. Yes; I yield five minutes to the gentleman from Mississippi [Mr. RANKIN].

The CHAIRMAN. The gentleman from Mississippi [Mr. RANKIN] is recognized for five additional minutes.

Mr. RANKIN. Where is the money coming from? There is one way under the present Fordney-McCumber tariff bill, which is reducing the farmers of the South and the West and the Northwest to a condition of penury. Under that bill the President of the United States has the right to raise the duty on certain articles in order to raise money for the Federal Treasury. Every time he raises one dollar for the Federal Treasury he pours nine more dollars into the pockets of the manufacturers who are the chief beneficiaries under that law. There is where your money will come from.

Ah, the men who are behind this Mellon plan are in favor of what is called a sales tax. They are in favor of putting a tax on every article that is sold; and if they have their way, they will pass a sales-tax law that will take it out of the pockets of the masses who are to-day being ground in the dust, not with income taxes, but with ad valorem taxes on the property on which they are trying to earn a livelihood, for the average farmer and the average day laborer in America has no surplus income to pay a tax on.

That is what the Mellon tax plan means to the American people. It may pass; and if it does, it is going to carry out one of the purposes of its sponsors; it is going to shut the door of hope in the face of the American soldier and open it to the millionaire.

I will yield now to my colleague from Mississippi.

Mr. LOWREY. You stated, I think, that a man with an income of $5,000,000 would have that income reduced, under the present plan, $1,500,000. Do you mean under the present law?

Mr. RANKIN. No; I mean under the Mellon plan. Under the Mellon plan he would have his income tax reduced $1,500,000 a year.

Mr. LOWREY. Would have his income tax reduced $1,500,000?

Mr. RANKIN. Yes.

Mr. LOWREY. That is what I wanted you to make plain. Now, how much income tax would he pay with an income of $5,000,000? Have you calculated what that would be?

Mr. RANKIN. No.

Mr. LOWREY. You do not know how the Mellon bill would change that?

Mr. RANKIN. Yes; it would reduce his income tax $1,500,000.

Mr. DENISON. Will the gentleman yield?

Mr. RANKIN. I will.

Mr. DENISON. The gentleman has anticipated my question. I was going to ask him what the tax is on $5,000,000 income and what it would be under the Mellon plan.

Mr. RANKIN. My understanding is that after you pass the $200,000 it is 50 per cent on the income from that amount up.

Mr. DENISON. That would make the tax on a $5,000,000 income $2,500,000.

Mr. RANKIN. Not quite. My understanding is that a man with $5,000,000 income pays taxes to the amount of about $2,500,000 under the present law, possibly a little more. Under the Mellon plan his taxes would be reduced $1,500,000.

Now I would like to ask the gentleman if he can tell me what Mr. Mellon's income taxes amount to?

Mr. DENISON. I have no more information about Mr. Mellon's income tax than my friend from Mississippi. I never met Mr. Mellon in my life. But I think he is too big a man to recommend a tax system for the United States to fit his own income or to benefit himself personally.

Mr. DAVIS of Tennessee. Let me ask the gentleman is it not a fact that Mr. Mellon has never made a recommendation to Congress that did not involve a saving to Mr. Mellon?

Mr. RANKIN. I never heard of it if he did. Now he may be too big a man to be guided by his own personal welfare, but it is my understanding from the bill and figures that have been made and the propaganda piled up on my table and of other Members of Congress that it is the big income-tax payers who are clamoring for the Mellon plan; that they are spreading this propaganda and paying for the other, trying to make the American people believe that they are reducing the taxes of the average American citizen.

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

Mr. CARTER. I yield to the gentleman five minutes more.

Mr. DENISON. I want to ask the gentleman this question: Of course, any plan of tax reduction that the Secretary of the Treasury might recommend for the Nation would result in a saving to himself just as it would in a saving to any other citizen if he has any substantial income at all. Is not that true?

Mr. RANKIN. I do not believe that the average man as Secretary of the Treasury would recommend a bill that would reduce his own taxes three hundred thousand times as much as it would reduce the taxes of the average citizen of the district that the gentleman represents.

Mr. DENISON. That is begging the question.

Mr. RANKIN. Why does he not recommend the reduction of the taxes for the small man? Why does he not propose to reduce more the taxes on the man who makes $3,000, the man with a family, the farmer or laborer, on whose shoulders rests the burden and responsibilities of the Nation, instead of a plan which would save himself $1,500,000? Let me ask the gentleman, Is he in favor of the Mellon plan?

Mr. BLANTON. That question is rather unfair.

Mr. DENISON. To tell the gentleman the truth, I have not studied it carefully enough to understand it in all its particulars. I am in favor of it as far as I understand it. There may be some features about it that I do not understand, but when I have studied it closely I will make up my mind about that. I confess I am not expert enough on this subject to be able to answer the gentleman specifically. I can only state in a general way. Generally speaking, I am in favor of the Mellon plan. I want to ask the gentleman from Mississippi this question: Does not the Mellon plan reduce the small income tax as much as the large one, in proportion to the income?

Mr. RANKIN. Oh, no! The gentleman surely does not want that question to go into the RECORD. If a man has an income of $3,000 he gets a reduction of $5 on his income tax. His tax is $20 and he gets a reduction of $5, which is 25 per cent. If he has an income of $5,000,000, he gets a reduction of $1,500,000, or about 50 per cent.

Mr. SHALLENBERGER. The man with a small income does not get as large a percentage of reduction as a man with the large income. In other words, the larger the income, the greater the percentage of reduction.

Mr. RANKIN. The gentleman from Nebraska is right. On an income of $3,000 he gets 25 per cent reduction; but if he has an income of $5,000,000, the reduction is approximately 50 per cent according to the Mellon plan, which the gentleman from Illinois says he indorses.

Mr. DENISON. I will state in further explanation that if I find on investigation that that is the case I would not be in favor of that part of the Mellon plan. [Applause.]

Mr. RANKIN. Well, will the gentleman be kind enough to read the table on page 795 of the RECORD of January 10, in which the table is set out? I see what is the matter with the

Republican side of the House, and I will say frankly that I think the gentleman from Illinois is above the average in intelligence. [Laughter and applause.] He is gradually seeing the light.

Mr. TAYLOR of Colorado. Mr. Chairman, I yield five minutes more to the gentleman from Mississippi.

Mr. RANKIN. Mr. Chairman, as I said, I consider the gentleman far above the average for his side of the House; but since he has manifested not only a lack of knowledge of the Mellon plan but also a desire to learn and to heed after he does learn, I call the gentleman's attention to the table set out in the CONGRESSIONAL RECORD of January 10, 1924, on page 795, which shows the workings of this diabolical scheme which they are trying to put over now to relieve the large-tax payers of their just burden and at the same time to deprive the soldiers of the crumbs that ordinarily fall from the table of the average government and unload this burden ultimately on the small individuals, who support the Nation in time of peace and fight its battles in time of war.

Mr. DENISON. The gentleman has studied those tables and has studied this question, I am sure, from his discussion of it and his familiarity with it. I understand, then, from the gentleman's statement that this so-called Mellon plan will reduce the taxes of the man who has a large income by 50 per cent?

Mr. RANKIN. That is the proposition, about 50 per cent.

Mr. DENISON. And that it will only reduce the taxes of the man with the small income by 25 per cent. I understand that this would reduce his taxes 25 per cent.

Mr. RANKIN. Yes.

Mr. DENISON. Whereas the man who has a large income would have his taxes reduced by 50 per cent?

Mr. RANKIN. That is, above the $200,000 income. After he passes $200,000 you propose to reduce it 50 per cent. Is the gentleman in favor of that?

Mr. DENISON. Not if it is that much. I asked the question in order to get information.

Mr. RANKIN. Does the gentleman suppose that the rest of the Members on his side of the House would like to have some information on the subject? Maybe we can convert some more of them.

Mr. SHALLENBERGER. Perhaps the bonus bill before this House is not the one for adjusted compensation, but this Mellon plan which is a bonus to the millionaires.

Mr. RANKIN. Oh, yes; they are going to take the bonus from the soldiers and give it to the large-tax payers. I thought even gentlemen on the Republican side of the House understood that thoroughly.

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

Mr. RANKIN. Yes.

Mr. SIMMONS. The gentleman knows that I am as much in favor of an adjusted compensation bill as the gentleman.

Mr. RANKIN. Oh, I yielded for a question.

Mr. SIMMONS. Does the Garner plan that the gentleman is advocating contemplate and include in it the passage of an adjusted compensation bill for the soldiers?

Mr. RANKIN. The gentleman has gone ahead to tell what I know, and I will state now what he knows. He knows that I am not advocating any plan except the welfare of the American people, and I, for one, am not willing to turn these boys away without even the crumbs that fall from the table and reduce the taxes on large incomes and at the same time deny relief to those farmers, some of whom the gentleman from Nebraska represents, and who are unable to make sufficient money to pay the taxes on their lands, much less an income tax such as Mr. Mellon enjoys.

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

Mr. RANKIN. Yes.

Mr. BLANTON. If we could just keep enough of our Republican Members upon the floor to hear the gentleman's speech—of course, the gentleman from Illinois [Mr. DENISON] stays here all of the time—so that they could all be posted upon this situation, they would all vote for the Democratic plan.

Mr. SIMMONS. Mr. Chairman, will the gentleman yield further?

Mr. RANKIN. Yes.

Mr. SIMMONS. Does the Garner plan proposed by the Democrats contemplate as a part of it the passage of an adjusted compensation bill, which I favor and which the gentleman also favors?

Mr. RANKIN. I will answer the gentleman's question by asking him one. Is the gentleman in favor of the Mellon plan?

Mr. SIMMONS. Let us get one question out of the way; then I shall answer the gentleman.

Mr. RANKIN. But I have got them both out of the way.

Mr. SIMMONS. Will the gentleman answer me?

Mr. RANKIN. The gentleman knows that he can not vote for the Mellon plan and have an adjusted compensation bill, if he is at all familiar with this situation.

One thing I can say, and that is that the Garner plan is infinitely better than the provisions of the Mellon proposition.

If the party in power really want to help the ex-service men, they have the opportunity to decide whether they will give the adjusted compensation to those men who offered their lives in defense of their country during the dark days of the World War, or whether they will adopt the Mellon plan, and thereby grant a bonus to those interests that profiteered during that conflict, coining their millions out of the blood and tears of the suffering men, women, and children of the world.

If they want to help the farmers and day laborers, by whose votes they hope to be returned to power next November, they can reduce their burdens by repealing the iniquitous tariff law under which they are now suffering, and reducing the exorbitant transportation charges of which they now complain.

But they will get no relief from the Mellon plan, which would materially reduce the taxes of the rich only, and ultimately transfer that part of the burden to the already over-burdened masses of the American people. [Applause.]

Mr. CRAMTON. Mr. Chairman, I yield 15 minutes to the gentleman from Missouri [Mr. ROACH].

Mr. ROACH. Mr. Chairman and gentlemen of the committee, I desire to discuss briefly the result of the classification act of 1923, enacted by this Congress, and its effect upon the bill under consideration and the several large appropriation bills that are yet to be brought before Congress. Surely all will agree that the policy of the last Congress—and I might in fairness add, the policy on both sides of the aisle—was to not materially increase salaries during a time when our Government was so sorely in need of funds to operate and function the routine affairs of the Government, pay our just debts, whether old or new, and promptly pay interest upon our great national debt, reduce the principal, and keep our expenses down to the minimum. That was announced to be the policy of Congress at the beginning of the last Congress, and it was adhered to by the majority and was believed to be a correct policy by both sides of this House. In my opinion, it is the policy of the present Congress to do the same thing, and that we practice economy at least until we are able to make justified increases in the salaries of the employees of this Government. Very few, if any, of these employees ever resign, even at their present salaries, because of the fact that they are underpaid for the service they render.

I venture the assertion that many of their places can be filled by equally competent persons at less salaries than the present employees are being paid. But getting back to the point I want to bring to the serious attention of this committee and the House for its consideration, which, in my opinion, with present information, will be involved in every departmental appropriation bill that will be brought before this Congress—in every one of these bills this same question, the wisdom of the classification act of 1923, will be involved, and how it will operate and affect the operating expenses of the Government. Here we have the first departmental appropriation bill, being for the Department of the Interior, which is to be followed by 9 or 10 others of like importance. This bill carries appropriations in the aggregate of $299,312,606.06, almost $300,000,000. The taxpayers expect, and have a right to expect, and look to the membership of this Congress that they will be here upon the floor, as the gentleman from Texas just a moment ago very properly suggested, familiarizing themselves with every item contained in this appropriation bill, and to determine whether or not in their honest judgment it should be enacted into law and the $299,312,606.06 should be paid by the taxpayers of America.

Only yesterday a petition was filed in Congress containing the signatures of over 300,000 farmers of America, asking that this Congress closely scrutinize every appropriation for a salary, the necessity for such salary, and every other expense appropriated for by this Congress. The question in my mind is whether we are going to do it or not. I for one am. [Applause.] With all respect to the great departments of our Government, the chiefs of which are delightful men and whose personal acquaintance I enjoy, it seems to me, with my limited experience in Congress, that it is high time Congress itself should regulate and control the appropriations that are to be met by the taxpayers rather than to let those appropriations be regulated and controlled by the departmental heads of this Government. [Applause.]

Mr. BLANTON. Will the gentleman yield?

Mr. ROACH. I will gladly yield for a question. My time is so limited.

Mr. BLANTON. Out of the 15 Members on the gentleman's Republican side there are 4 Democrats, which leaves 11 Republicans. If the gentleman could keep them here when this $299,000,000 bill——

Mr. ROACH. I am not responsible for any Member of this Congress except myself. I am here. [Applause.]

Mr. BLANTON. The question I wanted to ask was, if the gentleman will permit: The very first subject of this bill is the Secretary's office. Last year we allowed $222,000 with every position specified. This bill gives $279,000 in a lump sum with no position specified. Is the gentleman going to stand for that?

Mr. ROACH. I am coming to that. Certainly I am not without a protest, which I will make if not interrupted too frequently. My time is limited to 15 minutes.

Mr. CRAMTON. If the gentleman will permit the observation, I am glad to see the interest in economy in this bill on the Democratic side. The first real row of the bill on its attempt to economize will be on the abolition of 21 land offices, and I hope when this wave of economy draws near that States represented on your side of the House will not all forget their economy.

Mr. BLANTON. Here is one who will be here to help the gentleman cut it out.

Mr. CRAMTON. Let us let Mississippi, Alabama, and some of the rest speak up.

Mr. ROACH. If the gentleman from Texas is through with his colloquy with the gentleman from Michigan I will proceed, if allowed to do so.

Mr. RUBEY. If the gentleman will permit, I believe my colleague from Missouri [Mr. ROACH] is on the right track, and I want to say to the gentleman from Michigan Missouri is here ready to help in his work. I want my colleague to show before he concludes the amount of money that this bill appropriates and the total increases for salary and other items of increase if his time will permit.

Mr. ROACH. I thank the gentleman from Missouri [Mr. RUBEY] and will do so if my time will permit. I have only a limited time. Here is a bill upon which 1,061 pages of printed evidence is to be gone over and it is hard to discuss it in 15 minutes, when you have only had 48 hours to read all this evidence and the bill itself, containing 101 pages. I want to get back to the necessity of some action by this Congress in correcting the blunder of Congress in enacting the reclassification act of 1923, at a time when expenses should have been decreased in every reasonable way. I assert to this Congress upon my official responsibility that the reclassification act of 1923 would never have been passed at that time had it not been for the honest belief of the membership of the House that it would not materially or substantially increase salaries in the various big departments of our Government. The prime consideration involved in the reclassification act was that of grouping the employees into proper groups or grades to which they belonged. In other words, where a dozen persons were working for the Government at the same desk, doing the same class of work, there was no justice in making a distinction in their salaries; all should receive the same salary, and so forth. Government employees should be grouped into certain classes and grades, without a doubt, and that was the main idea of the classification act. We were assured by those having charge of the bill at the time, when all wanted economy in Government expenses and at a time when the taxpayers of the country were demanding such economy, that the enactment of that bill would not increase salaries in the various departments of our Government. We were given that assurance by the gentleman who had charge of the bill upon the floor of the House. It was a large bill, complicated with a maze of figures and tables, and the Members had very little time to go into it. To justify my statement that the chairman of the committee handling that bill did give that assurance to the membership, many of whom would not have voted for it otherwise, I want to make a few references to what was stated on the floor, as shown by the RECORD, on the day that bill was up for discussion.

On page 265 of the CONGRESSIONAL RECORD, Sixty-seventh Congress, second session, this colloquy occurred on the floor of the House when the reclassification bill was under debate. Mr. LEHLBACH, who was chairman of that committee which handled the bill, said:

> If the gentleman will read the specifications he will find that that refers to the responsible head of big and important departments. However, if the gentleman has done me the honor to read what I put into the RECORD, he will find that all these salaries have been reduced.

Thereupon Mr. LEHLBACH incorporated into the RECORD a portion of his speech—found upon pages 171 to 174 of the RECORD of the Sixty-seventh Congress, second session—an elaborate and extensive table by which he sought to prove to the membership that his bill would bring about a general reduction of salaries, notwithstanding that my good friend and colleague, Mr. BYRNES of Tennessee, was insisting that the bill would increase salaries approximately $9,000,000 annually. Mr. BYRNES was not far wrong in his estimate. My calculations show that there will be an increase at least of $5,000,000 annually in several large departments of the Government, and even greater than that if the percentage of increase is kept up as contained in this bill.

Then Mr. Clouse, from Tennessee, made this inquiry:

> I want to be perfectly clear on that, because I am very much interested in it. Does the gentleman mean to say that by the passage of this bill we are going to reduce the expense to the Government of the clerical help that is necessary to carry on?

Here is Mr. LEHLBACH's answer:

> If the revision of the schedule as accepted by the committee is written in the bill there will be a reduction in the cost of the maintenance of the civil service as a result of the reclassification.

That was his reply.

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

Mr. ROACH. Yes. I yield to my friend from Oklahoma.

Mr. CARTER. Does the gentleman recall just what information the House was given after the reclassification bill was passed as to whether the expenses of the Government would be reduced?

Mr. ROACH. I recall that when Mr. BYRNS of Tennessee made a statement on the floor of the House as to the estimates and as to his own investigations of the subject he stated in substance it was his opinion it would increase the cost to the Government in the salaries of these employees, and estimated the increase would be something in the neighborhood of $9,000,000 annually. I am quoting his remarks on this subject from memory, but will say for the information of the House that his remarks will be found in the record of the proceedings of the House in Sixty-seventh Congress, second session, and it will be found upon reading the record that I substantially quoted what he said. Then, again, Mr. GRAHAM of Illinois rose to his feet, and the following colloquy occurred between him and the chairman of the committee. I quote now from the RECORD itself, Sixty-seventh Congress, second session:

> Mr. GRAHAM of Illinois. Mr. Chairman and gentlemen of the committee, I have studied this bill with what care I could. I have made up my mind I can not support it, but I do believe that a decent regard for the situation requires me to have some good reasons why I do not support it. I think I have such reasons, and I want to give them to you:
>
> 1. This bill, by the admission of everyone who has participated in this discussion, raises the aggregate of the salaries of the civil-service employees of the Government. Three years after the end of the war, with the price of living decreasing, this is not justifiable, in my judgment.
>
> 2. The bill in effect continues the war bonus to Government employees in the District of Columbia and in the field service indefinitely. The bonus was a temporary allowance intended to provide for the increased cost of living occasioned by the war, and to obviate the necessity of a permanent increase in salary. To continue this bonus further is, in my judgment, unjustifiable.
>
> 3. The bill proposes to add to the basic salary of every civil-service employee $240 without respect to whether the salary of such employee is now too low or too high.
>
> 4. The bill deprives Congress of its right and duty to appropriate specific sums for statutory salaries, but will necessitate lump-sum appropriations for that purpose—an unsafe and dangerous method of making appropriations.
>
> 5. It extends the functions of the Bureau of the Budget and makes of it a wage-fixing body, something that was not originally intended, and which impairs the usefulness of that bureau.
>
> 6. It divides responsibility between the Civil Service Commission, the Bureau of the Budget, and the head of a department, where such employees are used, thus depriving the head of the department of control over his department, and at the same time lessening his responsibility for what occurs in his department.
>
> 7. The bill leaves to the head of a department the rating of an employee as to salary. The result of this will be that within a few years every employee in each classification will be drawing the maximum salary, thus entailing a maximum expenditure of public funds. The power should be retained by Congress to determine the number to be employed at each grade.
>
> 8. Finally we have no knowledge of the extent of the expenditures made necessary by the passage of this bill.
>
> In the absence of such knowledge we ought not to proceed.
>
> For these reasons, which I think are good, I am opposed to this bill.

Mr. LEHLBACH. Mr. Chairman, without recurring to the figures and comparisons that for the last four days and for two days before the recess we have constantly placed before this committee, I now say emphatically—and I say it advisedly; I say it upon my reputation as a Member of this body, and upon my reputation for veracity—that this bill as it stands now will not cause any substantial increase in the cost of the maintenance of the civil service. [Applause.]

Mr. HASTINGS. Mr. Chairman, will the gentleman put in the RECORD the figures of how much of an increase it has cost?

Mr. BLANTON. Four million dollars this year.

Mr. ROACH. Approximately, I understand it will be somewhere between $4,000,000 and $5,000,000 increase in salaries that the reclassification act of 1923 will cost this Government, provided we follow its provisions in fixing the salaries of the various employees in the civil service. That is why I made the statement in my opening remarks that this Congress should seriously consider whether we will follow the provision of that act. I now serve notice on the House that I intend, when this bill is read for amendment, to offer an amendment by which we will only be required to pay the same salaries that were paid last year. Tax reduction is the cry, and we can not reduce taxes by increasing salaries. As to section 1, which carries an appropriation of $279,640 in this bill, I will offer an amendment to amend by striking out the figures "$279,640" in section 1, and inserting in lieu "$222,022," which was the amount appropriated in last year's appropriation covering these same items, and which should not be increased in this year's appropriation if we expect to practice economy. The reclassification act referred to by me is the only justification, and we should not adhere to it for the present at least. For the information of the House I wish to incorporate in to-day's RECORD before we adjourn an amendment which I propose to offer when the bill is read for amendment.

Mr. BLANTON. Mr. Chairman, will the gentleman yield there?

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

Mr. ROACH. Will the gentleman from Oklahoma yield me more time?

Mr. CARTER. I yield to the gentleman 10 minutes more.

Mr. ROACH. Thank you.

The CHAIRMAN. The gentleman from Missouri is recognized for 10 minutes more.

Mr. BLANTON. I doubt if the gentleman could do that lawfully. I would like to help him do it, but he could not do it lawfully, because the Committee on Appropriations must obey the law. They have to appropriate according to the laws passed by Congress. We unfortunately passed that reclassification law, and now we have to live up to the law.

Mr. ROACH. I am glad the gentleman has raised that point. I thought as he did when I first considered the matter, but since then I have made some preliminary study of the question and I am now of the opinion that under the Holman rule any amendment to reduce governmental expenses is in order, and therefore my proposed amendment will be in order.

Mr. BLANTON. The Holman rule will not apply, because we have already fixed the statutory salaries.

Mr. ROACH. Notwithstanding that, if we want to reduce the salaries in an appropriation bill we can do it. The Holman rule, as I read and understand it, makes in order amendments to reduce items of an appropriation bill notwithstanding existing law that may fix the item at a higher rate.

Mr. BLANTON. If we can reduce the number of employees, I will go with the gentleman to do that. We ought to reduce them 50 per cent.

Mr. ROACH. I am of opinion still further reductions to what we have already made could and should be made. I propose to offer that amendment, and if it is accepted I propose to offer other amendments which will harmonize the various sections of the bill. There are other increases in the bill which I have not time to discuss.

Mr. CARTER. Mr. Chairman, will the gentleman yield for a short statement?

Mr. ROACH. Yes.

Mr. CARTER. The thing which the gentleman's amendment would accomplish would be this: Not a reduction of salaries, because the salaries are fixed by law, and the departments would have to comply with the law; but it would reduce the number of employees, and that might impair the service.

Mr. ROACH. I can not agree with the gentleman that an amendment to reduce the salaries is not in order. I certainly have no intention of impairing the service. Not the least danger of that. It is being impaired now by too many employees.

Mr. CARTER. But the gentleman's amendment would not eventuate in reducing salaries in view of the classification act, but would eventuate in reducing the number of employees.

Mr. ROACH. Either one would be a godsend to this country where our people are being taxed to death, in my opinion. [Applause.]

Now, I desire to call your attention to this: Take the Secretary's office, for instance, as to the increase carried in this bill beyond what was appropriated in last year's appropriation. For the Secretary's office there was appropriated last year a total amount of $222,022 under last year's appropriation. This bill carries $279,640. Likewise I could call your attention to other increases throughout the entire bill of 101 pages if my time would permit, which I hope to be able to do under the five-minute rule.

The gentleman from Mississippi [Mr. RANKIN] has just spoken of tax reduction. I entertain a high regard for him. He is honest and faithful to his people and the people of the Nation. It is my opinion that he and all the members of this House are in favor of tax reduction. There may be some different ideas as to how the subject should be treated, but we are all in accord on the proposition that if tax reduction can be made in the interest of the tax-paying public, it should be done.

One thing at least I have learned in my limited experience in Congress is not to cast my vote upon a bill until the roll call is had upon the bill, and I shall not do so on either the Mellon tax plan or the Garner or Frear tax plan proposed until I have thoroughly investigated and considered each and every one of them and heard the arguments for and against them. This is what our courts instruct a jury of honest men to do—withhold your opinion until all the facts and arguments are before you for consideration in determining justice. [Applause.]

Mr. McKEOWN. Will the gentleman yield?

Mr. ROACH. Yes. I gladly yield to the gentleman for a question.

Mr. McKEOWN. Do the gentleman's investigations show that in this bill we provide for the payment of greater salaries than we have ever paid in the former bill or bills in the past?

Mr. ROACH. Well, we will increase salaries in this one bill approximately four or five hundred thousand dollars in one department alone, and this at a time when we should be saving the money of the taxpayers, and the only excuse offered is that we are compelled to follow the reclassification act of 1923, and I contend that we do not have to follow that act.

Mr. McKEOWN. And these increases are in the face of the clamor for reduced taxation?

Mr. ROACH. Yes; in the face of the clamor for reduced taxation and in the face of a petition signed by 300,000 farmers, and which petition every farmer in America would have gladly signed had he been given an opportunity to do so. I represent an agricultural district and know how our farmers feel about extravagance, useless and wholly unnecessary expenditure of the taxpayers' money.

Now again referring to tax reduction: I am inclined to feel, from investigations I have thus far made of the three tax-reduction proposals to which I have referred, that a greater number of the common people and smaller-tax payers will be accommodated by the so-called Garner plan. [Applause on the Democratic side.] But I am just in the middle of my investigation. I am here to represent my people, and I am going into this tax question with all the intelligence I possess, and then, as has just been expressed by my colleague from Mississippi [Mr. RANKIN], I intend to vote in the interest of the masses of American people. [Applause on the Democratic side.] Very few, if any, people in the district I have the honor to represent have an income in excess of $100,000, and I intend to try to see that my constituents are fairly treated in tax reduction.

I have heard it said that perhaps it would throw things a little out of balance in tax matters to adopt the so-called Garner plan. I am not speaking for either of the plans now, but in general terms. Do not misunderstand me. But I merely make the observation in passing that matters have been out of balance for some time on taxation, to my way of looking at it. [Laughter and applause.]

I wish to call attention to some figures, but do not assert positively that these figures are absolutely correct, although they came to me from what I consider to be more or less reliable sources. The data I refer to show that in 1916 1,296 men—and I want you to listen to this—whose incomes were over $300,000 paid exactly $1,000,000,000 in taxes. That was in 1916. In 1923 there were only 246 men whose incomes were supposed to be over $300,000, and they paid only $163,000,000 in taxes.

Mr. WINGO. Will the gentleman yield?

Mr. ROACH. Yes; I yield to my friend from Arkansas.

Mr. WINGO. In order that I may follow the gentleman, has the gentleman cited those figures——

Mr. ROACH. I am not verifying these figures at this time, but expect to do so later, as they came to me from somewhat reliable sources, but I have not had time to check up on them.

Mr. WINGO. Are you citing those figures to the House as evidence of Republican prosperity or inefficiency, which?

Mr. ROACH. I am citing them, first, to show that there is Republican prosperity, brought about by a Republican President and Republican Congress, largely because we heretofore reduced the high surtax levied as a war measure and accordingly the excess-profits taxes, thus opening and making it possible for business to proceed, which it has done. That is why we made the reduction before, but the same reason may or may not apply for this year. That question I will try to answer later on. I have my own ideas upon the subject.

Mr. RANKIN. Will the gentleman yield?

Mr. ROACH. Not just now; my time is almost expired.

Mr. WINGO. I am obliged to the gentleman, because I now understand him, and I really wished to follow his argument.

Mr. ROACH. I do not know whether you understand me or not. [Laughter.]

Mr. WINGO. I believe I do. I caught the gentleman the last time.

Mr. ROACH. Now, proceeding with the figures I have just cited, do you mean to tell me that if in 1916 we had 1,296 men who made over $300,000 and paid a billion dollars tax that in the year 1923 we have only 246, or 1,050 less than in 1916? What became of all those fellows—this 1,050 men, with plenty others to keep them company? I will tell you. Many of them went into the tax-exempt securities investments; that is where they went. Rockefeller's estate is an example. It is reported he had 60 per cent of his wealth invested in tax-exempt securities, upon which he paid no taxes. In the name of high heaven, are the men here in Congress willing to permit such condition to continue, especially when we know the American public—that is to say, the honest taxpayer—is opposed to the issuance of Government tax-exempt securities any further in this country, unless possibly to sustain our farm-land banks, established to aid the farmer, which I approve? I now have a constitutional lawyer of reputation and standing investigating the question of whether or not the incomes derived from Government tax-exempt securities are subject to a Government tax levied by Congress. I am of the personal opinion, without having given a great deal of study to the subject, other than reading the Constitution and before receiving the written opinion of this lawyer, that Congress can do that very thing; and if I determine it can lawfully do so, I serve notice on the House now that a bill will be introduced by me taxing the income from certain classes, at least, of Government tax-exempt securities. These Government tax-free securities have been a hiding place for the wealth of our war profiteers, and enabled them to force the poorer classes to pay the tax burdens as a result of the war. [Applause.]

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

Mr. ROACH. Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from Missouri asks unanimous consent to revise and extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. CARTER. In yield 10 minutes to the gentleman from Arkansas [Mr. WINGO] [Applause.]

The CHAIRMAN. The gentleman from Arkansas [Mr. WINGO] is recognized for 10 minutes.

Mr. WINGO. Mr. Chairman, one does not have to serve very long in this House until he has friendly attachments, even on the opposite side of the aisle, which make him appreciate the dilemma in which he sometimes finds his friends, and that is my feeling for my friend and colleague, the gentleman from Missouri [Mr. ROACH], who has just addressed the committee. I am fond of him personally. He frequently has a conflict between whether he will follow his party or follow his natural judgment as to the interests of the people, to whom he has just reaffirmed his allegiance, and I can understand the torture of his soul which was evident to those who listened to him.

You remember the question I asked him. At first I did not catch what his position was when he said he came here at the last session of Congress and voted as he was requested to relieve the tax burden of big business. He is a sincere man; he did ont want to unduly burden business, and you will find, I venture to say, if you look at the record, that he voted to reduce the tax load on business by repealing the excess-profits tax; and I imagine he also voted to reduce the higher surtaxes. In other words, he reduced the tax burden on business something like $500,000,000.

Mr. ROACH. Will the gentleman yield in order that I may make a short statement?

Mr. WINGO. Yes.

Mr. ROACH. Does not the gentleman believe that my vote, which helped to take off the high excess taxes, did relieve business and restore prosperity to this country and that we now have prosperity?

Mr. WINGO. The evidence is very conflicting, and I do not know whom to believe. My duties as a member of the Banking and Currency Committee impel me, out of a sense of responsibility, to read reports that are made by experts, on both sides, on the financial condition of the country; and I confess myself confused. I find the members of the Cabinet, with a unison that indicated a prearrangement, at the beginning of the year gave out announcements to the American people that prosperity was here. They were afraid the American people had not discovered it. They said we were richer and happier and more prosperous than ever before. Then I turn around and I pick up a great financial report, Dun's, and I find that, lo and behold, under the last year of Republican administration the assets of failed banks during the last year, 1923, under a Republican administration, amount to just exactly double the assets of the failed banks under the entire Woodrow Wilson administration. [Applause on the Democratic side.]

Mr. ROACH. Will the gentleman yield there?

Mr. WINGO. Wait until I finish a statement of the evidence, because I know the gentleman is trying, just like I am, to find out just what the facts are. I do not intend in my remarks here to advocate one thing or the other. I just want to call your attention to some facts that may help the gentleman in the dilemma that confronts him. I hear what the gentleman heard then and what he hears now and what he repeated awhile ago, that John D. Rockefeller has $60,000,000 of tax-exempt securities—was that it?

Mr. ROACH. Sixty per cent of his income.

Mr. WINGO. You are going to make old John D. sell them and put them into productive enterprise. Where are you going to get the money to buy them? Will you tell me that? Who is going to buy them? Somebody has got to have the money to buy them.

Mr. ROACH. The holder would have to pay income tax upon the interest, would he not, whoever held them?

Mr. WINGO. I suspect he would, although I can not see the books under this administration. I do not know whether they make them do that or not. A man on your own side tried to find out whether or not certain penalty clauses under the revenue act had been carried out, and could not find out. But let us go on with the record. I am not discussing whether certain proposals are wise or unwise; I am just trying to state the conflicting facts.

Mr. ROACH. Will the gentleman let me give him the information about the banks?

Mr. WINGO. But there is another cry. They say business is languishing; that you can not get the necessary funds to carry on the productive enterprises of this Nation; that you have got to kill exempt securities; that you have got to reduce the surtaxes according to the Mellon plan. Why? Because they say business is languishing; that legitimate productive enterprises in this country can not get the necessary capital; is not that the cry? Upon the other hand, I take up the papers and I examine the files to ascertain what capital issues were floated during the last year. I summed it up this morning, and I make the assertion now, and I challenge any man to contradict my assertion, that never in the history of this Nation or any nation since corporate securities were issued, were there issued more securities, new capital issues, than were issued during the year 1923. [Applause on the Democratic side.]

In one breath you come to me and say that is evidence of Republican prosperity and in the next breath you come to me and say that business is languishing and that capital can not be obtained for productive enterprises. This morning's papers call attention to the fact that call money went down to below 4 per cent. In a few days' time the rediscounts of the Federal Reserve Bank in New York City fell off and were reduced greater than they have ever been reduced at any time in the life of the system. So, gentlemen, when I recite these facts, what can I, a poor, unsophisticated country boy, anxious to be just and act wisely, regardless of any political cry of whether we were prosperous under a Democratic administration or a Republican administration—how on earth am I going to take these conflicting statements and arrive at the truth?

Mr. ROACH. Will the gentleman yield?

Mr. WINGO. Is not that the difficulty that confronts us here? Whose evidence are we going to take? Is the country prosperous and is productive business getting all the capital it

needs, or is it being stifled and is it languishing and dying and will it perish if we do not come to its rescue?

Mr. CARTER. Will the gentleman yield?

Mr. WINGO. Yes.

Mr. CARTER. If the country is in this prosperous condition, then why the necessity of reducing the taxes on these larger incomes in order that we may make the country prosperous?

Mr. WINGO. Well, they give you the reason for that. If that condition exists, then the argument is good. If that condition does not exist, then the argument fails. Now I yield to my friend from Missouri [Mr. ROACH].

Mr. ROACH. The gentleman from Arkansas knows that my remarks in that respect which he has been discussing referred to the industrial conditions of this country, including the banking business; and I want to make this observation to the gentleman: That at this time the banks are in good, solvent condition, and that at the close of Woodrow Wilson's administration practically all of them were "busted."

Mr. WINGO. Well, that is a startling statement. I will call to the witness stand and introduce in evidence to rebut the gentleman's statement the speech made the other day by my charming, gymnastic friend from Ohio [Mr. BEGG]. When asked by the gentleman from South Carolina [Mr. STEVENSON] why we had so many bank failures, my friend from Ohio [Mr. BEGG] replied—and you can read the RECORD; I read it—and you will find that although he did not exactly commit himself to the theory that is implied, he did say that the reason was they had overextended themselves and that everybody was playing the game as high as the cat's back and there was inflation and abnormal prosperity during Woodrow Wilson's administration.

Mr. ROACH. They were loaded up with Government securities.

Mr. WINGO. Loaded up with Government securities?

Mr. ROACH. Indeed they were. They were patriotic.

Mr. WINGO. In other words, he blames the Democratic Party because in time of war the banks of the country took Government securities. That shows you the dire extremities to which a Republican is reduced when he seeks to maintain the false hypothesis that there is prosperity now and that there was adversity in 1919 under a Democratic administration.

Mr. McSWAIN. Will the gentleman yield?

Mr. WINGO. Yes.

Mr. McSWAIN. Were the banks unpatriotic in taking up these bonds to help win the war and help the boys carry on the fight?

Mr. WINGO. Oh, Mr. Speaker, I never faced a more solemn moment in my life than I did on that fateful day in April when I, with those of you who were here then, had to pass on the issue of peace or war. I regretted the necessity of having to vote for war. I thought it was absolutely necessary, but, ah, Mr. Speaker, the tumult and the shouting has died and the boys have come home but the burden of debt is here and the reaction has come. Sometimes when I hear some bitter Republican speaking words of reproach and denunciation of Wilson for leading us into war and sneering at the broken man who was in the White House at that time, I wonder which were the braver, the foolhardy, so-called conscientious objectors who went to prison rather than support the war or the Republican politicians who then joined in the mad cry because war was popular then and now seek to get office by sneering at Wilson and appealing to the feelings of disloyalty of those who were against the war. [Applause on the Democratic side.]

Mr. ROACH. Will the gentleman yield?

Mr. WINGO. Oh, my friend from Missouri mistakes; I am not engaging in a controversy with him; I appreciate his dilemma.

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

Mr. CARTER. Mr. Chairman, I yield five minutes more to the gentleman.

Mr. WINGO. I will yield to the gentleman from Missouri.

Mr. ROACH. We were discussing the condition of the banks, and I asserted that it was due to the fact that they were loaded up with Government securities and long-time loans. I did not say it in criticism of any administration, but as a matter of fact.

Mr. WINGO. Well, now, the gentleman makes an amendment. He said before that it was on account of being loaded up with Government securities, and now he adds long-time loans. What was the cry in 1920? They denounced the Democratic Party because they said we permitted the wheat farmer and the cotton farmer to have abundant credit. As soon as the Republicans got control of Congress—and the gentleman was present when the gentleman from Massachusetts [Mr. LUCE] led an onslaught here on the Democratic Party for permitting bank loans in the agricultural sections to be overextended, and said that they ought to be deflated. Over in the other end of the Capitol that distinguished Republican gentleman from Illinois, Senator McCORMICK, introduced a resolution calling on the Federal Reserve Board to tell what they were doing to stop inflation. They said that under a Democratic administration farmers were given too much credit, and as a result prices were high, and some Republicans said it was an outrage that the cotton and wheat farmer received such high prices, and that they should be deflated. They said the price of wheat was too high. They said the price of cotton was too high.

Now, the Republicans deflated the farmer in 1920 and 1921, and we have reached a point where wheat is down to a dollar, and the wheat growers are clamoring at the doors of Congress begging the Republican administration to stop the cry that the country is prosperous and that prosperity is spread like a mantle over the whole land, and asking Congress to come to the relief of the wheat growers. Then the Republican leaders talked about the Democratic administration being too liberal with the wheat grower, the cotton grower, and now the same gentlemen say that the Federal reserve ratio is higher to-day than ever before and the country is prosperous as a result of Republican deflation. Secretary Hoover says we have so much gold that we do not know what to do with it and is begging some one to come and take it away. He says if they do not we are liable to get inflated again. The Republican Party is afraid that real Democratic prosperity will come back again to this country, and not the present one-sided Republican prosperity, where big business booms and farmers bust.

Mr. ROACH. Will the gentleman yield once more, and then I will not ask him again?

Mr. WINGO. I yield.

Mr. ROACH. The gentleman has spoken about wheat. What about corn? At the gathering time it brought the highest price in Missouri.

Mr. WINGO. If the gentleman can find any economist in the Republican Party that can solve the dilemma that confronts the corn grower and the man that handles the pork problem at the same time he is a great genius. I appeal to gentlemen from the Corn Belt to explain to my Republican friend the feelings of the corn farmer feeding high-priced corn to low-price hogs, and his disgust when he realizes that freight and other charges reduce his return on corn he markets to a disgusting minimum.

Why, my friend from Ohio [Mr. BEGG] was up here the other day, and evidently he saw these representatives of the farmers coming up asking for the Norris-Sinclair bill, and that irritated him, and he said, in substance, "The idea of farmers coming up here under a Republican administration"——

Mr. BEGG. Will the gentleman yield now? He has discovered that I am in the House.

Mr. WINGO. Oh, the gentleman will wait until I get through with the recital, and then I shall yield. He said, in effect, "Just the very idea of farmers coming up here. Go back and do for yourselves. We are prosperous, everything is lovely, and the goose hangs high. What is wrong with you wheat farmers? Have you not heard about this Republican prosperity?" That in effect was what my Republican friend said. Gentlemen, why do you not radio this prosperity out to them if we are reveling in such prosperity as you claim at the present time? Why tell the farmer to go back home, diversify, and bless the Republican Party? You Republicans slam the door in the face of the wheat growers when they come here and ask for what they believe is proper relief, but you let the glove manufacturers and the woolen manufacturers and the others come down here, and you say that they are patriotic gentlemen who are trying to assist in maintaining the prosperity of a great Nation. When the farmer comes you say "You must not ask for paternalistic relief; that is not the function of government; you must stand alone and take your chances in the open markets of the world and rely upon the laws of supply and demand."

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

Mr. CARTER. Mr. Chairman, I yield five minutes more to the gentleman.

Mr. WINGO. But when the poor, inefficient, helpless manufacturer, the proverbial "infant industry" which has been only able to multiply its capital out of his earnings perhaps one hundred times over in the last 30 or 40 years, comes down here trembling to the doors of the Ways and Means Committee, crying for help, saying that if they are not relieved industry will perish—"You have got to give us protection by taxing all of the American people for the benefit of us, and if you do not

we can not exist"—what then do our Republican friends do? They say, "Oh, yes; we have to maintain the public welfare by giving these fellows relief." [Laughter and applause on Democratic side.]

Mr. Chairman, in the history of nations long ago, when nations went to war, it was the custom to issue commissions, called letters of marque and reprisal, to sea captains, authorizing them to sail the Seven Seas and to capture and destroy and convert and appropriate to their own use the property of enemy nationals in ships upon the sea; but after the nations commenced trying to grope upward from the darkness of barbarism they said that even though they could not abolish war they would at least cut out some things, and they abolished letters of marque and reprisal, and no more does a civilized nation, even in war times, issue commissions which authorize pirates to sail the high seas in the name of a civilized Government. But in this wonderful century this Nation still clings to a barbarous custom, a piratical theory; and while it issues no letters of marque and reprisal to pirates to sail the watery seas, yet under the leadership and the historic tariff tax policy of the Republican Party there are granted to American manufacturers letters of marque and reprisal to sail the seas of the domestic market and take a toll from the helpless consumers of over $4,000,000,000 a year when they buy clothing, food, and the necessary things to maintain their families. But I am an optimist. I believe that we are going onward and upward, and I think the day will come when this Nation will forsake a policy of that kind, and whenever it is necessary to levy a tariff tax we will levy it for the reason that we levy an income tax or anything else, solely to meet the necessities of the Government, and we will not farm out to any group of people, whatever their necessities, the right to plunder at will the helpless consumers of the land.

That is the theory of the Republican Party.

Oh, I shall vote against this pending appropriation bill, and why? I will tell you why. It carries in it certain items that I will not agree to. It carries with it a philosophy that I do not agree to. That philosophy is that representative government is a failure. It was the glory and the very inception of the old Anglo-Saxon theory of independence and government that the people's representatives should hold the people's purse strings, and that theory is embodied in our Constitution and form of government. The theory was that this House should hold the purse strings of the Republic, and that we alone should originate bills of taxation, but the newspapers of all classes, whether radical or otherwise, have joined the hue and cry and denounced this body as a helpless, cowardly, inefficient bunch that can not attend to the people's business, and the Republican Party surrenders and says in effect that there is not enough wisdom on the Republican side of this House to originate a tax measure, and they turned to the Secretary of the Treasury and are sitting over there like a bunch of young jay birds with their mouths wide open ready to swallow any worm that Andy Mellon may ram down their throats. Nobody knows what it is. I believe in representative government. I was for a budget to restrain the expenditures of the departments, and I was against a budget that would shackle the people's Representatives here. I was against that rule which tied our hands so that we can not do a thing, because some people will make a point of order and say that is against the law or the Budget, and the only hope you have is to go away up yonder to the old Rules Committee—and I will say to my new friends here that if we sit here in this city until next summer and it gets to be too hot for you, just go to the Rules Committee and you will find icicles hanging from the chandeliers in the hottest day in summer. Why, icicles rattle in the breeches of every member of that committee on the hottest August day. [Laughter.] People say that we have to have a Rules Committee to restrain unlimited debate, and my Democratic friends come to me and complain that because we are going to carry the next House I ought not to take the attitude that I do, because we do not want the House to be run as a town meeting. Mr. Chairman, why should not the House of Representatives be open to every Member for free discussion of whatever may be under consideration? [Applause.]

The CHAIRMAN. The time of the gentleman from Arkansas has again expired. All time has expired, and the Clerk will read the bill for amendment.

The Clerk read as follows:

OFFICE OF THE SECRETARY.

SALARIES.

Secretary of the Interior, $12,000; First Assistant Secretary, Assistant Secretary, and other personal services in the District of Columbia in accordance with "the classification act of 1923," $267,640; in all, $279,640: *Provided*, That in expending appropriations or portions of appropriations, contained in this act, for the payment for personal services in the District of Columbia in accordance with "the classification act of 1923," the average of the salaries of the total number of persons under any classification grade in any bureau, office, or other appropriation unit shall not at any time exceed the average of the compensation rates specified for the grade by such act: *Provided*, That this restriction shall not apply (1) to grades 1, 2, 3, and 4 of the clerical-mechanical service, or (2) to require the reduction in salary of any person whose compensation is fixed, as of July 1, 1924, in accordance with the rules of section 6 of such act, or (3) to prevent the payment of a salary under any grade at a rate higher than the maximum rate of the grade when such higher rate is permitted by "the classification act of 1923" and is specifically authorized by other law.

Mr. CRAMTON and Mr. BLANTON rose.

The CHAIRMAN. The Chair will recognize the gentleman from Michigan.

Mr. CRAMTON. Permit me first to make a statement as to what the committee has in mind with reference to our program. The committee has no desire to read the bill any further to-day. If anyone desires to offer an amendment and have it pending so that it may be in the RECORD, that is entirely agreeable, or if there is occasion for a point of order to be made, that can be held pending. Then there would be no final action to-day on anything pertaining to the matter. There might be a little debate, but the debate itself would not be concluded and then we will go over until the bill comes up next week.

Mr. GARRETT of Tennessee. I think it would be much better if the gentleman would move to rise.

Mr. CRAMTON. I hope the gentleman will not object to my getting this in the RECORD. I should like to make a statement of about five minutes of certain features; not an argumentative statement.

Mr. BLANTON. The gentleman would not object to an amendment going in the RECORD to be pending and for the information of the Members?

Mr. ROACH. I hope the gentleman will let us file our amendments.

Mr. GARRETT of Tennessee. On Tuesday this bill will come up again.

Mr. CRAMTON. It will only take 10 or 15 minutes to get this in the RECORD.

Mr. CARTER. I hope my friend from Tennessee will not object until the gentleman from Michigan has concluded, and also permit the gentleman from Texas to have his amendment go in the RECORD and be pending.

Mr. BLANTON. I would like to have it in the RECORD for the information of the House.

Mr. ROACH. I would like to have my amendment pending as well.

Mr. CRAMTON. The committee would like a chance to study these amendments also.

The CHAIRMAN. The gentleman from Michigan.

Mr. CRAMTON. Mr. Chairman, it is not my desire now to make an argument for or against the rates under the classification act. It is only my desire to place in a very condensed form certain information before the House, challenging their attention for the next two or three days, because it is apparent from the discussion we have had that the question is not entirely clear to all. I will ask unanimous consent to revise and extend my remarks in a very limited way.

The CHAIRMAN. The gentleman from Michigan asks unanimous consent to extend his remarks in the RECORD. Is there objection? [After a pause.] The Chair hears none.

Mr. CRAMTON. Mr. Chairman, in the briefest form I want to sketch the situation. We passed last year a classification act. We provided in section 4 for an allocation of positions in the departments by the head of each department to the appropriate grades in the compensation schedules and fixed the compensation of each employee therein in accordance with the rules of section 6 of the classification act, and provided for a review of that section by the Personnel Classification Board. In section 6 it provided rules for the determination of the compensation to be established initially for the various positions. Section 7 provided for certain increases of compensation to be allowed thereafter under appropriate efficiency rating, with the proviso that in no case should the compensation of any employee be increased unless Congress has appropriated money from which the increase may be lawfully met; that is, increases beyond the initial allocation. The new law provides for the different services and grades and describes the exact rate of compensation that shall apply in each grade under each service. That is all definitely fixed in the law. Section 14 pro-

vides for the transmission of estimates of expenditures and appropriations thereunder to the Congress and that it shall not be effective until the first of the next fiscal year. Now, under that law the board was organized and they proceeded with their work and the persons have been allocated to these different grades and services. The above provisions are as follows:

SEC. 4. That after consultation with the board, and in accordance with a uniform procedure prescribed by it, the head of each department shall allocate all positions in his department in the District of Columbia to their appropriate grades in the compensation schedules and shall fix the rate of compensation of each employee thereunder, in accordance with the rules prescribed in section 6 herein. Such allocations shall be reviewed and may be revised by the board and shall become final upon their approval by said board. Whenever an existing position or a position hereafter created by law shall not fairly and reasonably be allocable to one of the grades of the several services described in the compensation schedules, the board shall adopt for such position the range of compensation prescribed for a grade, or a class thereof, comparable therewith as to qualifications and duties.

SEC. 6. That in determining the compensation to be established initially for the several employees the following rules shall govern:

1. In computing the existing compensation of an employee, any bonus which the employee receives shall be included.

2. If the employee is receiving compensation less than the minimum rate of the grade or class thereof in which his duties fall, the compensation shall be increased to that minimum rate.

3. If the employee is receiving compensation within the range of salary prescribed for the appropriate grade at one of the rates fixed therein, no change shall be made in the existing compensation.

4. If the employee is receiving compensation within the range of salary prescribed for the appropriate grade, but not at one of the rates fixed therein, the compensation shall be increased to the next higher rate.

5. If the employee is not a veteran of the Civil War, or a widow of such veteran, and is receiving compensation in excess of the range of salary prescribed for the appropriate grade, the compensation shall be reduced to the rate within the grade nearest the present compensation.

6. All new appointments shall be made at the minimum rate of the appropriate grade or class thereof.

SEC. 7. Increases in compensation shall be allowed upon the attainment and maintenance of the appropriate efficiency ratings to the next higher rate within the salary range of the grade: *Provided, however,* That in no case shall the compensation of any employee be increased unless Congress has appropriated money from which the increase may lawfully be paid, nor shall the rate for any employee be increased beyond the maximum rate for the grade to which his position is allocated. * * *

SEC. 14. That the estimates of the expenditures and appropriations set forth in the Budget to be transmitted by the President to Congress on the first day of the next ensuing regular session shall conform to the classification herein provided, and that the rates of salary in the compensation schedule shall not become effective until the first day of the fiscal year estimated for in such Budget.

Section 5 provides for extension of the work of classification to the field:

SEC. 5. That the compensation schedules shall apply only to civilian employees in the departments within the District of Columbia * * *. The board shall make a survey of the field services and shall report to Congress at its first regular session following the passage of this act schedules of positions, grades, and salaries for such services, which shall follow the principles and rules of the compensation schedules herein contained in so far as these are applicable to the field services. * * *

This report has not yet been made. If the present classification schedule is not made effective in accordance with the law, it is manifest it can not be extended to the field.

All this discussion has reference only to employees in the District of Columbia and not in the field. There is in the hearings a full statement, pages 1003 and following, of all the positions in the department next year and the number of persons in each grade and service, the salary they have had heretofore, and the salary they are to have under the classification act, and the total has been brought down to what these salaries will amount to. So that in the Department of the Interior as to the initial cost next year this is the situation. As to the department, 5,954 employees the current year at a total salary of $9,380,143, including the appropriations of the current year as carried in the Interior Department appropriation bill and the $240 bonus carried in a separate act. The estimates have reference to 5,593 employees, a decrease of about 361 employees with salaries amounting to $9,581,199, being an increase of $510,988—increase in estimates for salaries for 1925 due to the classification over the total salary that the same number of employees received in 1924. The estimate of appropriation for 1925 over the estimated expenditure for 1924 is an amount of $201,056 as to the Interior Department, the difference between $510,988 and $201,056 being due to required reduction in number of personnel. I put in the RECORD here a statement similarly summarized as to all the departments of the Government, as follows, being Budget statement 24, found on page A71 of the 1925 Budget.

Statement summarizing and comparing the Budget estimates of appropriations for the fiscal year 1925 with the estimates of expenditures for 1924 for the personnel of the executive departments and establishments in the District of Columbia classified under the act of March 4, 1923.

Department or establishment.	Estimated expenditures, fiscal year 1924.		Estimates of appropriations, fiscal year 1925.			Increase (+) or decrease (−) of estimates of appropriations for 1925 over or under estimated expenditures for 1924.
	Number of employees.	Basic salaries plus increase of compensation.	Number of employees.	Salaries under classification act of Mar. 4, 1923, as included in the Budget.	Increase in estimates for salaries for 1925, due to classification, over the total compensation that the same number of employees receive in 1924.	
Executive Office	38	$82,440	38	$93,520	$11,080	+$11,080
Alien Property Custodian	125	262,025	102	207,400	.....	−54,625
American Battle Monuments Commission	.....	.....	13	24,400	.....	+24,400
Bureau of Efficiency	52	146,650	52	151,320	4,670	+4,670
Civil Service Commission	318	521,040	295	531,240	19,340	+10,200
Commission of Fine Arts	2	3,000	2	3,420	420	+420
Employees' Compensation Commission	73	132,580	74	138,040	4,020	+5,460
Federal Board for Vocational Education	53	144,500	52	152,820	8,320	+8,320
Federal Power Commission	1	5,000	1	6,000	1,000	+1,000
Federal Trade Commission	311	846,800	295	804,240	2,960	−42,560
General Accounting Office	2,094	3,323,808	2,004	3,399,612	187,644	+75,804
Interstate Commerce Commission	1,411	3,515,116	1,120	2,749,654	11,425	−765,462
National Advisory Committee for Aeronautics	22	46,880	23	49,040	660	+2,160
Shipping Board	113	340,460	96	290,440	160	−50,020
Smithsonian Institution	414	525,002	417	584,539	53,956	+59,537
State, War, and Navy Department Buildings	1,680	1,692,838	1,551	1,636,215	60,877	−56,623
Tariff Commission	240	587,415	240	614,220	15,930	+26,805
United States Veterans' Bureau	4,495	7,359,622	4,499	7,474,360	84,738	+114,738
Department of Agriculture	4,754	8,605,026	4,712	8,976,226	390,432	+371,200
Department of Commerce	2,560	4,634,677	2,550	4,957,387	308,593	+322,710
Department of the Interior	5,954	9,380,143	5,593	9,581,199	510,988	+201,056
Department of Justice	635	1,611,561	673	1,762,400	60,839	+150,839
Department of Labor	602	1,077,740	579	1,109,200	44,720	+31,460
Navy Department	2,038	3,517,324	2,063	3,737,670	163,646	+220,346
Department of State	590	995,900	590	1,069,600	73,700	+73,700
Treasury Department	17,676	27,718,336	17,103	27,202,520	592,123	−515,816
War Department	2,491	3,921,375	2,295	3,742,041	86,230	−179,334
District of Columbia	5,173	2,819,760	5,212	3,183,497	323,566	+363,737
Post Office Department	1,812	2,603,532	1,829	2,843,469	161,172	+239,937
Total	55,727	36,420,550	54,074	87,075,689	3,183,209	+2,319,579 −1,664,440
Net increase	.....	.....	.....	.....	.....	655,139

The estimates for 1925 call for 54,074 employees, at $87,075,689, a net increase of the entire salary roll for next year under the classification act of $655,139. It is only fair to say that the increases will be greater in years to come as promotions come under the act.

The CHAIRMAN. The time of the gentleman has expired.

Mr. CRAMTON. I will ask for two minutes more.

The CHAIRMAN. The gentleman from Michigan asks unanimous consent to proceed for two additional minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. CRAMTON. I am not trying to argue the salaries of the Classification Board are too high or too low, but I want you to know the situation; that is all.

The item before you has always been a statutory roll. It appears before you now apparently as a lump sum. In the hearings, on pages 1003 to 1006, inclusive, it appears that the roll proposed by the department under the classification rates would total $287,780. A part of the increase over the current item is due to the fact that a number of positions elsewhere in the bill have been transferred to this item. Those are all enumerated on the pages I have mentioned. So we say the item is $287,780, as against——

Mr. ROACH. That is the increase of this one department?

Mr. CRAMTON. Yes. I have already given you that as $201,050, and an increase in all the departments together of $655,000. I am using this item now simply as an illustration. Taking into account the bonus, and taking into account the other items transferred from other places in the bill into this item, the appropriation for 1924, basic and bonus, was $273,100. The effect of the classification act on this item was to bring it up to $287,780. The Budget Bureau cut off $4,140. They have cut off from that roll of employees $4,140 of the increase, so that if we had reported it and it had become a law as approved by the Budget, the Secretary's office would have been obliged to absorb $4,140.

Now, the only change the committee has made in that is a further reduction of $4,000, because of a shift of the personnel, bringing it down to $279,000.

I want to emphasize this and get the information clearly before you. The Committee on Appropriations is the agent of the House, and we have not attempted to fix any salaries in this bill. The classification act was intended to do that, and we have taken the figures as they have come to us, and the classification act will cover each of these items which appear on their face to be lump-sum items, but in reality the discretion is no longer there.

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

Mr. CARTER. Mr. Chairman, I ask unanimous consent that the gentleman from Michigan be given one minute more. I want to ask him a question.

The CHAIRMAN. The gentleman from Oklahoma asks unanimous consent that the gentleman from Michigan may proceed for one minute more. Is there objection?

There was no objection.

Mr. CARTER. The gentleman states that it is necessary to appropriate only $650,000 more. He said it would take $650,000 more than the amount carried in the bill last year for the salaries of these employees.

Mr. CRAMTON. That is with reference to the entire Government.

Mr. CARTER. The entire Government employees in the District of Columbia?

Mr. CRAMTON. Yes; the employees of the entire Government in the District of Columbia.

Mr. CARTER. Now, is it not also a fact that the increase in the salary of the same number of employees that we had at the time of the passage of the act would be about $3,200,000, but that the balance has been cut off by the reduction of the personnel?

Mr. CRAMTON. Yes. The theory of that is this: It has always been claimed that by higher salaries they could get more efficient people and do with fewer in number. The Budget Bureau has taken them at their word and acted upon that theory.

The CHAIRMAN. The gentleman from Texas [Mr. BLANTON] has offered an amendment.

Mr. BLANTON. Yes. To save the time of the committee, I ask unanimous consent that it be printed in the RECORD without being read.

The CHAIRMAN. The gentleman from Texas asks unanimous consent that his amendment be printed in the RECORD without being read. Is there objection?

Mr. CRAMTON. I reserve all points of order on the amendment.

The CHAIRMAN. The amendment to be inserted in the RECORD without reading, with all points of order reserved and pending.

Mr. BLANTON. I would like to be heard for five minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Following is the amendment referred to:

Amendment offered by Mr. BLANTON: Strike out lines 9, 10, 11, and 12 on page 2, including the total, $279,640, and insert in lieu thereof the following:

"Secretary of the Interior, $12,000; First Assistant Secretary, $5,000; Assistant Secretary, $4,500; chief clerk, who shall be chief executive officer of the department and who may be designated by the Secretary to sign official papers and documents during the temporary absence of the Secretary and Assistant Secretaries, $4,000; assistant to the Secretary, $2,750; private secretary to the Secretary, $2,500; assistant attorney, $2,500; 2 special inspectors (whose employment shall be limited to the inspection of offices and the work in the several offices under the control of the department), at $2,500 each; 6 inspectors, at $2,500 each; chief disbursing clerk, $2,500; chiefs of divisions—1 of supplies, $2,250, 1 of appointments, mails, and files, $2,250, and 1 of publications, $2,250; expert accountant, $2,000; clerks—4 at $2,000 each, 12 of class 4, 2 at $1,740 each, 14 of class 3, 20 of class 2, 1 $1,320, 20 of class 1, 1 $1,140, 3 at $1,000 each; returns office clerk, $1,600; female clerk, to be designated by the President, to sign land patents, $1,200; 8 copyists at $900 each; multigraph operator, $900; assistant multigraph operator, $720; 2 telephone switchboard operators at $720 each; automobile mechanic, $1,400; chauffeurs—1 $1,080, 8 at $720 each; 12 messengers at $840 each; 6 assistant messengers at $720 each; laborers—3 at $600 each, 1 $600; messenger boys—1 $540, 3 at $420 each; 5 packers at $660 each; clerk to sign, under the direction of the Secretary, in his name and for his approval, all tribal deeds to allottees and deeds for town lots made and executed according to law for any of the Five Civilized Tribes of Indians in the Indian Territory, $1,200; in all, $220,020.

"*Provided*, That in addition to the above said employees shall be paid such increases as are authorized by the classification act of 1923, as executed by the Classification Board, and to cover such increases, the additional sum of $46,270; in all, a total of $268,290."

Mr. CARTER. Can not the gentleman from Texas defer that?

Mr. ROACH. I do not want to be heard on my amendment, but I would like to offer my amendment to section 1.

The CHAIRMAN. The gentleman from Missouri asks unanimous consent that his amendment may be printed, with all points of order reserved. Is there objection?

There was no objection.

Following is the amendment referred to:

Amendment by Mr. ROACH: Amend section 1 of the bill as follows: After the word "Columbia," in line 11, page 1 of the bill, strike out the remainder of line 11, and also strike out all of line 12 to and including the figures "$279,640," and insert in lieu thereof the figures and words following: "$222,022, no portion of said amount to be used in paying to any person employed in the Department of the Interior a higher rate of salary than was paid for the same character of services rendered by such person during the last preceding fiscal year."

Amend section 1 further by striking out the word "provided" in line 12, pages 1 and 2, and all words and figures thereafter down to and including the word "law" in line 17, page 2.

Mr. BLANTON. Mr. Chairman, the only object I have in view in offering this amendment is to get away from this new lump-sum proposal and keep to the present statutory roll, so that we may know what we are doing. Now, is there a new lump-sum proposition in this bill? I want you to remember what Mr. MADDEN, the chairman, said the other day. Here are his words, found on page 791 of the RECORD:

The recommendation which we make will result in eliminating from the appropriation act specific appropriations for specific services—that is, statutory salaries can no longer exist with any degree of safety under the act. We shall be compelled to appropriate in lump sums.

Now, notice what he later says:

Lump sums I have always objected to in the past.

Then, later this is what he says:

Heretofore less than 10 per cent of the civil personnel of the Government, both in and out of Washington, has been carried on the statutory rolls and about 90 per cent upon the lump-sum rolls. So the departure to lump-sum rolls is not so radical as it might at first appear.

Because 90 per cent has been carried on lump-sum rolls heretofore, he thinks we ought to carry the other 10 per cent of appropriations on lump-sum rolls, so as to have the whole business lump-sum unanimous.

Mr. CRAMTON. Will the gentleman yield?

Mr. BLANTON. I have but five minutes, and the gentleman can answer me on Monday.

Mr. CRAMTON. I just want to say that it depends on what you mean by a lump sum.

Mr. BLANTON. A lump sum is where in this bill you say, "Mr. Secretary of the Interior, for your office, just for your own office, not for the other bureaus under you, but for your own office, we give you $279,640," and the only salary which is specified is your $12,000 salary. I call that a lump sum. The gentleman from Illinois [Mr. MADDEN] calls it a lump sum. The big chairman of the Appropriations Committee says it is a lump sum, and I am sure the gentleman from Michigan [Mr. CRAMTON] will not be guilty of lese majesty by denying that that situation exists in this bill, because he will not go against his superior officer.

What are we going to do about it? The gentleman from Illinois [Mr. MADDEN] says he has always been against it. The distinguished former chairman, the gentleman from Iowa, Mr. Good, was against it. I wish you would get his speech and read it; I wish every new Member would get the speech of the distinguished gentleman from Iowa, Mr. Good, the former efficient chairman of the Committee on Appropriations, and read what he said against lump-sum appropriations before and after he became chairman. When the Democrats were in power he was against lump-sum appropriations, and he said they ought to stop, and I, too, think they ought to stop.

You men are going to meet yourselves in the road coming back, face to face with your proposition, sooner or later. You are in power now; you may take advantage of your opportunity to pass these lump-sum appropriations and may desire to make it 100 per cent unanimous on lump sums for all appropriations, because you think your present Cabinet officers will see that the money is properly expended. But what are you going to do when some election comes around and a change is made, as might happen this next November, when the Democrats might get into power and you might claim not to have confidence in some of our Cabinet officers? What are you going to do then, I ask the gentleman from Michigan [Mr. CRAMTON]? Are you then going to go back to what the gentleman from Iowa, Mr. Good, said, "We are against lump-sum appropriations"? The gentleman from Missouri [Mr. ROACH] is against lump-sum appropriations. Then the distinguished gentleman from Ohio [Mr. BEGG], your straw leader—Mr. BEGG leads when the main leader is gone—is also against lump-sum appropriations. With all of these statements against lump-sum appropriations are you going to put them in this bill as a new policy? It is a policy which you can not go before your constituents and defend; it is a policy that your constituents are against. How are you going to answer these 354,000 farmers whose petition and protest Mr. DARROW brought here the other day? They said, "You must stop these increases," and yet in the office of the Secretary of the Interior you are increasing the appropriation this year from $222,000 to $279,000, and giving it to him in a lump sum.

Mr. BEGG. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. BEGG. I will answer the farmers in Texas by telling them that according to banking statements they have $40,000,000 more on deposit than ever before.

Mr. BLANTON. You could not get an audience of Texas farmers to listen to you three minutes, because they know more about the situation than the gentleman from Ohio would tell them. He knows about it, but he would not care to tell them what he knows about it.

Mr. BEGG. I would tell them that they have $40,000,000 more on deposit in the banks this year than they ever had before.

Mr. BLANTON. Do you think we should increase the expenses of this Government every year until we run into a $4,000,000,000 Congress?

Mr. BEGG. No; you asked me what I would tell them in reply to their petition, and I said I would tell them they had $40,000,000 more on deposit in the banks than they ever had before.

Mr. BLANTON. What they are interested in is to keep on having something on deposit. No matter how much money they had on deposit, they do not want Congress to waste a dollar or spend a dollar extravagantly. They want us to safeguard and protect their money, for every dollar we spend must be taken from them in taxes.

The gentleman from Ohio would tell them a lot of things if he thought he could get some of their votes, but he could not get any votes down in Texas.

The CHAIRMAN. The time of the gentleman has expired.

Mr. CRAMTON. Mr. Chairman, I move the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. TILSON, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having under consideration the bill (H. R. 5078) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1925, and for other purposes, had come to no resolution thereon.

ADJOURNMENT.

Mr. CRAMTON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 34 minutes p. m.) the House adjourned until Monday, January 14, 1924, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

277. A letter from the Secretary of War, transmitting a statement submitted by the Chief of Engineers, United States Army, showing the name of each civilian engineer employed between July 1, 1922, and June 30, 1923, in the work of improving rivers and harbors, the time so employed, the compensation paid, and the place and works on which employed; to the Committee on Rivers and Harbors.

278. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the legislative establishment of the United States for the fiscal year ending June 30, 1924, in the sum of $125,000 (H. Doc. No. 152); to the Committee on Appropriations and ordered to be printed.

153. A communication from the President of the United States, transmitting supplemental estimates of appropriations for the War Department for the fiscal year ending June 30, 1924, amounting to $692,694 (H. Doc. No. 153); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2, Rule XIII,

Mr. RAYBURN: Committee on Interstate and Foreign Commerce. H. R. 657. A bill granting the consent of Congress to the boards of supervisors of Rankin and Madison Counties, Miss., to construct a bridge across the Pearl River in the State of Mississippi; without amendment (Rept. No. 34). Referred to the House Calendar.

Mr. RAYBURN: Committee on Interstate and Foreign Commerce. H. R. 5196. A bill granting the consent of Congress to the construction of a bridge across the Rio Grande; with amendment (Rept. No. 35). Referred to the House Calendar.

Mr. HUDDLESTON: Committee on Interstate and Foreign Commerce. H. R. 477. A bill to authorize the State of Georgia, through its State highway department, to construct and maintain a bridge across the Chattahoochee River at or near Fort Gaines, Ga., connecting Clay County, Ga., and Henry County, Ala.; without amendment (Rept. No. 36). Referred to the House Calendar.

Mr. HUDDLESTON: Committee on Interstate and Foreign Commerce. H. R. 3198. A bill to authorize the States of Alabama and Georgia, through their respective highway departments, to construct and maintain a bridge across the Chattahoochee River at or near Eufaula, Ala., connecting Barbour County, Ala., and Quitman County, Ga.; without amendment (Rept. No. 37). Referred to the House Calendar.

Mr. HUDDLESTON: Committee on Interstate and Foreign Commerce. H. R. 3679. A bill to authorize the building of a bridge across the Peedee River in South Carolina; without amendment (Rept. No. 38). Referred to the House Calendar.

Mr. HUDDLESTON: Committee on Interstate and Foreign Commerce. H. R. 3680. A bill authorizing the building of a bridge across Kingston Lake at Conway, S. C.; without amendment (Rept. No. 39). Referred to the House Calendar.

Mr. HUDDLESTON: Committee on Interstate and Foreign Commerce. H. R. 3681. A bill to authorize the building of a bridge across the Waccamaw River in South Carolina; without amendment (Rept. No. 40). Referred to the House Calendar.

Mr. HUDDLESTON: Committee on Interstate and Foreign Commerce. S. 1374. An act to authorize the Norfolk & Western Railway Co. to construct a bridge across the Tug Fork of the

Big Sandy River at or near a point about 1½ miles west of Williamson, Mingo County, W. Va., and near the mouth of Turkey Creek, Pike County, Ky.; without amendment (Rept. No. 41). Referred to the House Calendar.

Mr. SNYDER: Committee on Indian Affairs. H. R. 185. A bill providing for a per capita payment of $100 to each enrolled member of the Chippewa Tribe of Minnesota from the funds standing to their credit in the Treasury of the United States; with an amendment (Rept. No. 42). Referred to the Committee of the Whole House on the state of the Union.

Mr. PARKS: Committee on Interstate and Foreign Commerce. S. 604. An act to authorize the construction, maintenance, and operation of a bridge across the St. Francis River, near St. Francis, Ark.; without amendment (Rept. No. 43). Referred to the House Calendar.

Mr. BURTNESS: Committee on Interstate and Foreign Commerce. H. R. 584. A bill to authorize the county of Multnomah, Oreg., to construct, maintain, and operate a bridge and approaches thereto across the Willamette River in the city of Portland, Oreg., in the vicinity of present site of Sellwood Ferry; without amendment (Rept. No. 44). Referred to the House Calendar.

Mr. BURTNESS: Committee on Interstate and Foreign Commerce. H. R. 585. A bill for the purpose of authorizing the county of Multnomah, Oreg., to construct a bridge and approaches thereto across the Willamette River in the city of Portland, Oreg., to replace the present Burnside Street Bridge in said city of Portland; and also to authorize said county of Multnomah to construct a bridge and approaches thereto across the Willamette River in said city of Portland, in the vicinity of Ross Island; with an amendment (Rept. No. 45). Referred to the House Calendar.

Mr. BURTNESS: Committee on Interstate and Foreign Commerce. H. R. 726. A bill to extend the time for the completion of the construction of a bridge across the Columbia River between the States of Oregon and Washington at or within 2 miles westerly from Cascade Locks, in the State of Oregon; without amendment (Rept. No. 46). Referred to the House Calendar.

Mr. BURTNESS: Committee on Interstate and Foreign Commerce. S. 1170. An act to authorize the Highway Commission of the State of Montana to construct and maintain a bridge across the Yellowstone River at or near the city of Glendive, Mont.; without amendment (Rept. No. 47). Referred to the House Calendar.

Mr. PARKER: Committee on Interstate and Foreign Commerce. H. R. 3265. A bill for the construction of a bridge between the Boroughs of Brooklyn and Queens, in the city and State of New York; with amendments (Rept. No. 48). Referred to the House Calendar.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 2551) granting an increase of pension to Mattie E. Prewitt; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 4332) granting a pension to Forrest L. Robinson; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 4999) granting an increase of pension to Thomas H. Stubbs; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 5032) granting a pension to J. E. Williams; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

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

By Mr. MILLER of Washington: A bill (H. R. 5316) declaring pistols, revolvers, and other firearms capable of being concealed on the person nonmailable, and providing penalty; to the Committee on the Post Office and Post Roads.

By Mr. THOMAS of Oklahoma: A bill (H. R. 5317) authorizing certain military reservations to be attached to certain school districts for school purposes; to the Committee on Military Affairs.

By Mr. JOHNSON of Washington: A bill (H. R. 5318) to authorize an exchange of lands with the State of Washington; to the Committee on the Public Lands.

Also, a bill (H. R. 5319) to amend section 112 of the act of March 3, 1911, entitled "An act to codify, revise, and amend the laws relating to the judiciary"; to the Committee on the Judiciary.

By Mr. McREYNOLDS: A bill (H. R. 5320) to limit the immigration of aliens into the United States; to the Committee on Immigration and Naturalization.

By Mr. BRITTEN: A bill (H. R. 5321) to authorize the Secretary of the Navy to proceed with the construction of certain public works; to the Committee on Naval Affairs.

By Mr. RAKER: A bill (H. R. 5322) to exclude and expel from the United States aliens who are members of the communistic and similar classes; to the Committee on Immigration and Naturalization.

By Mr. GREENE of Massachusetts: A bill (H. R. 5323) to amend section 4433 of the Revised Statutes of the United States and section 4418 of the Revised Statutes of the United States as amended by the act of Congress approved March 3, 1905; to the Committee on the Merchant Marine and Fisheries.

By Mr. BECK: A bill (H. R. 5324) to amend the act entitled "Public No. 98, Sixty-seventh Congress," known as the revenue act of 1921; to the Committee on Ways and Means.

By Mr. CARTER: A bill (H. R. 5325) conferring jurisdiction upon the Court of Claims to hear, examine, consider, and adjudicate claims which the Choctaw and Chickasaw Indians may have against the United States, and for other purposes; to the Committee on Indian Affairs.

By Mr. DENISON: A bill (H. R. 5326) to prohibit the collection of extra or additional fares for transporting persons or baggage in parlor and sleeping cars; to the Committee on Interstate and Foreign Commerce.

By Mr. GIBSON: A bill (H. R. 5327) to provide for the payment to the retired members of the police and fire departments of the District of Columbia the balance of retirement pay past due to them but unpaid from January 1, 1911, to July 30, 1915; to the Committee on the District of Columbia.

By Mr. JOHNSON of Texas: A bill (H. R. 5328) authorizing the payment of claims of men of the Army and Marine Corps while in training for commissions in the combatant branches of the Army and Marine Corps, and authorizing appropriation therefor; to the Committee on Military Affairs.

By Mr. KAHN: A bill (H. R. 5329) authorizing the Secretary of War to transfer to the Treasury Department for quarantine purposes a portion of Ship Island, located off the coast of Mississippi about 14 miles from Biloxi, Miss.; to the Committee on Military Affairs.

By Mr. McSWAIN: A bill (H. R. 5330) to mark the places where military organizations trained for the World War; to the Committee on the Library.

Also, a bill (H. R. 5331) to punish official misconduct of any officer of the United States; to the Committee on the Judiciary.

Also, a bill (H. R. 5332) to punish any person profiteering on the United States in time of war; to the Committee on the Judiciary.

By Mr. McREYNOLDS: A bill (H. R. 5333) authorizing the payment of claims of men of the Army and Marine Corps while in training for commissions in the combatant branches of the Army and Marine Corps, and authorizing appropriation therefor; to the Committee on Military Affairs.

By Mr. ZIHLMAN: A bill (H. R. 5334) to provide for the appointment of an additional counsel for the Public Utilities Commission of the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. TINKHAM: A bill (H. R. 5335) to define a period in which certain claims may be presented for determination to the Commissioner of Internal Revenue for refund of taxes erroneously collected from certain estates of decedents under color of section 29 of the act of Congress approved June 13, 1898, entitled "An act to provide ways and means to meet war expenditures, and for other purposes," and amendments, and to authorize payment of amounts allowed in the determination of such claims; to the Committee on Claims.

Also, a bill (H. R. 5336) fixing the compensation of employees in motor-vehicle service, Post Office Department; to the Committee on the Post Office and Post Roads.

By Mr. NELSON of Maine: A bill (H. R. 5337) authorizing the construction of an international highway bridge over the St. Croix River between Vanceboro, Me., and St. Croix, New Brunswick; to the Committee on Interstate and Foreign Commerce.

By Mr. WOLFF: A bill (H. R. 5338) to regulate the transportation and importation of labor to any point where a labor disturbance or strike is then in progress; to the Committee on Labor.

By Mr. TINKHAM: A bill (H. R. 5339) for the establishment of a United States industrial home for women; to the Committee on the Judiciary.

Also, a bill (H. R. 5340) providing that post-office laborers be allowed a noncompetitive examination for promotion; to the Committee on Reform in the Civil Service.

Also, a bill (H. R. 5341) to amend an act entitled "An act to reclassify postmasters and employees of the Postal Service and readjust their salaries and compensation on an equitable basis"; to the Committee on the Post Office and Post Roads.

By Mr. ABERNETHY: A bill (H. R. 5342) for the purchase of a post-office site and the erection thereon of a suitable public building at Clinton, N. C.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 5343) for the erection of a Federal post-office building in the city of Mount Olive, N. C.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 5344) for the purchase of a post-office site and the erection thereon of a suitable public building at Warsaw, N. C.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 5345) to enlarge and extend the post-office building at Goldsboro, N. C.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 5346) to enlarge and extend the post-office and United States court building at New Bern, N. C.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 5347) for the purchase of a post-office site and the erection thereon of a suitable public building at Beaufort, N. C.; to the Committee on Public Buildings and Grounds.

By Mr. HERSEY: A bill (H. R. 5348) for the construction of a bridge across the St. John River between Fort Kent, Me., and Clairs, Province of New Brunswick, Canada; to the Committee on Interstate and Foreign Commerce.

By Mr. PARKS of Arkansas: A bill (H. R. 5349) to provide for the completion of the post-office building at Prescott, Ark.; to the Committee on Public Buildings and Grounds.

By Mr. McSWAIN: A bill (H. R. 5350) to enlarge and extend the post-office building at Greenville, S. C.; to the Committee on Public Buildings and Grounds.

By Mr. SITES: A bill (H. R. 5351) to enlarge, extend, and remodel the post-office building at Lebanon, Pa., and to acquire additional land therefor if necessary; to the Committee on Public Buildings and Grounds.

By Mr. TEMPLE: A bill (H. R. 5352) to authorize the Secretary of the Treasury to accept a title to a site for the post office at Donora, Pa., which excepts and reserves natural gas and oil underlying the land; to the Committee on Public Buildings and Grounds.

By Mr. BROWNE of Wisconsin: Resolution (H. Res. 147) amending Rule XI of the House of Representatives; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ARNOLD: A bill (H. R. 5353) granting a pension to William E. Lytle; to the Committee on Pensions.

By Mr. BECK: A bill (H. R. 5354) granting a pension to Martha A. Straight; to the Committee on Pensions.

By Mr. BEGG: A bill (H. R. 5355) granting an increase of pension to Stella Curtis Garnhart; to the Committee on Invalid Pensions.

By Mr. BEERS: A bill (H. R. 5356) granting a pension to Della E. Hudson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5357) granting a pension to David Middour; to the Committee on Invalid Pensions.

By Mr. CANNON: A bill (H. R. 5358) granting a pension to George P. Thomas; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5359) granting an increase of pension to Martha F. Allen; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5360) granting a pension to Nellie Pratt; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5361) granting a pension to John R. Sharp; to the Committee on Pensions.

Also, a bill (H. R. 5362) granting a pension to Eliza Crow; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5363) granting a pension to Virginia Ellen Price; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5364) granting a pension to Emily Brune; to the Committee on Invalid Pensions.

By Mr. CONNERY: A bill (H. R. 5365) granting a pension to James Percival; to the Committee on Pensions.

By Mr. CRAMTON: A bill (H. R. 5366) granting a pension to Minnie Dawson; to the Committee on Invalid Pensions.

By Mr. DALLINGER: A bill (H. R. 5367) for the relief of Rodney G. Chase; to the Committee on Claims.

By Mr. DENISON: A bill (H. R. 5368) granting a pension to Charles M. Williams; to the Committee on Invalid Pensions.

By Mr. FAIRCHILD: A bill (H. R. 5369) for the relief of David Myerle, as executor of the last will and testament of Phineas Burgess, deceased; to the Committee on Claims.

By Mr. FITZGERALD: A bill (H. R. 5370) granting a pension to John Murphy; to the Committee on Pensions.

By Mr. FOSTER: A bill (H. R. 5371) granting a pension to Jeptha Massie, jr.; to the Committee on Invalid Pensions.

By Mr. FRENCH: A bill (H. R. 5372) for the relief of Nellie Kildee; to the Committee on the Public Lands.

Also, a bill (H. R. 5373) granting an increase of pension to Anna M. Pierce; to the Committee on Invalid Pensions.

By Mr. GARBER: A bill (H. R. 5374) providing for the purchase of a site and the erection of a public building at Guymon, Okla.; to the Committee on Public Buildings and Grounds.

By Mr. GARDNER of Indiana: A bill (H. R. 5375) granting a pension to Charles Robertson; to the Committee on Invalid Pensions.

By Mr. GARRETT of Texas: A bill (H. R. 5376) for the relief of Mrs. Millen McCoy; to the Committee on War Claims.

By Mr. GIBSON: A bill (H. R. 5377) granting an increase of pension to Lodema A. Prescott; to the Committee on Invalid Pensions.

By Mr. HAUGEN: A bill (H. R. 5378) granting a pension to Anna S. Comstock; to the Committee on Invalid Pensions.

By Mr. HAWES: A bill (H. R. 5379) granting an increase of pension to Herman Linghorst; to the Committee on Pensions.

Also, a bill (H. R. 5380) for the relief of John Costigan; to the Committee on Military Affairs.

Also, a bill (H. R. 5381) granting a pension to Kate D. Smith; to the Committee on Invalid Pensions.

By Mr. HUDDLESTON: A bill (H. R. 5382) to reimburse Hugh T. Caffey, formerly postmaster at Leeds, Ala., for money and stamps stolen from said post office at Leeds, Ala., and repaid by him to the Post Office Department; to the Committee on Claims.

By Mr. JOHNSON of Washington: A bill (H. R. 5383) granting a pension to Benjamin L. Swift; to the Committee on Pensions.

Also, a bill (H. R. 5384) to provide an examination and survey of Grays Harbor, Wash.; to the Committee on Rivers and Harbors.

By Mr. LAMPERT: A bill (H. R. 5385) granting a pension to Minnie Brabazon; to the Committee on Invalid Pensions.

By Mr. LANGLEY: A bill (H. R. 5386) granting a pension to Edward Chaney; to the Committee on Pensions.

Also, a bill (H. R. 5387) granting an increase of pension to Lee Begley; to the Committee on Pensions.

Also, a bill (H. R. 5388) granting an increase of pension to Deliah Blair; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5389) granting an increase of pension to Burnham Gibson; to the Committee on Pensions.

Also, a bill (H. R. 5390) granting a pension to Eugene F. Rose; to the Committee on Pensions.

Also, a bill (H. R. 5391) granting an increase of pension to Curt T. Spicer; to the Committee on Pensions.

By Mr. McLEOD: A bill (H. R. 5392) to correct the military record of George A. Winslow; to the Committee on Military Affairs.

By Mr. McSWAIN: A bill (H. R. 5393) for the relief of the estate of J. Q. Adams; to the Committee on Claims.

By Mr. MERRITT: A bill (H. R. 5394) granting an increase of pension to Helena B. Holly; to the Committee on Invalid Pensions.

By Mr. MORROW: A bill (H. R. 5395) for the relief of Bernard S. Rodey; to the Committee on Claims.

By Mr. NELSON of Maine: A bill (H. R. 5396) granting an increase of pension to Ellen L. Moore; to the Committee on Invalid Pensions.

By Mr. PERKINS: A bill (H. R. 5397) to provide for payment of the amount of war-risk insurance policy to a beneficiary designated by Capt. John W. Loveland, jr., deceased; to the Committee on War Claims.

Also, a bill (H. R. 5398) for the relief of Trexler Lumber Co.; to the Committee on War Claims.

By Mr. SNYDER: A bill (H. R. 5399) authorizing the Secretary of War to donate to Vernon, State of New York, one German cannon or fieldpiece; to the Committee on Military Affairs.

By Mr. SWANK: A bill (H. R. 5400) granting a pension to Sarah J. Kelton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5401) granting an increase of pension to Jacob Amberg; to the Committee on Pensions.

Also, a bill (H. R. 5402) for the relief of George B. Kelly; to the Committee on Military Affairs.

By Mr. THOMPSON: A bill (H. R. 5403) for the relief of Edward Gibbs; to the Committee on Military Affairs.

By Mr. TILLMAN: A bill (H. R. 5404) granting an increase of pension to Ida Alexander; to the Committee on Pensions.

Also, a bill (H. R. 5405) to place the heirs of Wiley L. Downum, deceased, on the rolls as Mississippi Choctaw Indians; to the Committee on Indian Affairs.

By Mr. TINKHAM: A bill (H. R. 5406) granting a pension to Isabella S. Robinson; to the Committee on Pensions.

Also, a bill (H. R. 5407) granting a pension to George C. Peterson; to the Committee on Pensions.

Also, a bill (H. R. 5408) granting a pension to Susan Curley; to the Committee on Pensions.

Also, a bill (H. R. 5409) to permit the correction of the general account of Charles B. Strecker, former Assistant Treasurer of the United States; to the Committee on Claims.

Also (by request), a bill (H. R. 5410) for the relief of Miriam E. Benjamin; to the Committee on Claims.

By Mr. UNDERWOOD: A bill (H. R 5411) granting a pension to Albert C. Spurgeon; to the Committee on Pensions.

By Mr. VAILE: A bill (H. R. 5412) granting a pension to Harriet Kingsbury; to the Committee on Invalid Pensions.

By Mr. WELLER: A bill (H. R. 5413) granting an increase of pension to Charles H. Ubert; to the Committee on Pensions.

By Mr. WINGO: A bill (H. R 5414) granting an increase of pension to Mack Raney; to the Committee on Pensions.

By Mr. KNUTSON: Resolution (H. Res. 148) to pay Walter C. Neilson $1,200 for extra and expert services to the Committee on Pensions; to the Committee on Accounts.

PETITIONS, ETC.

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

525. By the SPEAKER (by request): Petition of committee on personnel, Customs Service, Boston, Mass., favoring an increase of salaries being granted to employees of the Customs Service; to the Committee on Ways and Means.

526. Also (by request): Petition of Elyea Co., Atlanta, Ga., urging Congress to take a stand for lower taxes; to the Committee on Ways and Means.

527. By Mr. ABERNETHY: Petition of Mrs. S. H. Scott, president of the Elizabeth Hendren Missionary Society of the Methodist Episcopal Church, South, New Bern, N. C., and Mrs. J. P. C. Davis, chairman social service of the Centenary Methodist Episcopal Church, South, New Bern, N. C., together with resolution favoring amendment to the Constitution to limit or prohibit the labor of persons under the age of 18 years; to the Committee on the Judiciary.

528. By Mr. CRAMTON: Petition of the Huron County Ministerial Association, Bad Axe, Mich., urging the passage of a uniform divorce law; to the Committee on the Judiciary.

529. Also, petition of the Macomb County Sunday School Association, Michigan, urging an amendment to the Constitution to prohibit child labor; to the Committee on Labor.

530. Also, petition of the Bad Axe Woman's Club, Bad Axe, Mich., protesting against the drainage of the Winneshiek bottom lands on the Mississippi; to the Committee on Agriculture.

531. By Mr. DARROW: Petition of 345,516 citizens requesting Congress to pass legislation to cut the cost of government by reducing all nonessential expenses, eliminating all unnecessary employees, and voting against all increases in salaries; to the Committee on Appropriations.

532. By Mr. FULLER: Petitions of Ottawa (Ill.) Chamber of Commerce; R. D. Mills, probate judge; William C. Flick, probate clerk; Harry Reck, county judge; John L. Witzeman, clerk of the circuit court; W. R. Foster, county superintendent of schools; E. J. Welter, sheriff; H. G. Cook, Clarence Griggs, Oscar Harberle, George O. Grover, Charles E. Woodward, and Al F. Schoch, all of Ottawa, Ill., favoring reclassification and increase of salaries of postal employees; to the Committee on the Post Office and Post Roads.

533. Also, petition of Music Industries' Chamber of Commerce, favoring scientific revision of the Federal tax laws; to the Committee on Ways and Means.

534. Also, petition of the Illinois Valley Manufacturers' Club, of La Salle, Ill., favoring repeal of the tax on telegraph messages; to the Committee on Ways and Means.

535. Also, petition of the Ero Manufacturing Co., of Chicago, favoring repeal of the excise tax on automobile accessories; to the Committee on Ways and Means.

536. Also, petition of the national legislative committee of the American Legion, favoring enactment of the adjusted compensation bill; to the Committee on Ways and Means.

537. Also, petitions of the W. D. Allen Manufacturing Co., of Chicago, and sundry other citizens of Illinois, favoring the Mellon plan for reducing Federal taxation; to the Committee on Ways and Means.

538. By Mr. JOHNSON of Washington: Resolution by Laundry Workers' Union, No. 42, Tacoma, Wash., urging fulfillment by the Government of pledges with reference to maintenance of troops at Camp Lewis; to the Committee on Military Affairs.

539. By Mr. SINCLAIR: Petition of Commercial Club of Fargo, N. Dak., in favor of House bill 4159; to the Committee on Agriculture.

540. By Mr. SITES: Resolution of Washington Camp, No. 102, Patriotic Order Sons of America, Steelton, Pa., dated January 8, 1924, requesting the passage of a more stringent immigration law upon expiration of the present law; to the Committee on Immigration and Naturalization.

541. By Mr. TINKHAM: Petition of James C. Shea Post, No. 190, of the American Legion, favoring the passage of legislation granting adjusted compensation to soldiers serving in the World War; to the Committee on Ways and Means.

SENATE.

MONDAY, *January 14, 1924.*

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

Our Father who art in heaven, hallowed be Thy name. As we come into Thy presence we want to realize how near Thou canst be to us in the midst of the duties and the anxieties and the problems of life. We therefore pray Thee to give us such a sense of reverence and consciousness of Thy presence that whatever we do we may do it to Thy glory. Grant Thy help in the betterment of society, in the progress of truth and righteousness, and may our land be prospered through Thy benediction. We ask in Jesus Christ's name. Amen.

The reading clerk proceeded to read the Journal of the proceedings of Thursday last when, on request of Mr. CURTIS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

CALL OF THE ROLL.

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

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

The principal legislative clerk called the roll, and the following Senators answered to their names:

Adams	Ernst	Lenroot	Simmons
Ashurst	Fernald	Lodge	Smith
Ball	Ferris	McKellar	Smoot
Bayard	Fess	McKinley	Spencer
Borah	Fletcher	McLean	Stanfield
Brandegee	Frazier	McNary	Stanley
Brookhart	George	Mayfield	Stephens
Bruce	Gooding	Neely	Sterling
Bursum	Greene	Norbeck	Swanson
Cameron	Hale	Norris	Trammell
Capper	Harreld	Oddie	Underwood
Colt	Harris	Owen	Wadsworth
Copeland	Harrison	Pepper	Walsh, Mass.
Couzens	Heflin	Phipps	Warren
Cummins	Howell	Ralston	Watson
Curtis	Johnson, Calif.	Reed, Pa.	Weller
Dale	Jones, Wash.	Robinson	Willis
Dial	Keyes	Sheppard	
Dill	Ladd	Shipstead	
Edwards	La Follette	Shortridge	

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

ANNUAL REPORT OF THE PUBLIC PRINTER.

The PRESIDENT pro tempore laid before the Senate a communication from the Public Printer, transmitting, pursuant to law, the annual report of the Public Printer for the fiscal year ended June 30, 1923, which was referred to the Committee on Printing.

GEORGETOWN BARGE, DOCK, ELEVATOR & RAILWAY CO.

The PRESIDENT pro tempore laid before the Senate a communication from Hamilton & Hamilton, attorneys and counselors at law, Washington, D. C., transmitting, pursuant to law, the annual report of the Georgetown Barge, Dock, Elevator & Railway Co., which was referred to the Committee on the District of Columbia.