Congressional Record

PROCEEDINGS AND DEBATES OF THE SIXTY-EIGHTH CONGRESS
FIRST SESSION

SENATE

TUESDAY, *April 29, 1924*

(Legislative day of Thursday, April 24, 1924)

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

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

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

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

Adams	Ernst	Kendrick	Sheppard
Ashurst	Fernald	Keyes	Shields
Ball	Ferris	King	Shipstead
Bayard	Fess	Ladd	Simmons
Borah	Fletcher	Lodge	Smith
Brandegee	Frazier	McCormick	Smoot
Brookhart	George	McKellar	Stanley
Broussard	Gerry	McKinley	Stephens
Bruce	Glass	McLean	Sterling
Bursum	Gooding	McNary	Swanson
Cameron	Hale	Neely	Trammell
Capper	Harreld	Norbeck	Underwood
Caraway	Harris	Norris	Walsh, Mass.
Cummins	Harrison	Oddie	Walsh, Mont.
Curtis	Heflin	Pepper	Warren
Dale	Howell	Phipps	Weller
Dial	Johnson, Calif.	Pittman	Willis
Dill	Johnson, Minn.	Ralston	
Edge	Jones, N. Mex.	Ransdell	
Edwards	Jones, Wash.	Reed, Pa.	

Mr. CURTIS. I wish to announce that the Senator from Wisconsin [Mr. LENROOT] is absent on account of illness. I ask that the announcement may stand for the day.

I was requested to announce that the Senator from New Hampshire [Mr. MOSES] and the Senator from Montanta [Mr. WHEELER] are absent from the Chamber attending a hearing before a special investigating committee of the Senate.

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

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had passed a bill (H. R. 7962) to extend for the period of two years the provisions of Title II of the food control and the District of Columbia rents act, approved October 22, 1919, as amended, in which it requested the concurrence of the Senate.

ENROLLED BILL SIGNED

The message also announced that the Speaker of the House had signed the enrolled bill (H. R. 1831) to loan to the College of William and Mary in Virginia two of the cannons surrendered by the British at Yorktown on October 19, 1781, and it was thereupon signed by the President pro tempore.

PROSECUTION OF CLAIMS AGAINST THE GOVERNMENT BY EX-OFFICIALS—UNITED STATES SHIPPING BOARD (S. DOC. NO. 101)

The PRESIDENT pro tempore. The Chair lays before the Senate a communication from the chairman of the Shipping Board, transmitting a report giving the names of former members of the Cabinet, Senate, and House of Representatives who have appeared as attorneys before the board. The Chair directs that the communication itself be printed in the RECORD, and the report as a public document. The matter will lie on the table.

Mr. NORRIS subsequently said: Mr. President, a communication was sent to the Senate to-day from the Shipping Board in answer to a resolution of the Senate. It has already been ordered printed, and I have no disposition to interfere with that order, but I think it ought to be read, and I ask that it be read.

The PRESIDING OFFICER (Mr. LADD in the chair). Is there objection? The Chair hears none.

The reading clerk read as follows:

UNITED STATES SHIPPING BOARD,
Washington, April 26, 1924.

The honorable PRESIDENT OF THE SENATE,
Washington, D. C.

SIR: With reference to the resolution of the United States Senate passed February 26, 1924, directing the Shipping Board to furnish the names of any ex-Members of the House of Representatives or of the Senate, or of any ex-Cabinet officer who within two years after his official service appeared as attorney or agent for a claimant against the board, I have the honor to transmit herewith all relative correspondence, and have the following statements to make in regard thereto.

Hon. William Gibbs McAdoo resigned as Secretary of the Treasury on December 15, 1918. Shortly after his resignation he formed the law firm of McAdoo, Cotton & Franklin, his partners being Joseph P. Cotton and G. S. Franklin, who in 1917 had been law partners in New York. On April 7, 1917, Joseph P. Cotton was retained by resolution of the Shipping Board as special advisory counsel "during the present emergency," at a salary of $1 a year. He was notified of this appointment in May 17, 1917. Shortly after that date he entered upon this appointment and remained in the position until August 11, 1917. During this period Mr. Cotton was the principal legal adviser of the Shipping Board, and worked out the method by which vessels constructed and under construction at shipyards were requisitioned by the Shipping Board and/or Fleet Corporation under the emergency shipping fund provisions of the act of June 15, 1917, and the power delegated by the President under that act by the Executive order of July 11, 1917.

Mr. McAdoo's first appearance with respect to claims against the United States, arising out of the war-time activities of the Shipping Board and/or Fleet Corporation, was in July, 1919. This date, it will be noted, was within two years of the date that his partner, Mr. Cotton, separated himself from his employment by the United States.

This appearance by Mr. McAdoo in July, 1919, was in behalf of the Virginia Shipbuilding Corporation, whom he represented as attorney and counsel before the United States Shipping Board on the presentation of a claim for progress payments under a shipbuilding contract entered into between the United States, represented by the Fleet Corporation, and the Virginia Shipbuilding Corporation. This claim was for approximately $3,500,000, but it was disallowed. The Virginia Shipbuilding Corporation was one of a group of shipbuilding and operating companies controlled through stock ownership and interlocking directorates by Charles W. Morse. These companies included C. W. Morse & Co., a holding company directly controlled by Charles W. Morse; the United States Steamship Co., another holding company, the control of the stock of which was held by C. W. Morse & Co. The United States Steamship Co. in turn had the stock control of two shipbuilding companies; the Virginia Shipbuilding Corporation above mentioned, which had a plant at Alexandria, Va., and the Groton Iron Works, which had a plant at Groton, Conn. The Steamship Co. also controlled by stock ownership the United States transport Co., which was an operating company.

In September, 1919, Mr. McAdoo, acting as attorney and counsel for the Virginia Shipbuilding Corporation, and presumably for the United States Steamship Co., and C. W. Morse & Co., started negotiations with the Shipping Board for a settlement of the claims of and against the Virginia company above referred to arising from the latter's failure to perform the construction contracts. These negotiations resulted in the execution of a contract dated September 25, 1919, by which all these matters in dispute were settled.

In connection with these negotiations Mr. McAdoo also conducted negotiations for the settlement of certain claims made by the Groton Iron Works against the United States, which arose out of contracts for the construction of steel vessels made by that company, and for the settlement of claims which the United States had against the Groton Iron Works. In connection with these negotiations two con-

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

tracts were made under date of December 20, 1919; one between the Fleet Corporation and the United States Steamship Co., and the other between the Fleet Corporation and the United States Transport Co. In both of these contracts the Fleet Corporation represented the United States. These contracts had to do with the operation of vessels built by the Groton Iron Works. Subsequently, and as a continuation of these negotiations by Mr. McAdoo on behalf of the Groton Iron Works, a settlement contract was entered into between the Groton Iron Works and the United States, represented by the Fleet Corporation. This contract was generally similar in its scope to the contract above referred to of September 25, 1919.

The Groton Iron Works failed to perform the covenants which it undertook under this contract, and shortly after March, 1920, Mr. McAdoo's partner, Mr. Joseph P. Cotton, appeared in behalf of the Groton Iron Works before the Shipping Board, with the purpose of forestalling the action contemplated by the Shipping Board for the appointment of receivers for the Groton Iron Works. The affairs of the Groton Iron Works and the Virginia Shipbuilding Corporation and of the other Morse companies above referred to were so closely interwoven that Mr. Cotton at this time also represented the Virginia company; and as a result of the negotiations which he carried on, and in which Mr. McAdoo personally participated to some extent, a further supplemental agreement was made under date of July 19, 1920, between the United States and the Virginia Shipbuilding Corporation.

The United States brought suit against the Virginia Shipbuilding Corporation, and has obtained a decree of foreclosure under date of March 8, 1923. Ten vessels have been sold thereunder, and upon termination of an accounting before a special master, which is almost concluded, a judgment will be entered in favor of the United States against the Virginia Shipbuilding Corporation for upward of $15,000,000.

The United States has also brought a suit against Groton Iron Works for the foreclosure of a mortgage on its plant at Groton, Conn., and the property has been sold under foreclosure.

Hon. Bainbridge Colby resigned his office as Secretary of State on March 4, 1921. He had been a commissioner of the Shipping Board from August 8, 1917, to March 4, 1919. On or about July 22, 1921, the Shipping Board, acting in behalf of the United States, took possession of certain vessels then under operation by the United States Mail Steamship Co. under charter parties, which gave the United States the right to seize the vessels in the case of default of payment of the charter hire. The following day a suit was brought in the Supreme Court of the State of New York by the United States Mail Steamship Co. against Albert D. Lasker and the other members of the Shipping Board, their counsel, and the United States marshal for the southern district of New York, who had physically seized the vessels. A justice of the supreme court of the State granted a temporary injunction order restraining the defendants from doing anything else with these vessels than returning them to the United States Mail Steamship Co.

In this matter Mr. Colby acted as one of the chief, if not the chief, counsel for the United States Mail Steamship Co., and personally argued the motion for the injunction. Our records do not indicate that Mr. Colby entered an appearance as attorney of record in these proceedings, but the attached contemporaneous excerpts from various New York newspapers show the part that was taken by Mr. Colby in this matter.

It may be of interest to note that in connection with this litigation the Shipping Board realized that if the injunction was fought in the courts, the necessary result would be to delay the sailing of the vessels and to greatly inconvenience the traveling public, so that an adjustment was made under which, in the latter part of August, 1921, the vessels were turned over by the receivers (who had been appointed by the District Court of the United States for the Southern District of New York in a creditors' suit against the United States Mail Steamship Co.) to the Shipping Board, and some of these vessels, with others, have since been operated by the Shipping Board through the United States Lines.

Hon. C. C. Carlin, former Member of Congress from Virginia from 1907 to 1919. Shortly after the organization of the Emergency Fleet Corporation in April, 1917, Mr. C. C. Carlin, then a Member of the House of Representatives, requested the Emergency Fleet Corporation to investigate certain property located below Alexandria, Va., and known as Battery Cove, for the purpose of determining its value as a shipbuilding site. Subsequently, in the fall of 1917, Mr. Carlin was introduced to Mr. C. W. Morse by Mr. Colin H. Livingstone. Mr. C. W. Morse on this occasion stated to Mr. Carlin that he had a contract with the Emergency Fleet Corporation for building wooden steamers for the Fleet Corporation at his yard in Noank, Conn., but that he wanted to build steel ships, and had made application to the Fleet Corporation for a contract, and that he believed that Alexandria, Va., was the place to locate a yard for this purpose.

Mr. Morse at this time pointed out to Mr. Carlin the so-called advantages of Alexandria, Va., as a shipbuilding center, whereupon Mr. Carlin advised Messrs. Morse and Livingstone that he would do everything in his power to aid them in securing a contract if he would specify that Alexandria was the proper place for the location of a shipyard.

Mr. Carlin then called on Admiral Rousseau, of the Fleet Corporation, and advised him of Mr. Morse's desire to locate a shipyard at Alexandria, Va., and further stated that the Fleet Corporation had previously passed favorably on the Battery Cove property. Mr. Carlin, in company with Mr. Morse, subsequently called upon Admiral Capps, the general manager of the Fleet Corporation, at which interview various matters in connection with the proposed contract for the construction of ships at Alexandria were discussed, Admiral Capps advising Mr. Morse that the Fleet Corporation would not agree to letting a contract for construction at Alexandria unless the contractor would agree to furnish his own housing facilities. As a result of these negotiations, the Groton Iron Works, a Morse company, were awarded a contract for the construction of 12 vessels, said contract being entered into on December 7, 1917. The original contract was in the name of the Groton Iron Works and was subsequently assigned to the American Shipbuilding Corporation, the name of which corporation was later changed to Virginia Shipbuilding Corporation.

Subsequent to the execution of the contract Mr. Morse advised Mr. Carlin of certain details in arranging their finances, whereupon Mr. Carlin, in company with Mr. Morse, interviewed Mr. Charles Piez, of the Fleet Corporation, and made application for a loan for the purpose of completing their shipbuilding plant, which, under the contract, they agreed to finance without aid from the Government.

Mr. Carlin during the year of 1918 appeared a great many times before the Fleet Corporation in connection with certain claims made by the Virginia Shipbuilding Corporation for wage reimbursements, and early in January, 1919, appeared before the Fleet Corporation for the purpose of applying for an additional loan on the plant of the Virginia Shipbuilding Corporation. These negotiations resulted in a loan contract dated January 10, 1919, the Fleet Corporation agreeing to loan to the Virginia Shipbuilding Corporation an additional $750,000 for the purpose of completing the construction of their plant.

Subsequent to Mr. Carlin's resignation as a Member of the House of Representatives he was employed by the Virginia Shipbuilding Corporation as counsel on annual retainer, and appeared before the board and the Fleet Corporation from time to time in connection with various matters arising under the contracts between the Fleet Corporation and the Virginia Shipbuilding Corporation. He appeared on certain occasions in connection with the negotiations for the contract of September 25, 1919, which contract was negotiated in its final form by the firm of McAdoo, Cotton & Franklin.

The files of the Fleet Corporation also indicate that Mr. Carlin appeared before the War Department in connection with certain matters arising out of the lease of the Battery Cove property.

Hon. Ernest W. Roberts, formerly Member of the House of Representatives from Massachusetts, appeared as attorney for Maurice Eichberg, trading as the National Timber Co., in a suit against the United States Shipping Board Emergency Fleet Corporation for alleged breach of contract. The amount of the suit is $120,970.80. Mr. Roberts first appeared as attorney for Eichberg in October, 1917. This case is now pending in the District of Columbia. Mr. Roberts died in March, 1924, and the case is now being handled by Mr. Clinton Robb, a partner of the deceased.

Hon. John H. Small, former Member of the House of Representatives, appeared as attorney in presenting the claim of P. Delaney & Co., of Newburgh, N. Y., for wage reimbursement, amounting to $36,520. This claim has been disallowed.

The above named—McAdoo, Colby, Carlin, Roberts, and Small—are the only individuals, so far as disclosed by the search which we have made of our files, who come within the terms of the Senate resolution above referred to of February 26, 1924.

Respectfully,

T. V. O'CONNOR, *Chairman.*

PETITIONS AND MEMORIALS

Mr. PHIPPS presented a petition, numerously signed, of sundry citizens of La Plata County, in the State of Colorado, praying for the full enforcement of the Volstead Prohibition Act, and that it be not amended, which was referred to the Committee on the Judiciary.

Mr. WARREN presented a resolution of the Chamber of Commerce of Evanston, Wyo., protesting against any immediate amendment of the transportation act of 1920, which was referred to the Committee on Interstate Commerce.

Mr. CAPPER presented a resolution of the Business and Professional Women's Club of Great Bend, Kans., favoring an amendment to the Constitution regulating child labor, which was referred to the Committee on the Judiciary.

He also presented a petition of sundry citizens of Natoma, in the State of Kansas, praying for the full enforcement of the eighteenth amendment to the Constitution, which was referred to the Committee on the Judiciary.

REPORTS OF COMMITTEES

Mr. CARAWAY, from the Committee on the Judiciary, to which was referred the bill (H. R. 714) to amend section 101 of the Judicial Code, reported it without amendment.

Mr. NORBECK, from the Committee on Agriculture and Forestry, to which was referred the bill (S. 2699) to amend an act creating the Custer State Park Game Sanctuary in the State of South Dakota, reported it without amendment and submitted a report (No. 479) thereon.

He also, from the same committee, to which was referred the bill (S. 2559) to establish an Alaska game commission, to protect game animals, land fur-bearing animals, and birds in Alaska, and for other purposes, reported it with amendments and submitted a report (No. 480) thereon.

ENROLLED BILL PRESENTED

Mr. WATSON, from the Committee on Enrolled Bills, reported that on the 28th instant that committee presented to the President of the United States the enrolled bill (S. 1609) to fix the time for the terms of the United States district courts in the western district of Virginia.

BILLS AND JOINT RESOLUTION INTRODUCED

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

By Mr. WATSON:

A bill (S. 3191) for the recognition of John D. Eldred as second lieutenant, Second Regiment, New York Volunteer Cavalry, in the Civil War; to the Committee on Military Affairs.

By Mr. McCORMICK:

A bill (S. 3192) to provide for an examination of the Chicago River and its branches; to the Committee on Commerce.

By Mr. McNARY:

A bill (S. 3193) to provide for the purchase and acquirement by the United States of certain lands within the Superior National Forest and certain other lands within the counties of Cook, Lake, and St. Louis which lie north of township 60 north and between range 4 east of the fourth principal meridian and range 22 west of the fourth principal meridian, in the State of Minnesota; to the Committee on Public Lands and Surveys.

By Mr. WALSH of Montana:

A bill (S. 3194) granting a pension to Isabelle Culbertson (with accompanying papers); to the Committee on Pensions.

By Mr. SWANSON:

A bill (S. 3195) for the relief of W. B. Doak; to the Committee on Claims.

By Mr. BURSUM:

A bill (S. 3196) to increase the morale of the naval service; to the Committee on Naval Affairs.

By Mr. DIAL:

A bill (S. 3197) to amend section 5 of the United States cotton futures act to enable the buyer of a cotton-futures contract to demand actual delivery in fulfillment thereof prior to the close of the delivery month; to the Committee on Agriculture and Forestry.

By Mr. BRUCE:

A bill (S. 3198) for the relief of the Maryland Casualty Co., the United States Fidelity & Guaranty Co. of Baltimore, Md., and the National Surety Co.; to the Committee on Claims.

By Mr. FERNALD:

A joint resolution (S. J. Res. 117) transferring the possession and control of the Fort Foote Military Reservation in Prince Georges County, Md., to the Chief of Engineers of the Army to be administered as a part of the park system of the National Capital; to the Committee on Public Buildings and Grounds.

CHANGES OF REFERENCE

On motion of Mr. CAPPER, the Committee on Claims was discharged from the further consideration of the following bills and they were referred to the Committee on Military Affairs:

A bill (H. R. 1359) for the relief of J. W. La Bare; and

A bill (H. R. 3453) for the relief of the widow of Warren V. Howard.

AMENDMENTS TO TAX-REDUCTION BILL

Mr. LADD submitted an amendment intended to be proposed by him to House bill 6715, the tax-reduction bill, which was ordered to lie on the table and to be printed.

Mr. SIMMONS submitted an amendment intended to be proposed by him to House bill 6715, the tax-reduction bill, which was ordered to lie on the table, to be printed, and to be printed in the RECORD, as follows:

On page 30, beginning with line 21, strike out all of subdivisions (b) and (c), and insert in place thereof the following:

(b) In the case of an individual who is taxed under the provision of section 210 the tax shall, in addition to the credits provided in section 222, be credited with 25 per cent of the amount of tax which would be payable on a total ordinary net income equal in amount to his earned net income as defined in this section.

HEARINGS BEFORE COMMITTEE ON IRRIGATION AND RECLAMATION

Mr. McNARY submitted the following resolution (S. Res. 217), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Committee on Irrigation and Reclamation, or any subcommittee thereof, be, and hereby is, authorized during the Sixty-eighth Congress to send for persons, books, and papers, to administer oaths, and to employ a stenographer at a cost not to exceed 25 cents per hundred words to report such hearings as may be had in connection with any subject that may be pending before said committee, the expenses thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during the sessions or recesses of the Senate.

HOUSE BILL REFERRED

The bill (H. R. 7962) to extend for the period of two years the provisions of Title II of the food control and the District of Columbia rents act, approved October 22, 1919, as amended, was read twice by its title and referred to the Committee on the District of Columbia.

PRESIDENTIAL APPROVALS

A message from the President of the United States, by Mr. Latta, one of his secretaries, announced that on April 28, 1924, the President had approved and signed the following acts and joint resolutions:

S. 1704. An act for the relief of dispossessed allotted Indians of the Nisqually Reservation, Wash.;

S. 2798. An act to authorize the leasing for mining purposes of unallotted lands in the Kaw Reservation in the State of Oklahoma;

S. J. Res. 76. Joint resolution authorizing appropriations for the maintenance by the United States of membership in the International Statistical Bureau at The Hague;

S. J. Res. 77. Joint resolution authorizing an appropriation to provide for the representation of the United States at the seventh Pan American Sanitary Conference to be held at Habana, Cuba; and

S. J. Res. 79. Joint resolution to provide for the representation of the United States at the meeting of the Inter-American Committee on Electrical Communications to be held in Mexico City in 1924.

ADDRESS BY SENATOR WILLIS AT PITTSBURGH, PA.

Mr. PEPPER. Mr. President, on the 26th of April the senior Senator from Ohio [Mr. WILLIS] delivered a notable address before the Americus Club of Pittsburgh. I ask unanimous consent that it may be printed in the RECORD.

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

ADDRESS BY HON. FRANK B. WILLIS, SENIOR SENATOR FROM OHIO, AT AMERICUS CLUB BANQUET, PITTSBURGH, APRIL 26, 8.30 P. M.

Ulysses S. Grant was President of the United States at a time when the Nation was beset with all the fads and heresies and real evils that are the inevitable aftermath of war. While civil strife was raging every thought was concentrated on winning the war at any cost. Blood and treasure were poured out without stint—the Nation must be saved at any price—nobody thought of dollars while the life of the Republic trembled in the balance. Necessary war expenditures made the people accustomed to large figures; governmental costs that had been measured in hundreds and thousands came to be counted in millions. When peace came habits of mind continued, and the needful costs of war were almost equaled in the extravagant demands of peace. Tax eaters had developed an appetite in war and sought to satiate it in peace.

Vast and unconscionable profits had been piled up through the necessities of war. The war god begat expenditures; peculation and corruption were the twin offspring of extravagance and wastefulness. Into this seething chaos of financial disorder and national distrust came the calm figure of Grant, the silent soldier of Appomattox. Though sometimes betrayed by false friends on whom he had a right to rely, he sturdily battled on for better things, never once losing confidence in the ultimate success of his country and never forfeiting the love and respect of his countrymen.

Strange cries and weird calls filled the air; pseudo reformers ran rampant; government was denounced by hungry scandal mongers eager to make the people believe that all officials were dishonest and all

government corrupt. The Credit Mobilier investigation disclosed some corruption, much indiscretion, and mountains of suspicion and innuendo. Those were the golden days for the muckraker. He got on the front page of the newspaper and monopolized the editorial columns. Any Senator who had a bad dream at night felt that he had justification and license in telling the country about it in the morning. No matter whether there was any basis in fact for his phantasmagoria—fiction was more popular than truth. Suspicion was more compelling than evidence. The old-fashioned presumption that any man was supposed to be innocent until proven guilty was airily swept aside to give place to the new idea that when the finger of suspicion had once been pointed at any man by testimony however flimsy and untrustworthy he was to be forthwith condemned in the forum of public opinion, hanged, drawn, and quartered unless he immediately shouldered the new presumption and proved himself innocent. It seemed that the world had suddenly grown worse; and then there came an awakening from the ghastly nightmare. The people again realized that the Nation was sound at the core; that its citizens were trustworthy, that the vast majority of its public servants were honest, that on the whole the Nation had been going forward, not backward. The few that had betrayed their trust were brought to justice in constitutional manner; juries functioned instead of courts of inquisition, judges took the place of "committee prosecutors," dark suspicion and cowardly slander fled away before the approaching dawn of orderly justice, and once more, under the calm, courageous leadership of Grant, the Nation went forward to new achievement and wider development.

There has been investigation in our day. Nowhere in any respectable quarter is there any disposition to condone wrongdoing or to permit any criminal to go unwhipped of justice. No matter who is hurt, no honest man of any political faith has any right to complain of orderly, legal inquiry for the promotion of the public good; but the sense of fairness of any decent citizen will inevitably revolt when sincere inquiry after truth for the protection of the public interest gives place to Pharisaical profession of self-admitted virtue on the one hand with attribution of unproven and foundationless charges on the other. The public demands rightfully that no guilty man shall be permitted to escape—but guilt is personal. The faults of the individual can not be attributed to an organization unless that organization condones and adopts the acts of the individual as its own. If Mr. Fall should be nominated for any important office by the Republican Party in face of the disclosures that have been made concerning his official conduct, the Republican Party would properly be held responsible as an organization for its indorsement of his record. If the Democratic Party should name Mr. McAdoo as its candidate for the Presidency it would thereby adopt and indorse as its own his record. Only a few days ago, in response to a Senate resolution of inquiry, the Secretary of the Navy gave the country the following interesting information:

> "An examination of the records of the Navy Department, its bureaus, and offices, discloses that the Hon. William Gibbs McAdoo, former Secretary of the Treasury; the Hon. James Hamilton Lewis, ex-Senator; and the Hon. Hoke Smith, ex-Senator, appeared before this department in advocacy of claims against the Government of the United States, and who at the time of their advocacy came within the provisions as set forth by Senate Resolution 176, above quoted. The Hon. William Gibbs McAdoo appeared in behalf of Albert C. Burrage, owner of the steam yacht *Aztec*, in the advocacy of the claim of Mr. Burrage arising out of the leasing of the steam yacht by the Navy Department during the war. The amount of money involved in the claim was $325,000, as the cost of repairs, plus $60,000 for the loss of the use of the vessel, a total of $385,000. The sum of $300,000 was the final settlement of this claim. The sum has been paid."

There are other interesting chapters in Mr. McAdoo's record that will from time to time be discussed. He was the highly paid attorney of that illustrious Democrat whose name was so eloquently presented to the national convention at San Francisco as a candidate for the Democratic nomination for the Vice Presidency, Mr. E. L. Doheny—the same Doheny that was a member of the Democratic committee on resolutions at San Francisco which wrote the oil plank in the Democratic platform. Mr. McAdoo retained this lucrative employment by Mr. Doheny until an awakening of public conscience advised him of its political inexpediency. Mr. McAdoo had a most interesting, successful, and lucrative experience after he left office in arguing cases and presenting matters before minor departmental officials who were directly or indirectly his own appointees. He obtained fat fees for influence, not legal service. He did not hesitate to accept employment for questionable service to the predatory interests he now so vociferously denounces. If the Democratic Party dares to indorse this devious dollar-chasing record of Mr. McAdoo in June, he will be McAdone in November. Congress is, or at any rate ought to be, a legislative body. So far as investigations in proper form are necessary to obtain basis of fact for legislative action or to bring to light wrongdoing of officials with a view to improvement of the public service, such investigations are justifiable. But when they degenerate into mere muckraking for political purposes, when an innocent chance telegram is greedily seized upon in an effort to besmirch the President, when witnesses of more than doubtful veracity are permitted by suggestion and suspicion to malign the dead and slander the living, when a dragnet is put out to bring in disappointed, discharged employees, convicts, and criminals and they are given free rein and encouragement to wag the slimy tongue of scandal it is time to call a halt. The President's duty is to administer and enforce the law. That responsibility he does not shirk; he is directly and personally responsible to the people for the proper discharge of that obligation. If the Senate is to supervise grand juries and try persons accused of crime, there will be a total subversion of those constitutional balances of power upon which the safety of the people depends. Let us return to constitutional methods; let trials be had before courts and juries where testimony is taken according to the rules of evidence and not given by disappointed disturbers encouraged to tell fairy stories. Without minimizing in any respect any beneficial results that have come from investigations thus far conducted the time has now come for Congress to attend to its own business for a while.

Congress itself is being investigated by the American people—it is being weighed in the balance and, in some respects at least, found wanting. Important constructive legislation is delayed by long-winded speeches delivered for political effect. The country now confidently expects and insistently demands that Congress follow the suggestion of the President that legislation rather than investigation is the imperative demand of the hour. Let the builder's trowel be substituted for the muck rake.

At the head of the Treasury Department is a farsighted financier—the greatest Secretary of the Treasury since Alexander Hamilton. Under his leadership financial order has come out of chaos. Liberty bonds that were lingering around 86¾ cents on the dollar under Democratic mismanagement were brought to par under the Mellon policies. Debts that had piled mountain high under the Democratic policies of extravagance were paid off at the rate of $2,000,000 per day while other nations were piling up more debts every day. The financial record made by the administrations of Presidents Harding and Coolidge is unsurpassed in the annals of history. This success is very largely due to the wise policies and farsighted genius of Andrew W. Mellon, of Pittsburgh. There is widespread demand for the enactment of legislation for the reduction of taxes. The Mellon plan is known in every hamlet in the land and uncounted millions look to Congress for its enactment. It is the hope of the enemies of this plan that one result of the so-called investigation of the Treasury Department will be the crippling of the Mellon tax-reduction plan. By innuendo against Mr. Mellon it is hoped to break down the Mellon plan.

The work which President Coolidge and his Cabinet are carrying forward is the work planned and so well begun by President Harding. Warren Harding—how fine and frank and honorable he was! The poisoned arrows of malice lie broken at his feet. There is only pity and disgust for the cowardly cur who would seek to cast suspicion on his motives, or leave scandal on the doorstep of the tomb. In the few short months of his administration more great problems were grappled with and solved than ever before in a like period of our history.

The 4th of March, 1920, saw our country in the throes of financial depression; 5,000,000 men walked the streets looking for work; industry was at a standstill; debts were piling up; taxes were burdensome; "deserving Democrats" by the thousand thronged every public building and tramped on each others feet in their hungry rush for the taxpayers' money; inefficiency and incompetence stalked boldly through every governmental department.

We hear much in these days of Democratic honesty and faithful service. How did Democratic plans work out during the war? Let history tell the tale. A recent careful summary shows that Democrats bought 41,000,000 pairs of shoes for 3,500,000 soldiers; bought 149,456,611 bread cans, which was 42 for every man under arms; paid out $484,425,566.11 on claims presented after the war, many of them without a contract, most of them without an accounting; spent $20,000,000 on coke ovens which produced no coke, $35,000,000 on picric-acid plants which produced no acid, and $116,000,000 on poison-gas plants which furnished no gas.

Four billion of dollars were spent on ships which took no part in winning the war because they were not in use; it is estimated that half of this sum was wasted, much of it on wooden ships, which proved unseaworthy and rotted at anchor; hundreds of other ships were sold at a small fraction of their cost.

Records were destroyed, papers hid, and documents abstracted from the files in order to make impossible prosecution for criminality.

Eleven billion dollars were loaned to foreign nations without evidences of indebtedness, making collection impossible except by negotiation, of which $1,500,000,000 was loaned after the war was over and $300,000,000 to nations not involved in the war.

Trees were cut down on cantonment sites and lumber hauled for miles to construct buildings on these same sites; corn crops ready for gathering burned and grain purchased to feed the Government's horses; valuable materials dumped in excavations or thrown into

streams; scores of thousands of unnecessary persons employed at excessive wages on cost-plus contracts in order to run up the plus and these persons encouraged to shirk on the job; materials bought at excessive prices in order to swell the contractors' profits on a percentage basis; scores of thousands of motor vehicles permitted to decay and rust exposed to the weather while the Government had acres of covered storage.

For the war 945,000 saddles, 1,000,000 sets of double harness, 1,148,000 horse covers, 2,850,000 halters were purchased for the 391,000 horses and mules used in the Army. If all the orders made by the War Department had been filled they would have required 300,000 more hides than the total output of the United States, which caused a doubling and trebling of the price of shoes and other leather products. A total of 195,000 copper-tipped branding irons were purchased for the purpose of branding the Government's 391,000 horses and mules; $21,000,000 expended for ambulance harness when our ambulances were motorized. For our 391,000 horses and mules there were purchased 1,637,000 horse brushes, 1,148,364 horse covers, 2,033,204 nose bags, and 712,510 sets of spur straps, or 36 sets apiece for every officer entitled to use them.

A total of $206,632,920 was expended for 16 cantonments, built by the cost-plus plan, which could have been built for $128,101,399, or $78,531,521 less money with the waste and graft eliminated. Around $1,200,000,000 was spent for camps and cantonments in which the conservatively estimated waste and graft totaled $400,000,000. These contracts were let without bids. A billion dollars was spent to make artillery that didn't shoot and another billion to construct airplanes that never flew.

Yet in view of this damning record of incompetency, if not graft and corruption, our Democratic friends have the unbridled effrontery to criticize Republican management and sing the praises of Democratic methods.

Into this weltering chaos of incapacity and exploitation came the Harding-Coolidge administration. What are some of the achievements of three years of effort? The records show that in the closing days of a Democratic Congress Republicans prevented the passage of appropriation bills framed by Democratic committees, and because those bills were defeated President Wilson had to call a special session of the new Republican Congress in 1919, which Congress cut about a billion dollars out of the bills before they were passed. Appropriations have been further cut at every session of Congress since that time. They would have been cut further were it not for the high cost of government established during the Democratic régime and the huge fixed expenditures fastened upon the Government during the same period. Constant progress has been made in the reduction of the public debt. Every year that the Democrats were in power, even in time of peace, they ran true to form and piled up larger debt burdens on the shoulders of the taxpayers. When the affairs of government passed into the control of the Democratic Party in 1913 the public debt was $1,193,000,000. By 1916 this debt has grown to $1,225,000,000, and in 1917 to $2,795,000,000. These increases were made in time of peace and are illustrative of the improvidence that has generally characterized Democratic administrations and can not be charged to war expenditures. Of course, the later increase to $25,000,000,000, in 1919, is chargeable to necessary war expenditures, augmented as they were by cost-plus system, waste, extravagance, and other Democratic devices to extract coin from the Treasury. But the constant increase for the years 1913 to 1917 shows the inevitable Democratic tendency. Democrats create debts; Republicans have to pay them, and they do pay them, as the figures clearly show. When Republicans came into power in 1920 the public debt had mounted to the staggering sum of $24,297,000,000.

The first year they were in control of public finance the national debt was paid off at the rate of $1,000,000 per day, approximately $350,000,000 for the year. The next fiscal year $1,012,000,000 of the national debt was paid off at the rate of nearly $3,000,000 per day. The following year $615,000,000 were wiped off the national debt due to Republican frugality, economy, and far-sightedness. Harding and Coolidge in three years paid $2,000,000,000 of the public debt. More reduction was made in the three short years than was made in 30 years following the close of the Civil War. This immense reduction in the debt burden by our Government has been made at a time when every other great nation has found it impossible to balance its budget and reduce its debts. While we have been paying our debts they have been increasing theirs. Republican leadership has instituted the wise economies that made possible debt reduction and at the same time has reduced appropriations of the taxpayers' money. The Democratic Party is the natural friend of the tax eaters. When it is in power it always increases appropriations. When it took control of the finances of the United States in 1913 the annual appropriation was $1,021,000,000.

In 1917, before the war, they had increased the expenditures to $1,628,000,000 per annum. It thus appears that while they were in power in time of profound peace the Democrats increased appropriations and tax burdens at the rate of about $150,000,000 per year, or $500,000 per day.

When Warren G. Harding took the oath of office the annual appropriation was $7,052,000,000. The first year of Republican control appropriations were reduced $3,000,000,000. For the year 1923 the appropriations were cut $240,000,000 lower, and the next year a further reduction of $250,000,000 was made so that while the Republican administration inherited from the Democrats annual appropriations of over $7,000,000,000, by careful economy this has been reduced in three years to $3,700,000,000. In other words, it is costing the Republican administration only a little over one-half of what it cost under Democratic misrule and extravagance to meet the normal peace-time expense of Government.

One factor that has aided in these tremendous Government economies has been reduction in the number of civil employees of the Government. In 1918 this number had amounted to almost a million. On March 4, 1920, the number was approximately 700,000. Under Republican business management it has been found possible to reduce the number of employees as follows:

1920	691,000
1921	597,000
1922	560,000
1923	548,000
December 31, 1923	544,000

In other words, about 150,000 fewer employees do the work now than were kept on the pay roll by the Democrats.

Meanwhile, under Republican administration Federal taxes have been reduced by Republican legislation $850,000,000 per year and further material reduction will be made by the present Congress. Personally, I prefer the plan presented by Secretary Mellon and strongly indorsed by President Coolidge. Tax reduction is the imperative need of the hour—it must not and will not fail. The Mellon plan has the confidence of the country. It will receive my cordial support and, if it can not be adopted in toto, at any rate its general principle will be followed and a substantial lightening of the tax burdens will result.

Muckraking investigations shall not and will not break down the Mellon plan or Secretary Mellon.

The 5,000,000 idle men waiting for jobs when the Republicans came into power very soon found employment under the stimulating influence of a Republican protective tariff law. Mills opened, factory wheels began to move, Republican furnace fires drove Democratic bats out of the chimneys and by pillar of fire by night lighted the way out of the slough of despond into which Democratic guides had led the industry of the country.

Republicans believe in protection to American labor as well as protection to American industry. We can not sell products in a protected market yet buy labor in a free-trade market. In recognition of this principle, the Senate, following the wise leadership of your brilliant young Senator from Pennsylvania, DAVID A. REED, has passed an immigration bill that protects American labor and American standards and, without justly offending any, provides beyond peradventure that America shall remain American. This legislation will not interfere with any right justly claimed by any foreign nation and yet at the same time it asserts as a great American policy the maintenance of the right to determine our own immigration policy.

We shall not enter the League of Nations—that policy is a finality so far as the Republican Party is concerned. We are willing within proper limits to aid other nations, but our country must be the judge of the time, the manner, and the sufficiency of the helping. To join the League of Nations would be putting the determination of these questions into the hands of some authority other than our own Government. This we can not do without a surrender of American sovereignty, and the Republican Party will never consent to any such surrender. If the United States had been an interested member of the League of Nations, it could not have played the controlling part it did in the work of the Dawes Commission. Our very disinterestedness and disentanglement from the league is the very thing that gives us power in world affairs. Let us not surrender this position of advantage in exchange for an entangling alliance which shears us of our power for good and places unbearable burdens on the shoulders of American citizens yet unborn.

When the terms of the Dawes report are finally accepted by Europe there is reason to expect that much good can be accomplished by the calling of another disarmament conference. The Washington conference, called under the leadership of President Harding, was the longest step forward in centuries of history toward peace and better understanding among nations. It limited capital-ship construction, abolished poison gas (except in senatorial debate), put the submarine under bonds for good behavior, and assured peace on the Pacific. But there now is opportunity for larger participation of our Nation in world affairs without surrender of sovereignty or involvement in any alliance.

The functions of The Hague tribunal can be so enlarged as to make it a real instrument of world justice to which we can go but to which we can not be compelled to go. International law should be codified through conference of the civilized nations; and land armaments, as well as fighting ships in the air and beneath the sea, should be reduced

through international common council and voluntary agreement without compulsion or surrender of independence.

It is time these forward steps should be taken.

The sentiment and heart of the American people are with President Coolidge in his determination to go sanely forward in the promotion of international good will and safety.

In this time of turmoil, suspicion, doubt, and unrest how fortunate this Nation is in having as its Chief Executive a man whom it can trust and does trust implicitly. Innuendo and suspicion may snarl at him, hate and envy attempt to hawk and tear, yet in him the people have unfaltering confidence.

He is one of the plain people, from a typical American farm home.

Years of useful public service in exalted station have not dimmed his sense of the viewpoint of the common citizen. "He has walked with kings nor lost the common touch." He is calm and kindly as a June day among the Vermont hills. His courage is unfaltering; his confidence is unshaken in the ultimate success of the fundamental principles of constitutional liberty in which he believes. He thinks much, talks little, acts firmly. He can not be swept away from his moorings by every promising breeze. His face is toward the sunrise of progress, his feet on the solid ground of experience. He is unbossed, uncontrolled, unafraid. The people believe in him and will nominate him for the Presidency in June and elect him in November.

The work of the committee on resolutions at Cleveland will be easy, because, whatever is written by platform makers, the real platform will be our presidential candidate and our slogan of triumphant victory for the Republican Party will be—

Keep cool and keep Coolidge.

SAN CARLOS IRRIGATION PROJECT, ARIZONA

Mr. CAMERON. Mr. President, on April 3 last the Senate passed Senate bill 966 by a unanimous vote. This act on our part was one of justice, righting a wrong of half a century. The House now has this bill before it for consideration. Therefore, I ask unanimous consent to place in the RECORD telegrams I have just received sent by 100 of the most prominent citizens of Arizona, the senders also including 23 full-blooded Pima Indians, commending this just legislation.

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

PHOENIX, ARIZ., *April 28, 1924.*

Hon. RALPH H. CAMERON,
United States Senate, Washington, D. C.

On behalf of Arizona and Southwest we desire to congratulate you and the United States Senate upon unanimous passage by the Senate of Cameron bill for the construction of San Carlos project for relief of Pima Indians. We also extend congratulations on favorable report of said bill by Indian Committee of House. Upon this bill becoming a law a great national wrong of many years standing will have been righted. The Pima Indians were raising crops by irrigation on Gila River before Columbus discovered America. They are hard-working, progressive farmers, formerly possessing good homes and farms with plenty of food, grain, horses, and cattle. When first white men came to this country Pimas gave them food, shelter, and safe passage through lands of warlike tribes. The Pimas have unbroken record of loyalty to Federal Government and proudly boast they have never shed a white man's blood. As far back as 1886 Interior Department took up with Department of Justice question of protecting fast-disappearing water rights of Pimas. From time to time ever since sporadic efforts have been made to restore their water rights, but various things have intervened to prevent redress. In the meantime cutting of forests on watershed, overstocking of range with cattle, and upstream diversions by white settlers all combined to transform Gila River from living stream the year round, from which Pimas formerly got all water they needed, to a flashy, flood type of river dry most of the year. The Indian lands became idle from drouth; their ditches dried up; they were compelled to abandon their farms; and finally starvation and ruin drove them to seek aid of Government. The above facts taken from report of Indian Commissioner Valentine to Secretary of Interior on Pima Indians December, 1911. Every person acquainted with history of Pima Indians is sincerely hoping and praying that this bill for restoration of their water rights will be passed by unanimous vote of the House in order that this long-deferred act of justice may have no dissenting voice in the National Congress to detract from sincerity of Government's belated action.

Otis J. Baughn, president San Carlos Association; Dwight B. Heard, publisher Arizona Republican, director United States Chamber of Commerce; George W. P. Hunt, Governor of Arizona; Wayne Hibbs, State treasurer; James H. Kerby, secretary of state; C. O. Case, State superintendent of public instruction; Mulford Winsor, president Arizona State Senate; R. H. Ramsey, State auditor; John W. Murphy, attorney general; A. T. Hammons, superintendent of banks; F. C. Jacobs, United States district judge; John R. Towles, register United States Land Office; L. L. Ferrall, receiver United States Land Office; George A. Mauk, United States marshal; George T. Wilson, assistant United States attorney; Secretary H. B. Watkins and 900 members of Phoenix Chamber of Commerce; Carl W. Gibson, president Rotary Club; Charles F. Willis, president Kiwanis Club; A. L. More, president Lions Club; John Lattimer, president Junior Chamber of Commerce; Eben W. Lane, president real estate board; P. Y. Pendelton, president Hiram Club; F. A. Reid, president Salt River Valley Water Users' Association, with 5,000 members; J. O. Sexson, secretary Young Men's Christian Association; Mrs. H. B. Wilkinson, president Young Women's Christian Association; E. D. Harrington, president Arizona Press Club; Charles Martin, president Merchants and Manufacturers' Association; P. G. Spilsbury, president Arizona Industrial Congress; Dr. Harry T. Southworth, commander American Legion, department of Arizona; Mrs. D. F. Johnson, president Women's Club; Alice Birdsall, Business and Professional Women's Club; Miss Fay Young, president Century Club; C. S. Brown, president Arizona State Farm Bureau; H. Wilkinson; Charles H. McArthur; Edward Rudolph; L. M. Laney; F. Y. Swenson; Vic Hanny; H. W. Daykin; A. W. Liefgreen; O. H. Kerr; G. G. Skiles; J. C. Penney Co.; McDougall & Cassou; C. W. Goodman; B A. Funk; A. L. Boehmer; Regal Cleaners; James E. Lowry; D. H. Burtis; H. W. Krotzer; B. C. Lowry; Aleksander Studio; J. W. Dawson; J. S. Griffin; Frank Shirley; George W. Goggins; Peter Block; W. J. Burns; D. D. Northrup; Roy N. Davidson; W. W. Lane; E. J. Doyle; D. J. O'Sullivan; Reese H. Vaugn; J. B. Fallor; H. R. Bland; E. C. Phelps; William G. Young; Dave Goldberg; Frank X. Connally; Stewart Smith; Berryhill Co.; Abe Korrick; Charles Korrick; Harry F. Mitten; F. J. Elliott; Celora M. Stoddard; P. R. Mitten; C. R. Holton; Harold J. Jantzen; Herman Lewkowitz; Howard S. Reed; Harold Baxter; Allen C. Elder; Hess Seaman; George D. Christy; D. L. Cunningham; L. H. Chalmers; J. C. Niles; P. H. Hayes; Raymond Alee; W. L. Kolberg; D. B. Morgan; Judge John A. Ellis, Prescott, Ariz.; Eugene Shepher, Tucson; Heinie Schewell, Florence; Ezra W. Thayer; J. C. Adams; R. W. Smith; H. S. Clyne; G. B. Ruiz; M. R. Malcolm; Charles H. Adams; T. J. Duncan; W. P. McNair; F. S. Willets; Paul Dickerson; T. J. Coalter; H. W. Steel; R. E. Schnure; A. M. Monroy; T. B. Mudd; Norman F. Wykoff; Stephen D. Pool; Margaret Hiscox; Katherine R. Oglesby; Helen R. Pepper; A. L. Higgins; W. W. Turesdale; W. J. Hanna; J. K. Stewart; N. A. Lytle, G. J. Conrad, George W. Mickle, J. D. Howell, Glendale; D. D. Taylor, W. R. Hiett, Garland B. Gouch, Shirley Christy, Paul H. Verslius, S. R. Newton, L. E. Roberts, Glendale; C. N. Boynton, C. V. Gulley, Judson T. King, Charles A. Stauffer, general manager, Arizona Republican; C. T. Carpenter, Morris Goldwater, mayor of Prescott, Ariz.; M. G. Bundy, A. E. England, J. A. Goodwin, Conrad Hess, Arthur G. Hulett, Oscar C. Bartlett, J. T. Lewis, Globe, Ariz.; George T. Price, W. S. Norviel, J. G. Jennings, Miami, Ariz.; George Spruce, M. L. Gibbons, Mesa, Ariz.; H. H. Heiner, George M. Bealey, Dr. C. Swackhamer, Superior, Ariz.; L. A. Perrie, Miami, Ariz.; Harry S. Higgins, H. A. Waite, W. G. Detweiler, Fen S. Hildreth, Frank Snyder, Elmer W. Coker, Harry E. Habecker, D. K. Fretz, Paul Farmer, Albert C. Mains, Ellis M. Weir, S. J. Michelson, postmaster of Phoenix, Ariz.; R. W. Slocum, W. E. Waldorf, S. H. Weigle, A. W. Arnold, Sam J. Halderman, L. S. Ogle, G. W. Knorf, S. Siprelle, Harry M. Beck, Emma Logan, Lula Newell, Katherine Rudd, Avis Huck, E. X. Osborn, W. R. McElhaney, L. R. Calahan, J. P. Stout, A. Bans, Joseph M. Lawrence, K. T. Sagerty, F. M. Wurth, E. C. Cromb, Ross Kindley, Priest High, Debruce Grove, W. E. Naylor, William D. Williams, C. R. Rose, Russell R. Young, Tom M. Smith, R. A. Maxwell, A. E. Sevar, Cecil R. Callahan, G. L. McCoy, Burt McCall, Harry M. West, E. P. Donsall, J. W. Harbrock, J. K. Lester, Arnold Blake, M. F. Wich, L. A. Risk, J. H. Whitson, E. D. Raeder, B. B. Balyeat, N. M. Jamieson, B. F. Hensley, C. F. McGuire, C. M. Moore, Frank Thomas, W. T. Sprowls, T. A. Dean, J. M. Gibson, Globe, Ariz.; H. F. Warner, William E. Moore, C. E. Lawrence, Prescott, Ariz.;

Joseph Sobey, Miami, Ariz.; John Davelin, Globe, Ariz.; L. G. Moyers, S. L. Montgomery, H. A. Telford, J. E. Knabb, C. P. Hart, E. L. Williams, Robert Hunsick, L. C. Larkin, W. P. Hogan, M. P. Smith, W. J. Osborn, Peoria, Ariz.; Charles W. Flagg, H. G. Watson, E. W. McFarland, Matt S. Walton, John J. McGrath, John L. Goodson, James H. Allen, John B. Henke, Evan Wilson, William Gleeson, James A. Shea, Hubert Campbell, G. C. Campbell, E. W. Michael, president Paradise Verde District; George W. Johnson, W. A. Clark, B. J. Whiteside, F. W. Avery, president Arizona Citrus Growers' Association; T. E. Benton, A. A. Lillard, D. N. Barrows, Emma Winters, F. W. Avery, A. F. Baxter, jr., Ralph Cameron, jr., Dennis Gleeson, M. L. Fillmore, C. W. Stevens, Bennett Yancy, W. C. Truman, F. G. Lambert, R. H. Benton, Thos. J. Croaff, H. M. Vandenburgh, Martha L. May, E. Stallcup, Jacob C. Erhardt, Charles M. Donohoe, Larry Gleeson, T. L. Lloyd, L. E. Kingman, Julian Holmes, Scott White, Harry Herz, L. W. McAdams, E. M. Allen, E. S. Clark, John A. Lentz, Phil C. Ensign, R. E. Jerould, W. E. Easton, Howard Rollins, J. F. Payne.

SACATON, ARIZ., *April 28, 1924.*

Hon. RALPH H. CAMERON,
United States Senate, Washington, D. C.:

You now have before you Senate bill 966, for the construction of the San Carlos Dam in the Gila River in Arizona for the relief of the Pima Indians. We members of the Pima Tribe and their representatives most earnestly pray that you give this bill favorable consideration. We and our forefathers have farmed and lived on the banks of the Gila for several hundred years. Before the coming of the white people we had plenty of water; we had good farms; were contented and happy. Since the coming of the white people more and more water has been taken out of the upper part of the Gila River, thus diminishing our supply until now there is not sufficient water to raise a crop. We always helped the early white settlers; we escorted the covered-wagon trains of the early white pioneers through hostile country; fed and protected them. We have never shed a white man's blood. During the World War we sent many of our best young men to the Army; we oversubscribed every Liberty loan; in many cases our old folks doing hardest kinds of day labor to secure money to do so. One of our tribe was the first Arizonian killed in Europe. You have provided for the Indians who were enemies of the white people in early days. Will you not now help us who have always been your friends? We are good farmers; give us water and let us be self-supporting; let us make homes for our wives and children. Do not deprive us of water and cause us to become ration Indians and beggars, dependent on our Government for support.

Joseph Jackson, Panjo S. Pablo, George Pratt, Johnson Azule, Juan Apachose, Isaac C. Anton, Mack Sehurs, Edgar Myers, William Stevens, Joseph Achill, Victor Jackson, Antonio B. Juan, Peter J. Osif, Hiram Terry, Charles Porter, Charles Nathan, Calvin Emerson, John Lewis, Alfred Jackson, Jose Padgley, Job Russell, Hugh W. Patton.

TEMPE, ARIZ., *April 28, 1924.*

Hon. RALPH H. CAMERON,
United States Senate, Washington, D. C.

DEAR SIR: On behalf of Arizona and the entire Southwest we desire to congratulate you and the United States Senate upon the unanimous passage by the Senate of the Cameron bill for the construction of the San Carlos project for the relief of the Pima Indians, and also to extend congratulations for the unanimous favorable report of the said bill by the Indian Committee of the House. Upon this bill becoming a law a great national wrong of many years' standing will have been righted. The Pima Indians were raising crops by irrigation on the Gila River before Columbus discovered America. They are hard-working progressive farmers, formerly possessing good homes and well-cultivated farms, with plenty of food, grain, horses, and cattle. When the first white men came to this part of the country the Pimas gave them food and shelter and safe passage through the lands of warlike tribes. The Pimas have an unbroken record of loyalty to the Federal Government and proudly boast that they have never shed a white man's blood. As far back as 1886 the Interior Department took up with the Department of Justice the question of protecting the fast-disappearing water rights, but indifference, politics, and selfishness have intervened to prevent any redress being secured. In the meantime the denuding of the forests on the watershed of the Gila above the Pimas, the overstocking of the range with cattle, and upstream diversions by the white settlers all combined to transform the Gila River from a living stream the year round, from which the Pimas formerly got all the water they needed, to a flashy flood type of river, dry during most of the year. The Indian lands became idle from drought, their ditches dried up, they were compelled to abandon their farms, and finally starvation and ruin drove them to seek the aid of the Government. Every person acquainted with the history of the Pima Indians is sincerely hoping and praying that this bill for the restoration of their water rights will be passed by the unanimous vote of the House of Representatives in order that this long-deferred act of justice may have no dissenting voice in the National Congress to detract from the sincerity of the Government's belated action.

J. T. Birchett, R. L. Finch, H. W. Miller, T. A. Bailey, R. A. Windes, M. A. Windes, Wm. Laird, Hugh E. Laird, R. W. Still, C. M. Achauer, T. A. Anderson, F. E. Ostrander, Papago Motor Co., E. A. Row, R. L. Mullen, G. R. Finch, R. E. Stidham, R. C. Estrada, A. J. Matthews, I. D. Payne, Ira Frankenburg, E. P. Carr, Tempe Milling Co., R. J. Stroud, Ahlquist Garage, Red Front Store, Dads Place, B. Matley, O. C. McNary, E. E. Ceill, Price Wickliffe, Leon C. Navarre, Henry Sandoz, S. M. Goddard, J. E. Kelly, John E. Michel, Boston Store, W. W. Wade, T. H. Gardner, G. A. Goodwin, H. A. Moore, W. T. Waggoner, Jno. J. Curry, Frank Lamont, C. L. Walmsley, Frank E. Empey, J. F. Peck, T. M. Moulden, H. C. Baber, H. B. Clary, W. H. Thurber, E. D. Raley, E. O. Adams, Chas. C. Woolf, E. O. Brown, J. L. Felton, R. H. Harvey, Curt W. Miller, F. M. Irish, Fred J. Joyce.

Please transmit a copy of the above to the following persons: Hon. HENRY F. ASHURST, United States Senate; Hon. JOHN W. HARRELD, chairman Committee on Indian Affairs, United States Senate; Hon. CARL HAYDEN, House of Representatives; Hon. HOMER P. SNYDER, chairman Committee on Indian Affairs, House of Representatives; Hon. FREDERICK H. GILLETT, Speaker of the House of Representatives.

R. W. STILL.

GLENDALE, ARIZ., *April 28, 1924.*

Hon. RALPH CAMERON, Hon. HENRY F. ASHURST, United States Senate; Hon. JOHN W. HARRELD, chairman Committee on Indian Affairs, United States Senate; Hon. CARL HAYDEN, House of Representatives; Hon. HOMER P. SNYDER, chairman Committee on Indian Affairs, House of Representatives; Hon. FREDERICK H. GILLETT, Speaker of the House of Representatives, Washington, D. C.:

On behalf of Arizona and the entire Southwest, we desire to congratulate you and the United States Senate upon the unanimous passage by the Senate of the Cameron bill for the construction of the San Carlos project for the relief of the Pima Indians and also to extend congratulations for the unanimous favorable report of the said bill by the Indian Committee of the House. Upon this bill becoming a law a great national wrong of many years' standing will have been righted. The Pima Indians were raising crops by irrigation on the Gila River before Columbus discovered America. They are hard-working, progressive farmers, formerly possessing good homes and well-cultivated farms, with plenty of food, grain, horses, and cattle. When the first white men came to this part of the country the Pimas gave them food and shelter and safe passage through the lands of warlike tribes. The Pimas have an unbroken record of loyalty to the Federal Government and proudly boast that they have never shed a white man's blood. As far back as 1886 the Interior Department took up with the Department of Justice the question of protecting the fast-disappearing water rights, but indifference, politics, and selfishness have intervened to prevent any redress being secured. In the meantime the denuding of the forests on the watershed of the Gila above the Pimas, the overstocking of the range with cattle, and upstream diversions by white settlers all combined to transform the Gila River from a living stream the year round, from which the Pimas formerly got all the water they needed, to a flashy, flood type of river, dry during most of the year. The Indian lands became idle from drought. Their ditches dried up, they were compelled to abandon their farms, and finally starvation and ruin drove them to seek the aid of the Government.

Every person acquainted with the history of the Pima Indians is sincerely hoping and praying that this bill for the restoration of their water rights will be passed by the unanimous vote of the House of Representatives in order that this long deferred act of justice may have no dissenting voice in the National Congress to detract from the sincerity of the Government's belated action.

O. D. Betts, mayor, Glendale; Rotary Club, D. H. Bonsall, president; F. S. Heatwolfe, councilman; Glendale Commercial Club, J. McCoy, secretary; C. H. Tinker, manager Valley Bank, Glendale; Harry G. White, postmaster; J. W. Hawks, city clerk; John McCoy, insurance; Glendale Realty and Insurance Co. (Inc.); C. M. Woods, druggist; R. C. Reynolds, merchant; Lemley Ames Motor Co.; D. R. Jones, druggist; Sample & Moore Market; Ray F. Stauffer; Glendale Ice Co.; Glendale Garage; Glendale News, by H. C. Reed, editor; R. F. Zinn, merchant; J. R. McFadden; Walker Service

Station, by C. E. Walker; Glendale Furniture Co.; Caplan & Newman, merchants; C. A. Milkee, superintendent of schools; V. E. Messenger, merchant; D. H. Bonsall; Lon G. Smith; Glendale Milling Co.; O. S. Stapley Co. (Inc.); Jno. D. Davis, manager Pay N Takit; the Glendale Lumber Co.; B. Bean, manager J. D. Halstead Lumber Co.; J. D. Lynch, manager Glendale Motor Co.; Dustys Garage; H. D. Madison; A. W. Lueck.

CHANDLER, ARIZ., *April 28, 1924.*

Senator RALPH CAMERON,
Washington, D. C.:

Federal Government recognized needs of Pima Indians in constructing diversion dams on Gila River for irrigation. These dams are useless for month when river is dry. San Carlos storage dam will provide adequate flood control and insure permanent supply of water for irrigation purposes. Pimas were invaluable allies when assistance was sorely needed. They proved their worth in Spanish war. Arizona's first sacrifice on the battle fields of France was the lifeblood of young Pima Indians. Promises are sacred among Indians. Pimas implicity believe Government will provide water for their lands. Five thousand citizens of Chandler and vicinity petition our Government restore to Pimas waters of Gila for irrigating their lands by the construction of San Carlos storage dam.

CHANDLER CHAMBER OF COMMERCE,
CHANDLER WOMEN'S CLUB,
CHANDLER JUNIOR CHAMBER OF COMMERCE.

Mr. CAMERON. Mr. President, I also present resolutions adopted by the Phoenix District Conference of the Methodist Episcopal Church South, assembled at Phoenix, Ariz., urging the passage of Senate bill 966, making an appropriation for the construction of an irrigation reservoir on the Gila River near San Carlos, Ariz., which I ask may be printed in the RECORD.

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

Resolution favoring San Carlos Dam.

Whereas the Pima Indians have always been a peace-loving tribe, never having been at any time in an attitude of hostility to the United States; and

Whereas they are also a thrifty, industrious people as compared with many other tribes of American Indians, having utilized to a very commendable degree the advantages for education and home improvement that have thus far been offered them by the Federal Government, while at the same time they have embraced Christianity, following the teachings of the Christian missionaries that have worked among them to an extent that has few, if any, parallels in the history of mission work among the Indians; and

Whereas the present material condition of this populous and worthy tribe of Christian Indians is such that not only their prosperity but their livelihood is dependent upon the impounding of the waters of the Gila River for the irrigation of their lands; and

Whereas the Senate of the United States has recently passed the bill known as Senate bill No. 966, making an appropriation for the construction of an irrigation reservoir on the Gila River near San Carlos, Ariz., for the above-stated purpose, in keeping with plans approved by Government engineers, and such bill is now pending before the House of Representatives at Washington: Therefore be it

Resolved by the Phoenix District Conference of the Methodist Episcopal Church South, assembled at Central Methodist Church at Phoenix, Ariz.—(1) That we do hereby respectfully memorialize the Congress of the United States, and especially the House of Representatives, earnestly and urgently petitioning said body to pass the said bill before the adjournment of the present session of Congress.

2. That a copy of this resolution, signed by the presiding bishop and secretary of this conference, be forwarded to Hon. CARL HAYDEN, Representative in Congress from Arizona, and to Hon. RALPH CAMERON and Hon. HENRY F. ASHURST, United States Senators, with request that they do their utmost to accomplish the enactment of the bill above referred to.

H. M. DU BOSE,
Bishop, Presiding.
ALVA R. HUTCHINSON,
Secretary.

ADDRESS BY SENATOR WALSH OF MONTANA AT BUFFALO

Mr. PITTMAN. Mr. President, I have in my possession here the manuscript of a speech delivered by the Senator from Montana [Mr. WALSH] on the 26th instant before the convention of the League of Women Voters in Buffalo, N. Y. It is a very able address on our foreign relations and is entitled "Europe's troubles are our troubles." I ask unanimous consent to have the address printed in the CONGRESSIONAL RECORD.

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

EUROPE'S TROUBLES ARE OUR TROUBLES

In the discharge of the most commendable task the League of Women Voters has assumed of affording the newly enfranchised citizens of their sex an opportunity to acquire a more intimate familiarity with our system of government and with the public questions involved in the elections in which they are to participate, that they may more understandingly exercise their rights in connection therewith, it has been deemed advisable to devote some attention to our international affairs.

The instances have happily been rare in our history when our relations with foreign nations or the policy which ought to be pursued toward them collectively or individually have been so acute as to be of consequence in any election or to exercise any influence in the choice of candidates for either local or national office. The admonition of the fathers against entangling alliances, though apt when uttered or written because of the frequently recurring state of war between Great Britain and France, involving all Europe, and of the passions still smoldering that were engendered by the Revolution that gave birth to our Nation, ceased after the Napoleonic era to have much more than an academic interest to us. The storms that swept over Europe during the century after Waterloo were unfelt in the political atmosphere of America. Our interests were only remotely involved, if involved at all. The Atlantic was an effective barrier against attack from that quarter and no enemy was to be feared from any other. We sympathized with the Greeks in their struggle for independence against the Turks, with the Hungarians in their effort to throw off the yoke of Austria, with the Spanish colonies to free themselves from the dominion of Spain, and with the Irish for a larger freedom, but without any purpose to mix in the controversies and conflicts thus precipitated, except in the case of the last Cuban insurrection. In respect to them, if sentiment was not all one way, the insistence on intervention in any form on the part of our Government was not backed by numbers sufficient to give to the question the dignity of a factor in any national political contest.

Our controversies with transoceanic countries were almost invariably either evanescent in character or of so little consequence, from the standpoint of national feeling, that they cut no figure in national elections, except in the case of the Northwest boundary dispute, of which much was heard in the campaign of 1840, when one of the political parties advanced the slogan "54–40 or fight."

The annexation of Texas and the war with Mexico became a grave issue in the succeeding quadrennial election, a feature of the slavery question which for 60 years engulfed every other so far as political discussion is concerned, holding its place in the language of more recent times as "the paramount issue." The promulgation of the Monroe doctrine was occasioned by events transpiring in Europe and is even said to have been prompted by a hint from the foreign minister of one of the great powers, but it was so in harmony with the general, if not universal, sentiment of America that some evidence of rivalry is exhibited from time to time with respect to its authorship as between the two leading political parties, the one attributing it to President Monroe and the other to his Secretary of State, John Quincy Adams. In short, our country has been so free from agitation over foreign policies and foreign complications, domestic questions have so engrossed the public mind, that there have been no occasion and no disposition on the part of the ordinary voter to look, nor has he acquired the habit of looking beyond our borders in determining the course he ought to take in exercising the sovereign right of the franchise.

A different era, however, is upon us. Our outlook is, or at least ought to be, radically changed in consequence of the World War.

The ocean is no longer the barrier it once was or was believed to be. We landed in Europe 2,000,000 armed men, equipped with all the enginery of modern warfare. Hereafter we are bound to contemplate the possibility of a similar invasion of our shores. Despite a resolute purpose on the part of our people to preserve a strict neutrality as between the warring nations of Europe, the desperation of one group of the combatants brought us into the contest, as one by one the states of Europe, with but few exceptions, had become involved. We can no longer regard with unconcern a conflagration in Europe or controversies or policies likely to lead to such.

The hazard of involvement increases daily as the nations are brought closer by discoveries and inventions that annihilate distance and facilitate communication and the horror of becoming involved multiplies through the development of new agencies of destruction that threaten the overthrow of civilization if not the extinction of the human race. Can one set bounds to the destructive effects of lethal gases, the aerial torpedo, the demon ray, and the dissemination of deadly contagious disease germs whose ravages even the cessation of hostilities does not arrest?

The outlawry of war is not a problem of humanitarianism, it is a problem of self-preservation.

Nor is it alone that we may again become involved in a war that may eventuate because of them that we have ceased to regard—that is, some of us have ceased to regard—the controversies that agitate distant nations, and those of Europe particularly, as a matter of indifference to us. That in the wastage of their heritage through war we suffer an incalculable loss has been made painfully plain to everyone who has had occasion to consider the deplorable depression in our great basic industry—agriculture—so acute as to give rise to the introduction in Congress of innumerable relief measures, many of them violative of what has heretofore been considered as indisputably sound, economic principles. Due to the impoverishment of Europe, consequent upon the war and the political chaos that has ensued, the purchasing power of her people has been reduced to a point at which they can no longer absorb our surplus agricultural products, which consequently flood the domestic market, reducing the price below the cost of production.

The conditions under which farmers are expected to "carry on" are disclosed by the fact reported by the Secretary of Agriculture, that whereas for five years prior to 1914 the purchasing power of a dollar in the hands of a farmer was normal—that is to say, a certain quantity of farm products would buy the normal amount of commodities generally—on the 1st day of January, 1923, it would buy but 64 cents' worth. While the price of the farmer's products suffered a rapid decline after the war, the price of everything he must buy, including labor, if one may so speak of labor, has remained stable or has appreciated, so that while the price of wheat in 1913 stood, in the index figures prepared by the Department of Labor, on a parity with the price of other commodities, in February, 1924, the leading cereal was represented by 125 as against 152 for commodities generally.

Another way of expressing the appalling fact is that, if wheat had preserved the equality at which it stood in 1913 with respect to other commodities in the matter of price, it would have brought in 1923, instead of $1.002, the average price, about $1.60.

The seriousness of the situation is but feebly appreciated in the so-called industrial sections that are "fed up" with frequent assurances from influential sources of abounding prosperity. The fact is that no such disaster has ever perhaps befallen the farming industry in this country, certainly not in this or the preceding generation. The gravity of the case is revealed by the official statement of the Secretary of Agriculture to the effect that on the 1st of January, 1923, there had been a decline in the price of real estate in the United States of $13,000,000,000, one-half the expenditure of our Government in the World War.

It is officially reported that 8½ per cent of the owner-farmers in 15 corn and wheat producing States lost their farms, with or without legal process, between 1920 and the spring of 1923, and that 15 per cent more were in fact temporarily insolvent, but held on through the leniency of creditors. The losses were relatively more numerous in Montana, North Dakota, Colorado, and South Dakota, and less numerous in the east North Central States. A hideous prosperity is in evidence in the case of many newspapers published west of the Mississippi River, arising from foreclosure notices, the number of which frequently necessitates extensive supplements. The alarming state of affairs is reflected in the bank failures throughout the distinctly agricultural sections of the West. From June 30, 1923, to January 31, 1924, 62 State banks failed in Montana, and from the initial date given to April 5, 1924, 19 national banks. During the same periods North Dakota lost 90 State banks and 16 national banks: South Dakota 53 of the one and 15 of the other; Oklahoma, 29 and 13; New Mexico, 13 and 8; Minnesota, 40 and 7. These were in addition to a distressing number which closed their doors each year since the deflation of 1920 set in or was precipitated, the failures occurring in unusual numbers in the South as well as the West. More than a half dozen counties of my State are without any banking facilities.

In Lewistown, a city of 8,000 inhabitants, the county seat of Fergus County, the heart of the fertile and highly cultivated Judith Basin, every bank is closed. Not a few of the banks that have thus gone down were of mushroom growth, puny from their birth, but among those that have gone on the rocks are institutions that have weathered the financial storms of 40 years.

The conditions which these banking reverses imply signify social changes of the most far-reaching nature. The Secretary of Agriculture tells in his report for 1923, recently issued, that the net change in population from farm to town during the preceding year was approximately 1,200,000, accelerating a movement in progress in recent decades that had already excited general alarm.

It is not to be understood that the deplorable condition adverted to is wholly due to the collapse of the foreign market for our exportable surplus, but that the impoverishment of Europe is a serious factor in the widespread depression is acknowledged on all hands. Depressed world conditions and curtailed foreign buying power is given first place by the American Wheat Growers' Association among the causes of the disasters that have overtaken the producers of our principal cereal. It is significant that those engaged primarily in the production of crops consumed at home are comparatively lightly affected and are weathering the storm in safety at least. In illustration the cattle business is in a plight, perhaps not less serious than that of those who must depend upon their wheat crops, while those who are fortunate enough to be running sheep are enjoying a period of reasonable prosperity. We export neither wool nor mutton.

It is necessary to go back nearly 30 years to reach the low level of exports of meats and meat products of last year, except for the year 1914, when shipments were interrupted by the war, and the year 1910, when, for some reason, there was a serious slump.

The Department of Commerce has been advised by commercial leaders of that country that if payment for it could have been arranged, Germany would have used 50,000,000 bushels of American wheat last year more than she took from us. Official figures furnished me show that the consumption of wheat in Europe for the years 1920, 1921, and 1922, respectively, was approximately 500,000,000 bushels less than the average annual consumption for the five-year period ending with 1913, the computation in each case being for the year ending August 1 of the following year. Though there has been a marked increase in the yield from American and antipodean fields, the world production still lags over 400,000,000 bushels behind the average crop of the antebellum period.

The same regrettable showing is made in the case of copper, nearly 50 per cent of our production of which normally goes abroad. The consumption of this metal in Europe has fallen from 645,000 metric tons in 1913 to 273,600 metric tons in 1921. It is popularly believed, and doubtless with justification, that the heavy importations of this metal by Germany during the years immediately preceding the outbreak of the war were in anticipation of that catastrophe, but she remains our most important customer and the percentage of decline in her demands on our exportable surplus is no greater than in the case of most other European countries, including Great Britain and France. It is not difficult for the people of Montana, of whose three principal products—wheat, copper, and cattle—there is always a surplus for export, to realize how intimate is the relation between our prosperity and that of the people of Europe and how immediate is our concern in the restoration and preservation of peace among them. If there is greater indifference to the situation, if there is a less ardent desire among the people of the Atlantic seaboard to see it improved, it must be because they do not feel the pinch. Our total of exports of foodstuffs, crude and processed, has steadily declined since 1920, the decline in 1923 as compared with 1922 reaching the staggering total of $200,000,000, balanced, however, by an increase in approximately the same amount in the value of our exports of manufactures ready or partially ready for consumption. It is significant in this connection that practically none of this gain came from Europe, while nearly every other part of the world contributed to it; South America over $40,000,000, Asia in excess of $60,000,000, Oceania nearly $50,000,000, and Canada nearly $60,000,000.

It will be appreciated that notwithstanding this gratifying increase in our exports of manufactured articles, the total that goes abroad is insignificant as compared with the demands of the domestic market, which rests in the last analysis on agriculture. If that industry can not be carried on at a profit, speaking in general terms, no other can. If the farmer can not buy in normal quantity, manufacturing must abate and unemployment become general and ominous. And yet while our prosperity is so demonstrably bound up in that of Europe, though adversity such as our great basic industry has never known stares it in the face, in consequence of the turmoil there, political exigencies have condemned us to a do-nothing policy from which our Government departs from time to time, as common sense impels, to act in a gingerly apologetic sort of way, receding as the clamor of isolationists threatens to disturb party harmony or that 7,000,000 plurality excites the hope of another political victory in a sweeping denunciation of the League of Nations, and of any activity, however praiseworthy in itself, originating with or indorsed by the league.

The vicissitudes that have attended the effort to secure the indorsement of the World Court by the Government of the United States will serve the purpose of illustration. To the idea represented by it our country gave its official sanction a quarter of a century ago at the first Hague conference. The tribunal by it constituted proved a disappointment because of defects against which our representatives vainly sought to protect it. A special effort to redeem it was again made by the American commissioners at the second conference in 1909, and particularly to devise some scheme by which permanent judges of the court should be selected who should hear the causes as they came before it, instead of arbitrators chosen by the parties from a list of eligibles. The desirability of the change was apparently universally acknowledged as, indeed it is obvious. The attempt failed because it was found impossible to agree on the manner of choosing the judges, the small States insisting upon the right, in accordance with the rule in international conferences, of an equal voice with the larger and more powerful States in the election of the judges. That difficulty has, with the concurrence of States large and small, been obviated in the organization of the now functioning Permanent Court of International Justice, which, in the essential

features of its statute or constitution, is substantially identical with the kind of international tribunal for which the United States stood at the two Hague conferences. If any serious objection or criticism of the statute constituting it, its constitution, as we express it, has been advanced in any responsible quarter it has escaped my notice. Unfortunately it is associated, in its origin, with the League of Nations. Enough! Away with it! The proposal made on the recommendation of Secretary of State Hughes by President Harding to the Senate on February 26, 1923, and approved by President Coolidge in his message to Congress on its assembling in regular session in December last, that the United States subscribe to the protocol creating the court, is as dead as Cæsar unless the country can be in some manner aroused in its support. Singularly enough the proposal thus commended by two Republican Presidents, including the suggestion as to reservations, has the concurrence of every Democratic Member of the Senate save the few who were opposed to the covenant of the League of Nations, and yet it lies moribund before the Committee on Foreign Relations without having any part in any known program of the majority party for the work of the current session or any session for that matter, a subject of jest, indeed, with most of those influential in the framing of such a program.

It may be of some service if the exact nature of the relation of the court to the league is recalled. Article XIV of the covenant provides—

> "The council shall formulate and submit to the members of the league for adoption plans for the establishment of a permanent court of international justice. The court shall be competent to hear and determine any dispute of an international character which the parties thereto submit to it. The court may also give an advisory opinion upon any dispute or question referred to it by the council or by the assembly."

Note that the plan to be formulated by the council is to be submitted to the members of the league for adoption. The council acts simply as a draftsman. The court comes into existence only by virtue of what amounts to a treaty between the members who adopt the plan, each subscribing to a protocol expressing its adoption. The movement to establish a world court might have been set on foot in a multitude of ways. The International Law Association might have prepared a draft of a statute for a world court and proposed to the government of the various nations that they enter into an agreement to constitute such a court pursuant to the plan offered by it. If, then, the leading nations should subscribe to a protocol giving their assent to the plan and judges were elected and the other machinery contemplated by it provided, the court would be ready to function, but it would rest on the protocol, not on any sanction it had from the unofficial voluntary association by which the plan was prepared. It may be here remarked that no nation signing the protocol for the statute drafted by the council of the league assumes any other or greater obligation than it would had it been prepared, as supposed, by the Association of International Law. Let it be recalled how the council proceeded with the work intrusted to it by Article XIV of the covenant. It called to its aid men of eminence as international lawyers, including an American, Hon. Elihu Root, constituting them a committee to draft a plan. It submitted such a plan, that with slight amendments was concurred in by the council, which then submitted it to the assembly of the league, in which every member is represented, great and small, by which body it was upon further slight amendment agreed to by the council, concurred in, and then submitted to the nations interested, 47 of which have indorsed it by subscribing to the protocol pursuant to which the court is constituted, though there are 55 members of the league.

In the work of the drafting committee of experts in international law, it was confronted at the outset with the same difficulty which the two Hague conferences had been unable to surmount, namely, a method of selecting the judges satisfactory to both the large and the small States. Credit is given to Senator Root for the suggestion which solved it. There were at hand two assemblages, in one of which, of comparatively few members, the great powers were represented and dominant, and in the other all or nearly all the small nations had an equal voice, namely, the Council and the Assembly of the League of Nations, respectively. Why not utilize these assemblages for the election of judges? It was accordingly agreed that the choice should be thus made, the successful candidate requiring a majority of the votes in the council and in the assembly. Those institutions are simply convenient agencies which are made use of under the protocol and the statute of the court for effecting the election. One of the reservations proposed by Mr. Hughes contemplates that an arrangement be effected with the interested nations by which the United States shall be represented in each of the elective bodies, when and only when it acts as such, with authority to participate in the choice on the same footing as any other nation represented therein, but without right to any part in any other work in which it may engage and without the assumption of any obligation on the part of our Government under the covenant of the League of Nations or the treaty of Versailles.

The statute of the court goes beyond the limits outlined in Article XIV of the Covenant of the League. It, as shown by the language heretofore quoted, contemplated a plan to be adopted by the members of the league only, but the statute actually framed by the committee of experts, approved by the council and the assembly and adopted by the subscribing nations, opened the way for adherence thereto not only by members of the league but by all States mentioned in the annex to the covenant for the league, whether members or not, including the United States. To that end the protocol recited that it should "remain open for signature by the members of the League of Nations and by the States mentioned in the annex to the covenant of the league." And article 35 of the statute declares that "The court shall be open to the members of the league and also to States" mentioned in the annex to the covenant.

In one other respect the court is associated with the League of Nations. The judges must be paid and the other expenses attendant upon the functioning of the court must be met. Obviously the subscribing nations ought to contribute to the defraying of such expenses in some just proportion. The members of the league contribute to its treasury in the same proportion as the powers contribute to the fund to meet the expenses of the International Postal Union. Why not, accordingly, pay the expenses of the court out of the league treasury? So it was arranged. Again, the machinery of the league—its agencies—are made use of by the parties signatory to the protocol of the World Court.

Finally, the statute provides that the court shall have compulsory jurisdiction over cases of four classes as between any of the signatory powers agreeing that it shall, a particular in which it again departs from the injunction of article 14 of the league, which contemplated giving to the court no compulsory jurisdiction whatever, but only authority to pass on such controversies as the parties chose to submit to it, evidently as they arose, further evidencing the fact that it stands on its own bottom and derives no authority whatever from the covenant. It might be added that only 15 of the 47 States subscribing to the protocol have bound themselves in advance to submit controversies within the enumerated classes to the courts. None of the leading powers have so bound themselves, and it is not proposed that the United States shall obligate itself to do so. It is free to submit or not to submit any controversy to the court. It may say at any time without offense that the particular controversy is of a class which according to the settled policy of the United States is never submitted to the determination of any tribunal or it may decline to submit without offering any reason.

Now, what is the objection to our joining the other nations of the earth in upholding this agency for peace, feeble though it may be? Bear in mind all we are asked for is to give to the court our moral support and to contribute our pittance to the expense of maintaining it, for, as disclosed by that part of article 35 of the statute heretofore quoted, our Nation is now a competent suitor before the court, being mentioned in the annex to the league covenant. We may even now agree with any other nation to submit to the court any controversy in which we are involved, and the court is competent to deal with it. We are asked to give it our cordial approval instead of standing on the side lines and sneering at it. Again the league.

On December 10 last the junior Senator from Wisconsin [Mr. LENROOT] offered a resolution quite like that proposed by Mr. Hughes, but with some additional reservations, in substance to the effect that the judges of the court should be elected after the manner following: Representatives of one group of nations, being the same as those having delegates in the council of the league, should meet. Contemporaneously representatives of all the nations, as another group, should meet, quite as the assembly of the League of Nations, in which 55 nations are now represented. These two groups are to be authorized to elect the judges in substantially the same manner as that provided in the statute as the procedure to be observed by the council and the assembly. By this hocus-pocus the judges are to be chosen by substantially the same electors, proceeding in substantially the same manner, only by the Lenroot plan the elective bodies are to be designated Group A and Group B, while under the Hughes plan they are denominated the Council of the League of Nations and the Assembly of the League of Nations, which, indeed they are not for the occasion because the United States, not a member of the league, would sit. Thus gravely it is proposed to eliminate the poison with which the present statute is infected, to disassociate it, as it is expressed, from the League of Nations. This we are to offer to 47 self-respecting nations which have set on foot this long and ardently desired tribunal as the condition of our lending it the support of our name, to reorganize the whole constitution of the court in order that the offensive name of the league shall not attach to it. More recently the senior Senator from Pennsylvania [Mr. PEPPER], on April 7, introduced a resolution to call a world conference to consider, among other things, "plans for a world court, either through a further development of the present Permanent Court of Arbitration at The Hague, or through disassociation of the present Permanent Court of International Justice at The Hague from the League of Nations." The foremost jurists of the world, acting on the committee of which Senator Root was a member, concluded, for some reason, that

it was impracticable to set up the desired court through a further development of The Hague court in the institution of which he had an honorable part. The eight great powers represented in the Council of the League of Nations thought so. The 55 nations represented in the assembly of the league thought so. What may a world conference be expected to think of the feasibility or the desirability of junking the court indorsed by 55 of the states that would be represented in such a conference? And what would such a conference be likely to reply to a proposal such as that outlined in the Lenroot resolution to disassociate the World Court from the League of Nations, a proposal which in substance is that the name of the elective bodies be changed.

I have dwelt thus at perhaps inexcusable length upon the World Court question to indicate how lamely and haltingly, notwithstanding our professions so oft repeated and the passionate desire of the people of America to promote the cause of peace, we proceed to insure it or to adopt means to make more likely the preservation of peace.

Unwarranted expectations are indulged by many with respect to the World Court. It carries no assurance whatever of continued world peace. It is but a feeble step to that end, a tribunal in which some controversies which might lead to war may be determined and thus war averted. Remember that as between the great powers it will deal with no controversies except such as they may care to submit and from its very constitution will deal only with controversies of a justiciable character, not with nonjusticiable controversies, the more likely of the two to lead to war. So we do not progress very far, even if we should give our hearty approval to the World Court. We hesitate to take even that feeble step, remembering that we were once asked to go much farther. We even refrain from active and open participation in those activities humanitarian and social in character being conducted by and through the league because it is found, by the rest of the world, a convenient agency for the conduct of work of that nature requiring international cooperation. Because there is at hand an organization suited to the purpose, the nations banded together in the league are constantly entering new fields in which to labor for the betterment of world conditions.

Set on foot by the league five international conferences have been held at Geneva during the past year: (1) Conference on obscene publications; (2) consultation on opium traffic; (3) conference on customs formalities; (4) conference on transit and communications; and (5) consultation on a new arms traffic convention. At all of these the United States was represented in an "unofficial and consultative capacity." These are only a few of the lines in which the league operates aside from what may be regarded as the central idea with which it was constituted, the composition of actual controversies between nations and the repression of wars.

At an early stage in its history, obedient to the command of the covenant, it appointed a commission on the reduction of armaments, and extended to the United States an invitation to send representatives to work with the commission, which our Government promptly and curtly declined, preferring, apparently, that there should be no reduction of armaments than that that result should be accomplished on the initiation of the league. It is evidence of some mollification of view on the part of the responsible officers of the greatest nation on earth that the United States was represented by an "unofficial observer" at two meetings of the commission during the current year. The league has instituted a health organization, which in 1921 held in London a conference on sera and serological tests, and in 1923 another at Edinburgh on the standardization of biological remedies. While in the Orient last summer I met a representative of the league, an officer of the medical corps of the English Army, traveling in those parts to promote more uniform quarantine regulations and the collection and publication of more complete and accurate information concerning the existence of contagious diseases in the principal ports.

The International Labor Organization came into existence through the league. It has set up a maritime commission for the study of employment conditions at sea, the anthrax advisory committee for the study and suppression of that disease, a permanent emigration committee, a technical commission of unemployment, and other like committees dealing with related questions of international significance.

This is not a plea for the entrance of the United States into the League of Nations. Events transpiring since 1920 affect quite materially the view one must take of the problem of our relations with that organization we have so often been assured is dead, but which, somehow, refuses to stay dead, and which is, in fact, very much alive and is considered by the nations of Europe as a most valuable agency for the adjustment of the constantly recurring matters of difference among them. I do not plead for a reversal of the verdict through which the United States declined membership in the league. I plead for the active participation by our Government in any effort which may be made through it or any other channel to bring about a restoration of normal industrial activity in Europe and to establish a state of actual peace among them in every case in which it is reasonably safe to do so without entangling ourselves in their quarrels.

To illustrate: Austria was prostrate, a helpless wreck financially. A project for the reorganization of her fiscal affairs was devised through the league and successfully carried out by an eminent Dutch financier, whose services were drafted for that purpose, as were those of Mr. Root in connection with the organization of the World Court, of Mr. Elkus for the settlement of the Aaland Islands dispute, of Mr. Davis for the adjustment of the Memel controversy, of Mr. Morgenthau to promote the establishment of Greek refugees in productive work in Greece, and many other Americans in connection with the less advertised activities of the league. Why should not the United States, in its own interest, have participated in setting Austria on her feet? The league is undertaking a similar task on behalf of Hungary, again intrusting the work to an American, Mr. Jeremiah Smith. Could we not have furnished some brains to conceive and work out these plans as well as to carry them into execution? It may be difficult to measure the extent of our financial interest in a rehabilitated Austria or Hungary, or a pacified Poland and Lithuania, or an appeased Finland and Sweden; but I have labored in vain if you are not convinced that it is neither insubstantial nor remote.

And I plead for a perfectly frank avowal of our desire to be helpful in any way we can in the composition of the unfortunate controversies which survived or originated in the war for the results of which we can not divest ourselves of some share of responsibility and for participation wherever we can safely, without apology and without taking refuge in the sham of denominating our representatives as "unofficial observers" or assuring the world that they appear in an "advisory and consultative capacity."

We have long had an "unofficial observer" on or with the Reparation Commission, a kind of official eavesdropper, if his functions are those only which his title would suggest. If congressional authority is necessary to such participation it ought to be asked and freely granted, subject to such restrictions as may seem necessary to insure us against involvement in schemes of national aggrandizement or like controversies distinctly political in character.

Though they act only in an "advisory or consultative capacity," the system in vogue of sending representatives to have a part in movements which we approve, but to the expense of which we contribute nothing, is intolerable; and to frown on those we would otherwise approve because they are associated with the league argues neither good morals, good sense, nor sound business judgment.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1631) to authorize the deferring of payments of reclamation charges.

TAX REDUCTION

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 6715) to reduce and equalize taxation, to provide revenue, and for other purposes, the pending question being on the amendment of the Committee on Finance in section 503, page 187, to strike out lines 12 to 22, inclusive, in the following words: "(f) For the purposes of this section a farmer or grower of tobacco or a tobacco growers' cooperative association shall not be regarded as a dealer in leaf tobacco in respect to the leaf tobacco produced by him or handled by such association. As used in this section the term 'tobacco growers' cooperative association' means an association of farmers or growers of tobacco organized and operated as sales agent for the purpose of marketing the tobacco produced by its members and turning back to them the proceeds of sales, less the necessary selling expenses, on the basis of the quantity and quality of tobacco furnished by them" and in lieu to insert:

(f) For the purposes of this section a farmer or grower of tobacco shall not be regarded as a dealer in leaf tobacco in respect to the leaf tobacco produced by him.

Mr. SMOOT. Mr. President, I call the attention of the Senator from Kentucky [Mr. STANLEY] to the pending amendment. I know that he desires to be heard upon it.

Mr. STANLEY. Mr. President, I hope the Senate will not concur in the amendment offered by the committee. I am surprised that it was ever offered.

There was never more talk, more loose, idle, empty profession of interest in the farmer and less disposition to do anything for him. If nothing is to be done for the farmer, certainly nothing should be done to injure him. I readily admit that there is much you can not do for so vast a body. Special privilege in the nature of things is the plunder of the few at the expense of the many.

The farmer has been raising tobacco for a long time. The early Virginians bought their wives with this leaf. Not long ago I had occasion to look over the accounts kept with

wonderful accuracy by Thomas Jefferson. I found that he received more for his tobacco 150 years ago than the farmers of Kentucky and Tennessee were receiving when I assisted in organizing the first cooperative farmers' association that was ever formed in the United States or in any other country, as far as I know. They were receiving about half as much as Jefferson's tobacco sold for at that time.

Tobacco is sold under conditions entirely different from the marketing of any other agricultural commodity. The truck gardener sells his produce to the people. The producer of grain sells to a consuming public. But tobacco is sold, with the exception of a few pounds, only to organized purchasers.

I had occasion to examine this question very thoroughly 20 years ago. Then, as now, all of the tobacco in this country, with the exception of a little tobacco which is sold to small dealers to make cigars, was sold to organized purchasers. Many of those institutions have been dissolved or their dissolution has been attempted by the Federal Government because of the fact that they were monopolies. Some 20 years ago I introduced a resolution in the other House asking for an investigation of the American Tobacco Co., and specifically charging a half dozen violations of the Sherman Act. After a year of endeavor, I secured consideration of those charges. The matter was called to the reluctant attention of the Department of Justice over the open opposition of the then chairman of the Committee on the Judiciary. When suit was finally brought for the dissolution of the American Tobacco Co., Chief Justice White, in his decision dissolving it, sustained every charge I had made.

At the dissolution of the American Tobacco Co. it was simply divided into a number of nominally independent concerns between which there was no competition. One company, like the Lorillards, buys one type of tobacco, the American Tobacco Co. another, Liggett & Myers buy another, and so on; it is like dissolving a packers' combine and leaving one concern in control of poultry, another of pork, another of beef, another of mutton.

In addition to that, purchases of tobacco are made by the Imperial Tobacco Co., of Great Britain, which is a highly organized concern, and by the regies of Europe, which are government monopolies. There are the regies of France, of Japan, Italy, and other European countries; so that when a farmer brings his tobacco to the loose-leaf floor there is practically no competition. The American Snuff Co., the Lorillard Co., the Liggett & Myers Co., the American Tobacco Co., the British Imperial Co., and the regies of Europe know exactly what they want, seldom purchasing the same type of tobacco, and if they do they can exchange. Nor is it difficult for them to have a distinct understanding as to just what they will pay. That condition has been demonstrated so frequently that the tobacco growers have been compelled in self-defense to organize protective associations, to organize a system of cooperative marketing, so that to-day the tobaccos of Virginia, of Tennessee, of western Kentucky, of central Kentucky, the bright leaf that goes into the cigarette, and the dark tobacco that goes into the snuff and the plug, and the tobaccos of Wisconsin and of Connecticut and of Pennsylvania which go into certain kinds of cigars, are sold in great measure through cooperative associations, because one little tobacco tenant coming into town with a load of tobacco under a bedquilt, a few thousand pounds—his year's work—would be utterly helpless to deal with these highly organized and enormously rich concerns.

From the day that the tobacco planters first sent their tobacco over to pay for their wives, from the earliest history of this country, neither the British Government, the charter governments of the colonies, the Federal Government, nor any State government has ever questioned the right of the farmer to sell that leaf of tobacco just as he would sell a head of cabbage or lettuce or a bushel of potatoes; no Government has ever denied the tobacco planters this poor privilege until the Finance Committee—I can not ascertain what Member is responsible—denied that right to the farmer in this bill, and it is an unspeakable outrage.

Mr. SIMMONS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Kentucky yield to the Senator from North Carolina?

Mr. STANLEY. I do.

Mr. SIMMONS. I wish to say to the Senator from Kentucky, as he has stated that he does not know who was responsible for this proposed legislation, that, so far as I am concerned, I was not present when the House provision was eliminated, I am sure, because if I had been present I should have resisted the proposition very vehemently in the committee.

Mr. SMOOT. Mr. President, the Senator from North Carolina must be mistaken about that, for I allowed the amendment to be passed over while the Senator was away because of the fact that I knew he was interested in the tobacco question.

Mr. SIMMONS. I have no recollection of the matter ever coming up when I was present in the committee.

Mr. SMOOT. But it did come up, I wish to say to the Senator, because I asked that it go over until the Senator's return.

Mr. SIMMONS. Then my attention was not called to it.

Mr. SMOOT. The Senator from Kentucky speaks of the farmer, but it is the pooling associations, not the farmers, who object to this proposition.

Mr. STANLEY. I am coming to that.

Mr. SMOOT. The pooling associations are the only ones who object to it. The farmers are not objecting to it, and the Government favors the existing law, in order that it may get the statistics and know the amount of tobacco which is being raised and sold. That is all we are proposing to do; we are not changing a word of the existing law.

Mr. FLETCHER. Mr. President, may I interrupt the Senator from Kentucky in order to make an inquiry?

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

Mr. STANLEY. I yield.

Mr. FLETCHER. I inquire of the Senator from Kentucky as to just wherein this proposed legislation works any hardship on the farmer? The proposed amendment is to strike out from line 12 to line 22, both inclusive, on page 187, in the bill as it comes from the other House, and in lieu thereof to insert:

(f) For the purposes of this section a farmer or grower of tobacco shall not be regarded as a dealer in leaf tobacco in respect to the leaf tobacco produced by him.

It would seem on the face of it that it rather removes any restrictions as to the farmer. The restrictions and the requirements apply to the dealers, and the farmers are expressly eliminated from that class.

Mr. STANLEY. Mr. President, I am delighted to have my colleague from Florida ask me that question.

I understand that tobacco is raised in Florida, and I will ask him if in Florida tobacco is sold now through cooperative associations or is the tobacco sold by the individual?

Mr. FLETCHER. The tobacco raised in Florida is mainly wrapper tobacco. We do not produce tobacco for cigarettes and for plug or snuff.

Mr. STANLEY. I understand that.

Mr. FLETCHER. It is a wrapper tobacco.

Mr. STANLEY. It is a kind of Sumatra wrapper.

Mr. FLETCHER. Yes; a type of Sumatra wrapper, and it is a very excellent wrapper indeed and has a good market; but I have an idea that very largely the price is in the hands of the buyer rather than subject to any control by the producer.

Mr. STANLEY. When the Florida tobacco growers sell their tobacco, does each farmer take his own tobacco to the market and sell it or does he sell it through agents?

Mr. FLETCHER. I think they sell it through agents. They put it in the warehouses and cure it and then it is sold through agents.

Mr. STANLEY. Now, I want to call the attention of my good friend from Florida to the fact that the man who raises that tobacco can bring it to town and sell it to whomsoever he pleases and go on about his business, but under this law, under this red tape, if he employs me to take his tobacco and his neighbor's tobacco to town I can not sell it to anybody but a dealer and then I must make out detailed accounts of what I did.

Mr. FLETCHER. But does not this amendment exempt the farmer from having to make out those detailed accounts?

Mr. STANLEY. Exactly; but I do not make myself clear. The farmer does not do that if he sells the tobacco himself, but if he says to me or to you or to a cooperative association "take my tobacco," and we sell it, then he is deprived of every right which the law now vests in him.

Mr. SMOOT. The pooling associations handle over 50 per cent of all the tobacco. The object of the existing law is to keep track of that tobacco and to report it so that the Government may know whether the tax is paid upon it. If we adopt the House provision there will be no possible chance of the department keeping a record of the tobacco; it would not know anything about whether or not the revenue was paid upon the tobacco. If the existing law is amended we will never have the proper statistics and we will never know whether the revenue is paid.

Mr. STANLEY. Mr. President, I do not think there will be any misunderstanding between the Senator from Utah and myself or between the Government representative and myself as to the operation of the law; we will get that clear first. My understanding of the law—and I think I understand it—is that a producer of tobacco can sell that tobacco to an ultimate consumer, but a dealer in tobacco can not sell it to an ultimate consumer. Is not that right?

Mr. SMOOT. Yes; that is right.

Mr. STANLEY. He must sell it to another dealer or to a manufacturer; and if any man except the farmer himself sells a leaf of tobacco, no matter whether it is manufactured or not, to a consumer he must pay a tax and must make report or become liable to heavy fines and liabilities.

Mr. BROUSSARD. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Kentucky yield to the Senator from Louisiana?

Mr. STANLEY. Certainly.

Mr. BROUSSARD. I should like to ask the Senator what becomes of the amendment to the antitrust law which we adopted in order to permit farmers to organize into cooperative associations, and which was intended to encourage farmers in getting together and marketing their crops on a cooperative basis, if, notwithstanding this amendment, they are to be subjected to penalties for failing to make returns such as the Senator describes this bill carries?

Mr. SMOOT. This amendment will not discourage the farmers at all. It simply provides that records shall be kept, so that the Government may be advised as to the amount of the tobacco. That is all that is involved in this provision.

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

Mr. BROUSSARD. I should like to understand that. If the farmer himself sells his product, and not through a cooperative organization, is he not exempted under the amendment which the committee has proposed?

Mr. SMOOT. Yes; the committee proposes the existing law just as it is to-day.

Mr. BROUSSARD. I know that the existing law with reference to the farmer who works upon a cooperative plan of marketing has been changed, and why not permit the organization of tobacco growers to get the benefit of the law which we purposely amended in order to permit the farmer to take advantage of it?

Mr. SMOOT. I just stated why. The pooling associations sell 50 or more per cent of the tobacco, and under the House provision they will not have to make any report. How is the Government of the United States going to know anything about the amount of tobacco produced and where it is produced if we do not require pooling associations to keep any records whatever? All we are asking now is that they shall keep records.

Mr. BROUSSARD. It is not proposed to tax them?

Mr. SMOOT. No; there is no tax here at all. It is the existing provision, and it is the only way in which the Government can ascertain the amount of tobacco produced. That is all there is to the amendment.

Mr. STANLEY. Mr. President, I think the Senator is under a misapprehension.

Mr. SMOOT. I should like to have him do it if I am.

Mr. STANLEY. It is purely a misapprehension. The farmer can sell his tobacco to an ultimate consumer without paying a tax. The tobacco dealer can not.

Mr. SMOOT. Does the Senator know how much tobacco the farmer sells directly to the consumer?

Mr. STANLEY. Little or none, now.

Mr. SMOOT. That is what I say. Therefore this does not affect the farmer.

Mr. STANLEY. Now, let us see.

Mr. SMOOT. He may sell a handful of tobacco to a man somewhere, of course.

Mr. STANLEY. And this is to tax that little?

Mr. SMOOT. No, no. This entirely eliminates the farmer.

Mr. STANLEY. Mr. President, let us stick to one thing at a time. I know the incisive intellect of my able and subtle colleague from Utah, and I hope to get this thing straight as we go. In passing on the value of this privilege, the Senator overlooks the privilege itself. The farmer under the law can sell to whomsoever he pleases. Nobody else has that right; and the minute he sells to a cooperative association under this amendment the cooperative association is deprived of the right given it under the House bill of being subrogated to the rights of the farmer, of being vested with all the rights which the grower had. Under the House bill, as far as the handling and sale of tobacco is concerned, the rights of the grower and of the cooperative association are identical.

Mr. SMOOT. Yes. In other words, he does not keep any record at all.

Mr. STANLEY. Not only that, but he can sell his leaf to the ultimate consumer. The farmers' association—the pooling association, as you call it—can not do that under this amendment.

Mr. SHIELDS. Mr. President, I should like to ask the Senator from Kentucky a question.

Mr. STANLEY. Am I not right in that proposition?

Mr. SMOOT. No; the Senator is not right there. They can sell, but they must keep a record.

Mr. STANLEY. Not only that, but if a tobacco dealer sells he must pay a tax. I think the young man next to the Senator will agree with me as to that. Is not that true?

Mr. SMOOT. Certainly.

Mr. STANLEY. Well, that denies him the right, because he can not pay that tax.

Mr. SHIELDS. Mr. President, if the Senator from Kentucky will yield——

The PRESIDENT pro tempore. Does the Senator from Kentucky yield to the Senator from Tennessee?

Mr. STANLEY. Certainly.

Mr. SHIELDS. In the counties where they have these cooperative associations is the producer allowed to sell to the consumer, or must he yield control of his product to the associations?

Mr. STANLEY. The producer of tobacco can take his tobacco and peddle it from Maine to California.

Mr. SHIELDS. Oh, I know that is the law; but under this cooperative association must he turn all of his crop in to the association?

Mr. STANLEY. Exactly.

Mr. SHIELDS. Then it cuts him off from selling directly to the consumer.

Mr. STANLEY. Exactly.

Mr. SHIELDS. So, with this provision, no tobacco can be sold directly to the consumer, either by the producer or by these associations.

Mr. STANLEY. Exactly. That is the situation.

Mr. SHIELDS. That is the point I was trying to bring out. Now, when it is sold by the producer—speaking to the Senator from Utah [Mr. SMOOT]—the producer, under this language, is allowed to do it without keeping a record. Why should we require the keeping of a record when a dozen farmers unite together? Why should the failure to keep a record practically give a monopoly control of the farmer's crop? I want to say, further, here is a corn crop, here are a hundred crops of which no record is kept, and yet the right of the farmers who produce those crops to sell to the consumer is not trammeled in this way.

Mr. SMOOT. Mr. President, they are not subject to tax at all. The individual pays no tax; but here are pooling corporations that sell over 50 per cent of all the tobacco raised in the United States. The existing law is that the association has the same right as the individual has, with the exception that it must keep a record. It must say how much tobacco it purchases. It must say how much tobacco it sells.

Mr. SHIELDS. Mr. President, let me ask the Senator from Utah whether the association is not a dealer?

Mr. SMOOT. Yes.

Mr. SHIELDS. Are not all dealers taxed? The object of this provision was to take the farmer out of the dealer class, so that he would not be taxed. You put him back into it, and he does pay a tax.

Mr. SMOOT. No; he does not pay any tax.

Mr. STANLEY. He would if he sold to the ultimate consumer.

Mr. SMOOT. The farmer does not pay any tax; and we are not putting him back at all, and we are not changing the existing law one iota. The Senate committee reports here the existing law, and I will revert now and finish the answer that I started before. The other change is that the pooling corporation handling millions and millions of pounds of tobacco is taxed just the same as any other man doing business, so far as that is concerned; and there have been no objections to that, that I ever heard of, until this amendment of the House was proposed and put in.

Mr. FLETCHER. Mr. President, does the Senator classify these cooperative associations as pooling corporations?

Mr. SMOOT. Yes; they are so reported, and the only thing that we want to do with those pooling associations is to have them make reports to the Government as to the amount of tobacco they purchase and as to the amount of sales they make.

Mr. BROUSSARD. Is not that for the purpose of taxing them?

Mr. SMOOT. It is not only for the purpose of taxing them; it is for the purpose of having records kept.

Mr. BROUSSARD. I know; but I just wanted to inquire if they were not taxed.

Mr. SMOOT. Why, certainly.

Mr. BROUSSARD. A pooling corporation conducted for profit is one thing; but a cooperative farmers' association which is joined merely for the purpose of marketing members' crops is not in my judgment a pooling corporation which should subject the farmer to a tax when as an individual he is not taxed.

Mr. SMOOT. No; it is only where the association sells directly to the consumer. That is all he is taxed on.

Mr. BROUSSARD. But if the association is not selling for profit, does it not come within the provisions of the law which permits farmers to unite for the purpose of marketing their crops? It is not a pooling corporation, as I understand.

Mr. SMOOT. Under existing law and under the amendment we have here the association is not taxed unless it sells the tobacco directly to the consumer, and it never does that, with the exception of perhaps a handful of tobacco in the United States.

Mr. STANLEY. Mr. President, does the Senator know why it does not?

Mr. SMOOT. It is not because of the tax.

Mr. STANLEY. It is because of the law.

Mr. SMOOT. No; it is because of the fact that he sells to the manufacturer who handles all of the tobacco.

Mr. STANLEY. Exactly; because of this law. He did not do it.

Mr. SMOOT. The gentleman to whom the Senator refers, and also the department, recommend this amendment.

Mr. STANLEY. I do not mean to reflect on him. He is a very able young man.

Mr. SMOOT. They recommend this very amendment, and that is what they are asking for; but they ask it for two reasons.

Mr. STANLEY. Of course they do, from the standpoint of the Treasury.

Mr. SMOOT. The wholesale cigar men want it; the department wants it; we need the information for the records of the Government; and the only people I know anything about who are opposed to it are the pooling associations who sell the tobacco. They do not have to pay any tax at all unless they pay it to sell directly to the consumer, and the farmer can do that, but there are no such sales that amount to anything in the United States.

Mr. STANLEY. Now, Mr. President, I want to tell the Senator something, that I am amazed he has forgotten about the fight made on his side of the Chamber by my great deceased colleague. I did not agree with him about many things, but he was a man of splendid intellect and it was my privilege to cooperate with him in perhaps the last great fight that Senator Bradley ever made in this body, for the right of the dealer, as you call him, for the right of a subsequent vendee to sell tobacco in the natural leaf, unmanufactured, just as the farmer sells other things unmanufactured.

I had secured an amendment to this very law after years of labor. I at last convinced John W. Yerkes, the Commissioner of Internal Revenue, that it could be done without injury to the Treasury. He at last indorsed a bill giving the farmer's agent the same right that the farmer had to sell tobacco in certain quantities in cartons and in the natural leaf. We came to the Senate. Senator Aldrich then was chairman of the Finance Committee. The Senator from Utah [Mr. SMOOT] remembers that. The Senator from Virginia [Mr. SWANSON] remembers it. Senator Aldrich took the identical position that the Senator from Utah takes and that the Treasury Department takes—that it would interfere with their bookkeeping; that it would deprive them of revenue. Every great manufacturing trust that touches tobacco in the United States came here, until these lobbies and these galleries buzzed with the concurrent hum of busy, greedy, and special privilege. There never was a more pitiful sight witnessed in this country than when the farmers of Virginia, of North and South Carolina, of Tennessee, and of Kentucky—who were making at that time less than 20 cents a day—were forced to send their women and children into the fields.

It was the first time in my life that I ever saw a Kentuckian forced to send his daughters and his wife from the shelter of his home to the hardship of a furrow; and she whom but yesterday he permitted not the winds of summer to visit too roughly was driven from dawn until sunset, there in the dusty fields, to assist the half-clad, half-starved father of those children in tearing the skeleton clutch of famine from the throats of their helpless ones. These people were not making more than 20 cents a day, I tell you. The trusts had cut down the price from 10 to 3 cents inside of 90 days on tobacco which had brought 6 cents since the days of Jefferson.

Mr. SMOOT. Mr. President——

Mr. STANLEY. I will tell the Senator all about it. I demanded the right of the farmer to turn his tobacco over to an agent to take it and sell it just as he might do in person. Aldrich fought that right, and the American Tobacco Co. fought that right, and the Imperial Tobacco Co. fought that right, and the regies of Europe fought that right, and the smart, trim, smug, accurate lovers of red tape came in here with their columns of figures and their ideas about bookkeeping and fought that right. At last we won, however, and the records of the department will show that the farmers of Kentucky sold in one year half a million dollars worth of tobacco at 15 or 20 cents a pound, and saved themselves from ruin until they could organize and protect their crop.

I was elected Governor of Kentucky, and the same interests got busy, and that law was repealed. Now I am asking that the farmer shall have the privilege of coming back once more and selling his tobacco under sane regulations through his agents as he now can sell it for himself. There is no tobacco in the natural leaf being sold now by the farmer, but if you will pass this act there will be, and that is the "nigger in the woodpile."

Mr. SMOOT. Mr. President, all the Senator says has nothing whatever to do with this amendment. It is all right to talk about what happened back in 1909. I remember very well the fight that was made by the then Senator Bradley, of Kentucky. He won out in the committee, and the committee reported it to the Senate.

Mr. STANLEY. That is right; we finally convinced them.

Mr. SMOOT. Not only that, but when it came to the floor in the Senate the Senate agreed with him, and the provision was put into the law. But that has nothing whatever to do with this amendment. By this we are simply saying that the present law shall be enforced, because the Government of the United States wants somebody to keep a record, and this would compel these pooling associations to keep records. The farmer raising the tobacco in the United States can sell his tobacco to any consumer, in any quantity, anywhere in all the United States, without any tax whatever. He is not taxed a cent. But if these pooling associations formed for handling tobacco sell it, as agents in any other business would sell the products of the business, they pay the regular tax, and that is all there is to it, Senator. There is nothing else to it. There is no intention of providing that the farmer can not sell his tobacco where he wants to. The farmer does not do it, Mr. President, and he can not do it, as has been proven in the past. That is the reason the pooling associations are formed and that is why they always will be in operation.

Mr. FLETCHER. May I interrupt the Senator? It seems we are narrowing the question down to a pretty definite point. The question then comes as to whether what the Senator from Utah calls pooling associations are operating for profit and as a business on their own account, or whether they are cooperative associations simply acting as agents of the farmers. If they are acting as agents of the farmers and represent the farmers not for profit but simply as agent for the principal producers of tobacco, it seems to me they ought not to be required to pay this tax.

Mr. SMOOT. They would be required to keep records. That is what we want more than anything else. That is what this means.

Mr. SWANSON. Let me see if I understand the Senator. He says that he would permit a farmer as an individual to sell tobacco.

Mr. SMOOT. To the consumer.

Mr. SWANSON. To the consumer?

Mr. SMOOT. Yes.

Mr. SWANSON. If he forms a cooperative association, this would prohibit him from selling——

Mr. SMOOT. He can sell it to the consumer without paying a dollar of tax.

Mr. SWANSON. What does this do with the cooperative association?

Mr. SMOOT. If the cooperative association sells it to the consumer, it is just the same as with the farmer; but if it sells it to a manufacturer, it does not pay any tax.

Mr. SWANSON. You mean the farmer does not?

Mr. SMOOT. No; the cooperative association does not, nor does the farmer.

Mr. SWANSON. Is this legislation adverse to cooperative associations?

Mr. SMOOT. No; it is not, of course.

Mr. STANLEY. It guts them; that is all.

Mr. SMOOT. It does not change the law, except in this one particular, that it requires them to keep a record.

Mr. STANLEY. It deprives them of a right.

Mr. SWANSON. I would like to ask the Senator from North Carolina, who is well posted on this, who represents a large tobacco State, what the effect of this amendment would be?

Mr. SIMMONS. The term "dealer in tobacco" is a technical term. The dealers in tobacco described in the law are upon a different footing altogether from the producers of tobacco who sell through a warehouse. The effect of this amendment would be to continue the farmer's right to sell, and not to be treated as a dealer, but to make the associations to whom he conveys his property technically "dealers in tobacco," as described and provided for in the law. I ask the Senator from Utah if that is not so.

Mr. SMOOT. Let us get right down to this. Is the Senator concerned in relation to the tax imposed? Let us get right down to it.

Mr. SIMMONS. There is not any tax.

Mr. SMOOT. That is exactly the case. There is no tax.

Mr. SIMMONS. I do not understand that it is a question of tax at all.

Mr. SMOOT. The only question involved in this thing is as to whether they will keep records or not.

Mr. SIMMONS. The only question involved is whether the associations shall be technically dealers in tobacco, and subject to the provisions of the law with respect to dealers in tobacco.

Mr. SMOOT. There is not a change——

Mr. SIMMONS. Is not that true?

Mr. SMOOT. The thing is to have them keep records.

Mr. SIMMONS. If the House provision is eliminated, will not these associations be known technically as dealers in tobacco, and have to comply with the law applying to dealers in tobacco? Is not that true?

Mr. SMOOT. Yes; they will have to keep records.

Mr. SIMMONS. It involves more than the keeping of records.

Mr. STANLEY. If a dealer in tobacco sells tobacco in the natural leaf, does he not have to pay a tax?

Mr. SMOOT. If he sells it to a consumer he does; but he never sells it to a consumer, and the Senator knows he does not.

Mr. STANLEY. I know he will if you will give him a chance.

Mr. SMOOT. That is what was said before, but he did not.

Mr. STANLEY. He did. He sold $750,000 worth of it right there in Kentucky and Tennessee in one year, and the records of the department show it. The young man by your side will tell you so. They sold it in cartons.

Mr. SMOOT. The young man tells me differently.

Mr. STANLEY. I am willing to ask him the question as to whether there is not an account in the department showing the amount of natural leaf tobacco sold. I went to the department and inquired about it myself. I know what I am talking about.

Mr. SMOOT. If we do not adopt this amendment, we will never know what is sold to a manufacturer or to anyone else.

Mr. SIMMONS. I think it would be very helpful, in the discussion of this matter, to find out definitely what duties and obligations and restrictions will be imposed upon these cooperative associations in disposing of their tobacco, if they are made technical dealers in tobacco. If the Senator will pardon me, I will take up a little time to discuss that.

Mr. STANLEY. I shall be delighted to have the Senator do so.

Mr. SIMMONS. The provision we are now considering is subsection (f), page 187. It is a part of section 503, which the Senator will find commences on page 183.

Mr. STANLEY. I have it before me.

Mr. SIMMONS. This section reproduces section 3360 of the Revised Statutes and provides:

> Section 3360 of the Revised Statutes, as amended by section 704 of the revenue act of 1918, is reenacted without change, as follows.

This is the whole section, and (f) is a subsection to that. It starts out:

> Every dealer in leaf tobacco shall file with the collector of the district in which his business is carried on a statement in duplicate, subscribed under oath, setting forth the place.

And so on.

The next paragraph is:

> Every such dealer shall give a bond with surety.

And so on.

It provides for a bond of $500. The next paragraph reads:

> Every such dealer shall be assigned a number by the collector of the district, which number shall appear in every inventory, invoice, and report rendered by the dealer.

And there are a great many other provisions.

Mr. DIAL. Will the Senator yield?

Mr. SIMMONS. I yield.

Mr. DIAL. Why is it desired that they keep statistics, if the Government gets no revenue?

Mr. SIMMONS. That is not the question I am discussing now. I am trying to show the restrictions this act will impose upon the cooperative tobacco associations if they are defined as dealers in tobacco, and that will be the effect of eliminating the provision of the House.

Mr. SMOOT. The Senator from South Carolina asked a very pertinent question, and it ought to be answered. The only reason is that when it is ultimately sold by the manufacturer——

Mr. SIMMONS. I do not yield for the purpose of injecting something else into this statement of the restrictions which will be imposed upon these cooperative associations in disposing of their tobacco.

Mr. DIAL. We want them just as free as possible.

Mr. SIMMONS. Just as free as possible.

Mr. DIAL. As a matter of fact, some of these trusts will not buy from the cooperative associations.

Mr. SIMMONS. I am going to show the difficulties under which they must labor in disposing of their tobacco.

Mr. SWANSON. Will the Senator read the first restriction again?

Mr. SIMMONS. The first restriction was:

> Every dealer in leaf tobacco shall file with the collector of the district in which his business is carried on a statement in duplicate, subscribed under oath, setting forth the place—

Of business, and so on. Does the Senator want me to go over all these again?

Mr. SWANSON. I would like to know what the next is.

Mr. SIMMONS. The next paragraph provides that every dealer shall give a $500 bond. The next provides that every dealer shall be assigned a number by the collector of the district, "which number shall appear in every inventory, invoice, and report rendered by the dealer."

There are some other restrictions which I need not read. The next is paragraph (b), which provides:

> Every dealer in leaf tobacco shall make and deliver to the collector of the district a true inventory of the quantity of the different kinds of tobacco held or owned—

And so forth. There are 20 or 30 different kinds of tobacco, and he would have to segregate them all and report.

Mr. STANLEY. Right at that point, there are several different kinds of tobacco on every stalk.

Mr. SIMMONS. Surely. The next paragraph provides:

> Every dealer in leaf tobacco shall render such invoices and keep such records as shall be prescribed by the commissioner, and shall enter therein day by day, and upon the same day on which the circumstances, thing, or act to be recorded is done or occurs, an accurate account of the number of hogsheads, tierces, cases, and bales, and quantity of leaf tobacco—

And so on. I will not read the whole of it. When he ships it, all that has to be gone through with again. The next paragraph provides:

> Every dealer in leaf tobacco on or before the 10th day of each month shall furnish to the collector of the district a true and complete report of all purchases, receipts, and sales and shipments of leaf tobacco made by him during the month next preceding—

And so on.

Now, I come to the important provisions, the conditions and requirements which will be imposed upon these associations, if the language of the House is stricken out and they are made dealers, which will hamper and fetter and in many instances deprive the farmer of an opportunity to sell his tobacco at a profit greater than he could obtain by selling it to a regular manufacturer, which he is required to do under this act. The next paragraph is:

> Sales or shipments of leaf tobacco by a dealer in leaf tobacco shall be in quantities of not less than a hogshead, tierce, case, or bale, except loose leaf tobacco comprising the breaks on warehouse floors, and

except to a duly registered manufacturer of cigars for use in his own manufactory exclusively.

That is except where it is to be used in the manufacture of cigars, and he just makes a report as to the leaf tobacco. But that does not apply to all tobaccos; only to that particular kind of tobacco to be manufactured exclusively by the purchaser. The next paragraph provides:

Dealers in leaf tobacco shall make shipments of leaf tobacco only to other dealers in leaf tobacco, to registered manufacturers of tobacco, snuff, cigars, or cigarettes, or for export.

It limits the customers as to other dealers in leaf tobaccos, to registered manufacturers of tobacco, snuff, or cigars. Of course that is a restriction upon the persons to whom the association may sell its tobacco.

Mr. SHIELDS. Mr. President, I want to ask for a definition of the term "dealers." At present, are the associations classed by the Commissioner of Internal Revenue as dealers?

Mr. SIMMONS. If we struck out that section they would be dealers.

Mr. SHIELDS. But under the present law as administered how are they classified?

Mr. SIMMONS. I do not know how they classify them.

Mr. SHIELDS. I understand this provision is to take them out.

Mr. SIMMONS. This is to take them out just as the farmer himself is taken out.

Mr. SHIELDS. And to make it just as if the farmer was selling it himself instead of selling it through an agent.

Mr. SIMMONS. Exactly.

Mr. SHIELDS. When he employs an agent, as it is now construed—that is, one of these associations—is he then a dealer and does he have to pay the tax?

Mr. SIMMONS. The farmer?

Mr. SHIELDS. Yes. In other words, are the associations now classed as dealers in administering the revenue law?

Mr. SIMMONS. I should not imagine that they were, but I do not know definitely how that is.

Mr. SMOOT. I will say to the Senator that they are.

Mr. SHIELDS. Then they are taxed. The Senator from Utah said they were not taxed. When he says they are dealers, then, of course, they fall within the tax.

Mr. SMOOT. The Senator from Utah has already said that they could sell just the same as the farmer could sell and pay no tax. There is not a particle of difference between the farmer and the association.

Mr. SHIELDS. If he is a dealer he can do that?

Mr. SMOOT. Certainly. He can sell to a consumer and so can the farmer.

Mr. SHIELDS. But we are discussing selling to consumers.

Mr. SMOOT. If he sells to a consumer he pays the tax just the same as the grower. The grower can sell to the manufacturer without paying the tax, and so can the association.

Mr. SHIELDS. The object of the amendment is to allow the farmer, when he has a cooperative agency, to continue to sell to the consumer without paying the tax. That is the gist of it.

Mr. SMOOT. That is all.

Mr. SHIELDS. It is simply taxing a cooperative association by defining it as a dealer, and in taxing it we deprive the farmer of selling to the consumer.

Mr. SMOOT. Not at all, I will say to the Senator. The farmer is not deprived of anything.

Mr. SIMMONS. The Senator is wrong. Directly and immediately the farmer is not taxed, because we permit the farmer to sell without classifying him as a dealer or subjecting him to the requirements of a dealer in leaf tobacco. But the minute that tobacco gets into the hands of his agent, namely, the association—not sold to his agent but turned over to his agent—then the farmer's product is subjected to the same restrictions and requirements of law that apply to dealers.

Mr. SMOOT. I know the Senator does not want to misrepresent the matter.

Mr. SIMMONS. No; I do not.

Mr. SMOOT. I will say now, positively, that the association can sell to the manufacturer of any tobacco anywhere in the United States and does not pay a penny of tax.

Mr. SIMMONS. The trouble about that is that if we make him a dealer we restrict him in his sales to other leaf dealers and to manufacturers of tobacco, snuff, cigars, and cigarettes.

Mr. SMOOT. That is the only way we can have them keep records.

Mr. SWANSON. As I gather it from what the Senator has said, by making the farmer a dealer we treat the tobacco that is held in a cooperative way by an agent for the farmer as the tobacco of the purchaser, and the purchaser of the tobacco himself has to report it. When he turns over the tobacco, under this amendment the cooperative association would be treated as a purchaser of the tobacco that it simply holds in a cooperative way.

Mr. SIMMONS. Yes.

Mr. SWANSON. Is not that true?

Mr. SIMMONS. Yes.

Mr. SMOOT. It makes him keep a record; that is all.

Mr. SIMMONS. It puts him on the same footing as a warehouseman who buys tobacco upon the warehouse floor and subjects him to the same restrictions that are imposed upon the warehouseman.

Mr. SWANSON. When it comes to bonds and reports, which must be made in each district, does the Senator mean to tell me——

Mr. SIMMONS. The warehouseman is a purchaser from the farmer. These are not purchasers from the farmers.

Mr. SWANSON. That is what I said.

Mr. SIMMONS. These are people who simply group the tobacco of the farmers.

Mr. SWANSON. And the amendment would treat them as purchasers?

Mr. SIMMONS. Exactly.

Mr. SWANSON. Does that mean the farmer would have to make a report in every district in which any sales are made?

Mr. SIMMONS. He has to make a report to the collector of every district in which his business is carried on, and he has to give a bond in each State.

Mr. SWANSON. The cooperative associations that cover several States have to make a report in every district in which they have any business and give a bond in every district.

Mr. SIMMONS. Yes. Further it is provided:

Upon all leaf tobacco sold, removed, or shipped by any dealer in leaf tobacco in violation of the provisions of subdivision (c) or in respect to which no report has been made by such dealer in accordance with the provisions of subdivision (b) there shall be levied, assessed, collected, and paid a tax equal to the tax then imposed upon the manufactured tobacco, such tax to be assessed and collected in the same manner as the tax on manufactured tobacco.

That is to say, if he does not comply strictly with all those requirements and confine his sale exclusively to other dealers or to manufacturers he is to be subjected to the tax imposed under the provisions which I have just read. Then for any violation by any of the cooperative associations of the regulations of the department made under the law he would be subjected to a fine of $500 and imprisonment for one year.

Now, the one point I make is that the farmer who makes the tobacco is subject to no restriction in selling. He may sell to anybody who wants to buy; but if the farmer pools his tobacco, if the farmers of a particular neighborhood—for that is what it means—pool their tobacco and put it in the hands of the association to be sold for them and in their name, the receipts from which sales are to be theirs, they have not parted with their property. They have simply designated somebody as their agent to sell it. When sold, they have provided that the money shall be turned over to them, paying a reasonable commission, we will say, for the sale. The farmer has the right to sell as an individual. Why should he not have the same right when he is allowed to pool it and does pool it under the law? The law has given him the privilege, and he is simply exercising his right under the law.

Mr. STANLEY. In other words, why enact laws authorizing the associations and encouraging them and then enact a provision of this kind penalizing them and depriving them of the right to function?

Mr. SIMMONS. If the House provision shall be stricken out—and I want to say that provision was put in the bill, I am advised, by unanimous vote of the House—then the farmer in selling the tobacco through his agent will be subjected to all the restrictions and requirements and limitations imposed in that act, and one of those limitations is that he can only sell to certain customers. One of the chief purposes of pooling the tobacco is to enable the associations to hold the tobacco and market it in an orderly way. A great deal of tobacco is sold not to manufacturers of tobacco, not to the man who is to be the ultimate consumer, but to people who are not engaged in the business of manufacturing tobacco, not engaged in the business of dealing in tobacco, but who buy for the purpose of speculation.

Mr. STANLEY. In addition to that, I want to call to the Senator's attention, because he knows the condition as well as I do, that in the old days, as the Senator well knows, they used to sell tobacco in the hogshead, and they sampled it in three

or four places. Now they sell tobacco in the loose leaf in baskets. If, under this foolish provision, a man should go into a warehouse and want to buy a few hands of tobacco from an association to take home and smoke in his pipe, and the association should sell it to him, they could put the association officers in jail for violating the law.

Mr. SIMMONS. Unless they reported the sale.

Mr. STANLEY. Unless they reported the sale and paid a heavy tax.

Mr. SIMMONS. The tobacco is sold to the manufacturer and is put in a hogshead, a tier, or a bale, as the law provides. But sales are frequently made of the entire lot of tobacco within the warehouse belonging to a certain association to somebody who thinks there is a good speculation in the purchase of the tobacco and holding it in the warehouse unpacked until the demand for it on the part of the purchasers is so great that they are able to obtain a higher price than they otherwise could obtain. That privilege will be denied them. That is one of the most valuable privileges that is now enjoyed by the associations, to sell tobacco in bulk in the warehouse to somebody who is not dealing in tobacco but who wants to buy for the purpose of holding it two or three years and then selling it to a dealer. Great fortunes are made by men who are able to hold the tobacco two or three years and sell it in its cured condition. It is not fit for use in the manufacture of cigars or cigarettes until it is a year old at least. When the manufacturer buys it in the green state, of course he does not pay the same price for it that he would pay if he could buy it fully cured. The farmer has not the house in which to keep and cure it, but the association has. His association can hold the tobacco for a year or two years without selling it in the warehouse. In the meantime, if he can find a speculative dealer who would like to buy it and enjoy the privilege of holding it in the warehouse until it is cured, when it will bring a very much higher price, it is a good thing and he should have an opportunity to sell in that way. But if he is classified as a dealer and subjected to these restrictions, he can not sell it to anybody unless he be a manufacturer or a leaf dealer.

I wanted to make that clear for the Senator, so he would know what were the restrictions imposed by the bill.

Mr. STANLEY. Mr. President, to epitomize what this means, I wish to call the attention of the Senate first to the proposition that having the privilege, the poor privilege, accorded to the producer of tobacco of selling it just as he sells anything else that grows out of the soil—and there is no agricultural product except tobacco that is subjected to such restrictions—if that privilege is of any value, that value has been destroyed by this provision because, as the Senator from North Carolina has well said, the sale of tobacco by the original producer is a thing of the past. The farmer no longer sells his tobacco any more than he sells his milk. The Senator from Utah argues that the farmer is not hurt. Suppose you put a tax upon any dealer in milk or butter or cheese who sold to the ultimate consumer, to cooperative associations selling the farmer's milk or its products for him, what would be the effect upon the farmer? Do you say he would not be hurt? This right is lost. The Senator from Utah says the farmer can still sell his tobacco in the natural leaf. That reminds me of an old nursery song I used to hear when I was a child:

> Mother, may I go out to swim?
> Yes, my darling daughter.
> Hang your clothes on a hickory limb,
> But don't go near the water.

The farmer can sell to the consumer but there are no selling farmers. If this be a worthless right, it ought to be altogether abolished, but if it be a valuable right, the farmer ought not to be deprived of it by this "simple twist of the wrist."

Mr. TRAMMELL. Mr. President——

The PRESIDING OFFICER (Mr. LADD in the chair). Does the Senator from Kentucky yield to the Senator from Florida?

Mr. STANLEY. I yield.

Mr. TRAMMELL. I desire to state to the Senator that he is correct in saying that the sale of tobacco is through cooperative associations. That is true in my State, where they deal quite extensively in the wrapper tobacco. If this right should be restricted to the individual farmer, I do not believe that our people there would have any protection under the law, as they are compelled to sell almost exclusively in my State and in the Senator's State through marketing and cooperative organizations.

Mr. STANLEY. I am very grateful for the interruption, I will say to the Senator from Florida. At one time I remember, when the fight started for the right of the farmer to sell through cooperative associations, we found that Farrego had given bond to the Italian Government to furnish 30,000 hogsheads of Kentucky tobacco to the Italian governmental monopoly. The Italian Government was paying Farrego 12½ cents a pound for the tobacco, and he bought it for 3½ cents, selecting it from the crops of individual farmers here and there throughout the country. There is not a consumer of tobacco in France or in Portugal or in Spain or in Austria or Italy or in Japan who ever buys a pound of tobacco directly from the producer. It is all purchased from a governmental monopoly. The tobacco that goes into Great Britain pays an initial tax of over 60 cents a pound before it can enter that country, and nobody but millionaires deal in it. So the sale of tobacco is a sale to organized associations, and it is necessary for farmers to organize for the protection of their product. Now the Finance Committee comes in here and says the farmer may have the right to sell his tobacco as he pleases, but that his vendee, his agent, the man who handles the tobacco for him, can not do so.

The reasons given for depriving the farmer of that right are not tenable. It is said that without this amendment the Government will not be able to keep its books properly. The Senator from Utah has stated that, in the first place, the farmer would not sell the tobacco in the natural leaf. Let us assume that that is true; that he would not sell to the ultimate consumer at all; that he would sell the tobacco only to dealers. If he did so the Government, under the law, would have track of every ounce of that tobacco; because, as the Senator from Utah knows, and as the department knows, every dealer in tobacco is bound to keep a detailed account and to make report to the Government. So if the farmer only sells to the dealers, if he sells only to people who are bound to make a report, why require the farmers' agents to make another report? Why, when the Government has one report, compel the making of two?

Mr. SMOOT. That is for the purpose of checking up on it.

Mr. STANLEY. Exactly. We ought not to impose this difficult bookkeeping on the representative of the farmer or on his agency. In order to save to the Government a little money, in order to save the Government a little time, in order to save a few bookkeepers here in the Treasury Department, it is now proposed to deprive 4,000,000 or 5,000,000 tobacco growers of a valuable right, a valuable privilege, and to crush by intolerable burdens and technical exactions associations which are trying to protect the farmers and the growers of tobacco in the hour of their direst need.

In addition to that, the Treasury officials know or ought to know that under proper regulations there is a certain amount of this tobacco which will be sold to the ultimate customer, as it ought to be. Tobacco pays an enormous tax. It used to be 6 cents, though I think it is now 8 cents a pound.

Many of the poorer people use this tobacco in the leaf; laborers, with whom every nickel counts, who buy a "hand" just as it is wrapped up to be sold to the manufacturer, and who take it home with them and crush it up and put it in their pipes. That tobacco will probably sell for 8 or 10 cents a pound. There is, therefore, a 100 per cent tax on it. Such a buyer of tobacco would like to go to the factory or to go to the loose-leaf warehouse and buy a few pounds of that tobacco.

The men who raise this class of tobacco chew it in its natural state. They are the poorest paid laborers perhaps in this country to-day. Do Senators now tell me that it is going to break the Government to give the men who raise such tobacco the right to go and get a few pounds of it and stick it in their pockets, and yet under this proposed law should they do so a heavy prison sentence and a heavy fine may be visited upon the agent of the farmer who would sell a "hand" of tobacco to a man hired to raise it. It is an unheard of proposition. It is technicality and red tape gone mad.

The officials in the Treasury Department seem to think that the only thing to consider is whether the Government might lose 10 cents in revenue or might have to change its system of bookkeeping. They forget that there are human rights at stake; they forget that they are imposing burdens upon thousands of people who have no voice here. It is bureaucracy purblind, stubborn, I might say almost stupid, in its callous indifference to the rights of the people who are asking to be heard; to the rights of the thousands of the farmers who are selling through these cooperative associations and who come here and ask that their agents shall have the right which they themselves have. If it is unwise, if it is wrong, take it away, but do not be in the absurd position of saying that the farmer may have this right, but nobody representing the farmer may be subrogated to it.

Mr. SMOOT. Mr. President, I will say just a few words. The amendment proposed by the Finance Committee of the

Senate is the same as existing law. There are two pooling associations, or tobacco associations, in all the United States that are objecting to this amendment or to the existing law. They came to the House and had the existing law amended, as found in paragraph (f) on page 187 of the bill. There is no tobacco farmer who is interested in this amendment. Not a word has come from a tobacco farmer.

Mr. GLASS. Mr. President, does the tobacco farmer know anything about it?

Mr. SMOOT. I should judge he does.

Mr. GLASS. Why should the Senator judge that the tobacco farmer knows anything about it? I come from one of the greatest tobacco-growing States in the Union, and I did not know anything about it until I read the bill, and this bill has not been sent out to the tobacco growers of the country.

Mr. SMOOT. No; but the pooling associations, the two of which I speak, I presume have notified the tobacco growers. That is generally the case, I will say to the Senator, with practically all the items involved in such a bill as this.

Mr. GLASS. I do not think it is the case in this instance. I do not think there is a tobacco grower in the United States who would not protest this provision here if he should know about it.

Mr. SMOOT. The amendment does not propose to take a single, solitary right away from the tobacco producer.

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

Mr. SMOOT. Yes.

Mr. KING. The Senator has said that the amendment embodies the existing law. It seems to me that that should be the crux of the matter, at least as to whether people know about it. If it is the existing law, one would suppose they would know about it. I do not know whether it is the existing law or not; but if it is the existing law, I was about to ask why did the House change it and insert a different provision?

Mr. SMOOT. Because two of the pooling associations wanted it changed, I will say to the Senator. However, the amendment of the Senate committee does not interfere with the rights of the farmer, nor does it interfere with the rights of the pooling associations.

Mr. GLASS. Then why would they want it changed?

Mr. SMOOT. All the amendment means is that records shall be kept, so that when the pooling associations sell tobacco to the manufacturer the Government of the United States may follow it up and ascertain whether the manufacturer pays the tax upon the amount of tobacco which he has purchased.

Mr. STANLEY. Mr. President, may I ask the Senator a question right there?

Mr. SMOOT. Yes.

Mr. STANLEY. The pooling associations can only sell to another dealer under the law.

Mr. SMOOT. Or to a manufacturer.

Mr. STANLEY. Yes; or to a manufacturer. They can not sell under the existing law, unless this provision is put in, to the ultimate consumer.

Mr. SMOOT. No, Mr. President; they can not do that. Not only that, but they never would do it and never have done it.

Mr. STANLEY. But they have done it.

Mr. SMOOT. Perhaps they might sell a "hand" of tobacco such as the Senator has referred to.

Mr. STANLEY. I do not want to go back to that.

Mr. SMOOT. There is not anything of that kind involved in this amendment at all. It is merely a question of keeping proper records. The Treasury Department wants a record of the tobacco.

Mr. STANLEY. I do not want to go back to that question, but there was one little post office in Hancock County, just a crossroads, that was advanced to a second-class post office on account of the tobacco that was shipped out in cartons from that one point. There were men who went into the business and sold thousands of pounds right around that point, and that is the reason the law was repealed. There were hundreds of thousands of dollars of this tobacco sold in the natural leaf at one time.

Mr. SMOOT. That was not the reason the law was repealed, I will say to the Senator.

Mr. STANLEY. Be that as it may, here is what I want to ask the Senator: If he is right and there is no tobacco sold to the ultimate consumer, is there a pound of this tobacco that the cooperative associations can sell that does not go into the hands of a man who is required by law to keep the same kind of books that they keep? There is not a single pound.

Mr. SMOOT. Yes; that is true, but the question is whether there shall be a check against the pooling associations. That is all this amendment means; nothing more nor less than that. If they do not keep proper records, the Treasury Department has no chance whatever of checking up the manufacturer. All this amendment does, Mr. President, is to give the Treasury Department a chance to check up the manufacturer of tobacco and ascertain whether he has paid the tax upon all the tobacco which he manufactures.

That is what this amendment is designed to provide, and, if the amendment is not adopted and the House provision is retained, we will have to take the word as to the tax of the manufacturer alone. It is on him that the tax is imposed. The pooling associations pay no tax; they sell their tobacco without paying a tax to the manufacturer. There is not anything, Mr. President, in this amendment at all with the exception of affording the department a chance of checking up the tobacco that may be purchased and sold by the producers of tobacco of this country.

The Senator says it is the same as if we imposed a tax on milk delivered by a dealer to the ultimate consumer. Mr. President, tobacco is not delivered in that way, and it never has been delivered in that way. The items are not the same in kind, shape, or form, and, not only that, but the farmer can deliver his tobacco to the consumer if he wants to, and does not have to pay a cent of tax.

Mr. SIMMONS. Mr. President, may I ask the Senator from Utah a question?

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

Mr. SMOOT. I do.

Mr. SIMMONS. I do not agree with the Senator, but I do not want to discuss that. I do not agree with him that all that is required here is a mere report to the department so that the department may have a record of the amount of tobacco in the warehouses of the association.

Mr. SMOOT. That is all there is to it.

Mr. SIMMONS. There is a great deal more to it, as the Senator will see if he will examine it; but we will waive that. I was going to ask the Senator, if he thinks that is all that is required, why not let the House provision remain in, and amend it by providing that these associations shall make a report to the commissioner setting forth the amount of tobacco purchased by them during the year?

Mr. SMOOT. Has the Senator that amendment ready?

Mr. SIMMONS. No; I have not prepared it.

Mr. STANLEY. Just let this amendment go out, and let the House provision stand as it is.

Mr. SMOOT. The Senator from Kentucky would object to that immediately. That is all there is in this. I am perfectly willing to accept the proposition of the Senator from North Carolina. The Senator from Kentucky will not accept it, but I am ready to accept it. That proves what this means. You can talk yourself blind if you want to, but that is all there is to it.

Mr. GLASS. Mr. President, it looks to me as if the Senator from Utah is about to talk himself blind. Why get excited over as simple a proposition as this and practically impute to other people by manner and tone of voice something unworthy of the Senate?

Mr. SMOOT. Mr. President, I have simply told the truth. I am perfectly willing to accept the suggestion of the Senator from North Carolina.

Mr. GLASS. The Senator has told the truth from his point of view, and other Senators have told the truth from their point of view.

Mr. SMOOT. Certainly. I have not said anything different.

Mr. GLASS. The Senator has intimated it.

Mr. SMOOT. No, Mr. President. The Senator from Kentucky says: "No; do not accept that." I have said here that all this amendment means is that a record shall be kept so that the Government of the United States can check the figures.

Mr. GLASS. That is by no means all that it means.

Mr. SMOOT. Then why not accept the amendment suggested by the Senator from North Carolina.

Mr. GLASS. I have no objection to it. The Senator from Kentucky merely said: "Vote down this committee amendment, and then we can amend the House provision."

Mr. SMOOT. No, no; that is not what he said.

Mr. GLASS. That is what he said.

Mr. SMOOT. I will leave it to the Senator from Kentucky if that is what he said.

Mr. GLASS. I will, too.

Mr. STANLEY. I said, "Let the House provision stand as it is."

Mr. SMOOT. That is right.

Mr. STANLEY. Now, Mr. President, I know I must have done something terrible or the Senator from Utah would not have exploded as he did. I am not conscious of any deep,

sinister purpose, and I am not at all offended at being told about it, because I have caused wrath in a great many different places in fighting for the right of the farmer to sell his tobacco in the natural leaf. He is not the first one I have seen go up in the air when I have been talking about it.

Mr. SMOOT. Nobody is interfering with the farmer.

Mr. STANLEY. Every time I interfere with vested privilege in its efforts to crucify the tiller of the soil some fellow gets up and roars at me, but I do not pay any attention to that. That does not scare me.

If the Senator would be good enough to tell me just what mischief I was up to and what crime I was fixing to commit I should appreciate it.

Mr. SMOOT. Mr. President, I have the floor.

Mr. STANLEY. If the Senator would be good enough to tell me just what mischief I was up to and what crime I was fixing to commit I should appreciate it.

Mr. SMOOT. Mr. President, I have not said that the Senator committed any crime. The Senator has a perfect right to any opinion that he may express. I am telling the Senate what this amendment means, and I am telling the Senate what the Treasury Department wanted when it sought to have this amendment adopted by the Finance Committee; and not a word was said against it in the committee when it was proposed. Not a Senator voted against it.

Mr. GLASS. These associations are required to keep a record now. Nobody objects to that.

Mr. SMOOT. That is all there is to it.

Mr. GLASS. Nobody objects to that. They keep a record anyhow. They could not conduct their business without keeping a record.

Mr. SMOOT. The Senator will find out whether that is so or not. Just require it, and see if an objection will not come. That is all I care about—simply that the record shall be kept.

Mr. McLEAN. Mr. President——

Mr. STANLEY. Is the Senator willing to have it amended in this way?—

For the purposes of this section a farmer or grower of tobacco or a tobacco growers' cooperative association shall not be regarded as a leaf dealer in respect to the leaf tobacco produced by him or handled by such association. It shall have the right to sell tobacco in the natural leaf or otherwise under the same circumstances and conditions as the original grower, provided such association shall report the amount of tobacco purchased by it.

Mr. SMOOT. "And sold, and to whom sold."

Mr. STANLEY. "And sold." Is the Senator willing to accept that amendment?

Mr. SMOOT. Offhand, just from having heard the Senator read the amendment, I must say that I do not know, but I think I will. That would be perfectly satisfactory to me, if I understand it.

Mr. STANLEY. I have no objection to that.

Mr. SMOOT. I could not follow the amendment so as to see just what changes there were; but from hearing it read, I think it would be all right.

Mr. STANLEY. We can come to terms immediately, then; but there will be sore disappointment in some quarters.

Mr. SMOOT. Mr. President, all that the Senate committee wanted, and all that they expressed their opinion about was that they wanted the records kept.

Mr. GLASS. But a record is kept, and nobody can reasonably object to that requirement.

Mr. SMOOT. If the records were kept, the department would not want to have it otherwise.

Mr. SIMMONS. Mr. President, these other provisions are what the department is after.

Mr. GLASS. Let us put in that requirement.

Mr. SMOOT. That is what I want put in, and when that is in I have no other objection at all. In fact, I am perfectly willing to take the House provision with the amendment suggested by the Senator from North Carolina or the amendment suggested by the Senator from Kentucky.

Mr. SIMMONS (reading)—

Provided, That the associations shall make an annual report to the commissioner of the amount of tobacco purchased and sold by them.

Mr. STANLEY (reading)—

Each association shall make one annual report of the amount of tobacco purchased and sold by it.

Mr. SMOOT. I want them to keep records. I do not want them to report without records. I want them to keep records.

Mr. SIMMONS. They keep records.

Mr. SMOOT. Let us say so in the amendment.

Mr. SWANSON. Mr. President, they are bound to keep records of their dealings with the members of the association. All the tobacco that they have is brought there, and they have to make records of the sale of it. They are open to the inspection of anybody, and there can not be any complaint about that.

Mr. SIMMONS. Let us say, "report their purchases and sales as shown by their records."

Mr. SWANSON. There is no use in passing one law encouraging corporations for the relief of the farmer and then coming here with another law that really hampers him.

Mr. SMOOT. The law as proposed here is just exactly what it is to-day.

Mr. STANLEY. Mr. President, for the present I suggest that we cut out the Senate amendment and let the bill stand as passed by the House, and then we can perfect this amendment later on.

Mr. SMOOT. Why not agree upon it while we are dealing with it? If the records are kept, that is all I want, and that is what I am talking about; and when that amendment is agreed to I have no objection whatever to the House provision.

May I ask the Senator from Kentucky which section of the Revised Statutes is objected to? We can add a penalty there and perhaps fix the whole thing.

Mr. SIMMONS. If we put it in there, the penalties in the bill with reference to not making reports would apply.

Mr. GLASS (reading)—

Provided, That such cooperative associations shall keep available records of the sale of tobacco.

Mr. SMOOT. Mr. President, I ask unanimous consent that we pass over this amendment for the present, and then we will get together and have the amendment put in proper shape.

Mr. SWANSON. Mr. President, I may not be here at the time. As I understand, we will accept the House provision with an amendment requiring records to be kept of tobacco handled and sales made.

Mr. SMOOT. Of course, there may be some other provisions here that I shall want to take up with the Senator so as to conform to that. We want to make it so that the different provisions of the bill will agree with the amendment already offered. If it can be passed over temporarily, the Senator from Kentucky will get it in such shape that there will not be any other misunderstanding about it.

Mr. SWANSON. That will be the substance of it?

Mr. SMOOT. That will be the substance of it.

Mr. STANLEY. It is understood that the Senate amendment goes out?

Mr. SMOOT. Yes.

Mr. STANLEY. And that the House provision stands with such amendment as we may agree on?

Mr. SMOOT. With such amendment as we may agree on. I ask that it be passed over for the present, Mr. President.

The PRESIDING OFFICER. Without objection, that course will be taken.

Mr. SMOOT. The next amendment passed over is on pages 194 and 195.

The PRESIDING OFFICER. The amendment will be stated.

The READING CLERK. On page 194, the amendments on lines 4 and 5 have been agreed to. The next committee amendment passed over proposes to strike out lines 10 to 24 on page 194, and lines 1 to 2 on page 195, and to insert the following:

(1) Automobile truck chassis and automobile wagon chassis sold or leased for an amount in excess of $1,000, and automobile truck bodies and automobile wagon bodies sold or leased for an amount in excess of $200 (including in both cases tires, inner tubes, parts, and accessories therefor sold on or in connection therewith or with the sale thereof), 3 per cent. A sale or lease of an automobile truck or of an automobile wagon shall, for the purposes of this subdivision, be considered to be a sale of the chassis and of the body;

(2) Other automobile chassis and bodies and motor cycles (including tires, inner tubes, parts, and accessories therefor sold on or in connection therewith or with the sale thereof), except tractors, 5 per cent. A sale or lease of an automobile shall, for the purposes of this subdivision, be considered to be a sale of the chassis and of the body;

(3) Tires, inner tubes, parts, or accessories for any of the articles enumerated in subdivision (1) or (2), sold to any person other than a manufacturer or producer of any of the articles enumerated in subdivision (1) or (2), 2½ per cent. This subdivision shall not apply to chassis or bodies for automobile trucks, automobile wagons, or other automobiles.

Mr. SMOOT. Mr. President, there are a number of Senators who are interested in this amendment, and I think we ought

to have a quorum before we begin its consideration. I therefore suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

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

Adams	Fletcher	McKellar	Simmons
Ashurst	Frazier	McKinley	Smith
Bayard	George	McLean	Smoot
Borah	Gerry	McNary	Stanfield
Brandegee	Glass	Mayfield	Stanley
Brookhart	Hale	Moses	Stephens
Broussard	Harreld	Neely	Sterling
Bruce	Harris	Norbeck	Swanson
Bursum	Harrison	Norris	Trammell
Cameron	Heflin	Oddie	Underwood
Capper	Howell	Pepper	Walsh, Mass.
Curtis	Johnson, Minn.	Phipps	Walsh, Mont.
Dale	Jones, N. Mex.	Pittman	Warren
Dial	Jones, Wash.	Ralston	Watson
Dill	Kendrick	Ransdell	Weller
Edge	Keyes	Reed, Pa.	Wheeler
Edwards	King	Sheppard	Willis
Ernst	Ladd	Shields	
Ferris	Lodge	Shipstead	
Fess	McCormick	Shortridge	

The PRESIDING OFFICER. Seventy-seven Senators having answered to their names, there is a quorum present.

Mr. EDGE. Mr. President, I understand we have reached Title VII, which deals, among other things, with excise taxes on automobile parts, accessories, motor trucks, and so forth. I ask the Senator in charge of the bill if the Senate Finance Committee has in any way changed, and if so to what extent, the reduction in excise taxes under this head made by the House?

Mr. SMOOT. About the only change that is made by the Senate committee is found on page 195, lines 5 and 6, which reads as follows:

and automobile truck bodies and automobile wagon bodies sold or leased for an amount in excess of $200.

In further answer to the Senator, I will say that section 700, paragraph 1, automobile trucks, is the result of a combination of the Senate amendment with the House provision and the present law. The revenue derivable under the same section of the present law is $11,000,000.

Mr. EDGE. Is that confined alone to the automobile excise tax?

Mr. SMOOT. And trucks.

Mr. EDGE. I mean anything relating to automobiles?

Mr. SMOOT. Just trucks. The House provision in relation to trucks would reduce the revenue to $6,300,000. The Senate provision would make it $300,000 less than the House provision by virtue of the addition of the words I have just read, "automobile truck bodies and automobile wagon bodies sold or leased in excess of $200." That makes a reduction of $300,000 from the revenue derivable under the House tax. I will say to the Senator the reason for that is that there are many manufacturers of truck bodies who make bodies alone and have nothing whatever to do with the automobile chassis. The committee felt that wherever those bodies were not in excess of $200 they should not be taxed. It made a difference in the revenue of $300,000.

Mr. EDGE. Has the Senator an estimate of what would have been the loss to the Government if the amendment had included trucks costing in excess of $1,000 as well as those under $1,000?

Mr. SMOOT. What the Senator means is that no tax upon trucks shall be imposed until they reach a price that is above $1,000. In other words, a truck selling for $1,200, under the proposed amendment of the association, would be taxed upon the basis of $200 instead of $1,200. I will say to the Senator that it would take more than half of the revenue provided for under the House text.

Mr. EDGE. What is the approximate revenue?

Mr. SMOOT. The approximate revenue is $6,300,000.

Mr. EDGE. The lowest amount under the amendment eliminating trucks under $1,000?

Mr. SMOOT. It would eliminate at least one-half of that amount.

Mr. EDGE. Then what am I to understand would be the result if the excise tax was eliminated entirely from trucks? It is not whether it is $200 over $1,000, but the entire excise tax, which, in my judgment, is a tax that should be eliminated as rapidly as possible.

Mr. SMOOT. Under the present law the revenue would be $11,000,000, and under the Senate committee amendment it would be $6,000,000.

Mr. EDGE. In other words, the committee has deducted about one-half of it.

Mr. SMOOT. We have deducted $5,000,000 out of the $11,000,000. We gave the trucks a reduction of $5,000,000.

Mr. EDGE. If we eliminate all the excise taxes and motor accessories and trucks and everything associated with the motor industry, what would be the loss to the Government?

Mr. SMOOT. It would be $156,000,000.

Mr. EDGE. What other excise taxes are left in the bill? We have eliminated the candy tax, have we not? What other excise taxes remain in the bill under consideration?

Mr. SMOOT. Cameras and photographic material, firearms and cartridges, and so forth.

Mr. EDGE. They appear on the following page?

Mr. SMOOT. Yes.

Mr. EDGE. They are all in that section?

Mr. SMOOT. Yes; with the exception of special items found in section 800.

Mr. EDGE. Very well. I thank the Senator.

Mr. SMOOT. Mr. President, on page 187 of the bill, paragraph (f), the amendment offered by the Senate committee reads as follows:

(f) For the purposes of this section a farmer or grower of tobacco shall not be regarded as a dealer in leaf tobacco in respect to the leaf tobacco produced by him.

I ask that the committee amendment be rejected.

Mr. FLETCHER. I understand the Senator is separating the two amendments?

Mr. SMOOT. No; I am asking that we disagree to the Senate committee amendment. The House text will then be open to amendment, and we are about to offer an amendment to that.

Mr. STANLEY. That is all right.

Mr. McKELLAR. That is according to the arrangement which has been made with the Senator from Kentucky?

Mr. STANLEY. It is entirely so.

Mr. FLETCHER. Then the Senate should disagree to what has been inserted by the committee.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was rejected.

Mr. STANLEY. Now, Mr. President, I offer to the original House paragraph (f) the following proviso, to come in on page 187, after line 15, and before the period:

Provided, That such cooperative associations shall be required to keep available records of all purchases and sales of tobacco, such records to be open to inspection by the agents of the Government.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from Kentucky.

The amendment was agreed to.

Mr. FLETCHER. As I understand, the committee amendment proposing to strike out the clause has been disagreed to?

Mr. SMOOT. Yes; and the amendment to the House text has been agreed to.

Mr. FLETCHER. And the House provision has also been agreed to?

Mr. SMOOT. Yes.

Mr. STANLEY. The House provision as amended has been agreed to?

Mr. SMOOT. Yes.

Mr. FLETCHER. In reference to the excise tax on page 195, which we were discussing a few moments ago, my memorandum states that it was passed over. Has it since been agreed to?

Mr. SMOOT. No; it is now before the Senate, and the question is on agreeing to the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment on pages 194 and 195.

The amendment was agreed to.

The next amendment of the committee passed over was, on page 197, after line 4, to insert:

(10) Radio receiving sets, 10 per cent.

(11) Parts and accessories for radio receiving sets sold or leased to any person other than a manufacturer or producer of such sets, 10 per cent.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

Mr. SMOOT. The next committee amendment passed over is on page 203.

The PRESIDING OFFICER. The amendment will be stated by the Secretary.

The READING CLERK. The next amendment passed over is, on page 203, under the heading "Title VIII—Special taxes,"

to strike out from line 12 on page 203 to line 13 on page 204, both inclusive, as follows:

CAPITAL-STOCK TAX

SEC. 700. (a) On and after July 1, 1924, in lieu of the tax imposed by section 1000 of the revenue act of 1921—

(1) Every domestic corporation shall pay annually a special excise tax with respect to carrying on or doing business equivalent to $1 for each $1,000 of so much of the fair average value of its capital stock for the preceding year ending June 30 as is in excess of $5,000. In estimating the value of capital stock the surplus and undivided profits shall be included;

(2) Every foreign corporation shall pay annually a special excise tax with respect to carrying on or doing business in the United States equivalent to $1 for each $1,000 of the average amount of capital employed in the transaction of its business in the United States during the preceding year ending June 30.

(b) The taxes imposed by this section shall not apply in any year to any corporation which was not engaged in business (or, in the case of a foreign corporation, not engaged in business in the United States) during the preceding year ending June 30, nor to any corporation enumerated in section 231, nor to any insurance company subject to the tax imposed by section 243 or 246.

(c) Section 257 shall apply to all returns filed with the commissioner for purposes of the tax imposed by this section.

Mr. SMOOT. I will simply say that this amendment ought to be agreed to, because we passed upon the normal tax on corporations, increasing it from 12½ per cent to 14 per cent, and we eliminate all provision for taxes on capital stock in this section. I ask that the amendment may be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. SMOOT. The next amendment passed over is on page 231. I should like to call the attention of the Senator from Tennessee to the amendment.

The PRESIDING OFFICER. The Chair is informed that the amendment on page 231 was agreed to.

Mr. SMOOT. Mr. President, is the Chair sure that the amendment on page 231 was agreed to? I think the amendment was agreed to, and that then the Senator from Tennessee asked that it go over. In view of his request, I ask that the amendment be passed over for the present in order to be sure about the matter.

Mr. FLETCHER. My memorandum states that the amendment was passed over.

The PRESIDING OFFICER. The Chair is now informed that the amendment was first agreed to, and that afterwards it went over.

Mr. SMOOT. I will ask that the amendment go over for the present until the Senator from Tennessee [Mr. McKELLAR], who is temporarily absent, shall return to the Chamber. Then I shall ask to revert to it.

The PRESIDING OFFICER. Without objection, the amendment will be passed over.

The next amendment passed over was, under the heading "Title X.—Board of tax appeals," on page 234, after line 13, to strike out the section as follows:

SEC. 900. (a) There is hereby established a board to be known as the board of tax appeals (hereinafter referred to as the "board"), to be composed of such number of members, not less than 7 nor more than 28, as the President from time to time determines necessary. Each member shall be appointed by the President, with the advice and consent of the Senate, without regard to the civil service laws, but solely on the grounds of fitness to perform the duties of the office, for a term of 10 years, except that in the case of original appointments the President, in order to secure rotation in office, may make appointments for two, four, six, or eight years, and except that a member appointed to fill a vacancy shall be appointed only for the unexpired term of the member whom he succeeds. Any member of the board may be removed by the President for inefficiency, neglect of duty, or malfeasance in office, but for no other reason. Each member shall receive a salary at the rate of $7,500 per annum. No member of the board shall be permitted to practice before said board or any official of the Treasury Department, or to be connected, directly or indirectly, with any person or any firm of lawyers, solicitors, accountants, or agents practicing before said board or any official of the Treasury Department on behalf of taxpayers for a period of two years after his term of office terminates, or from the time such member resigns or otherwise leaves the service of the Government. A majority of the board shall constitute a quorum for the transaction of business. A vacancy shall not impair the powers nor affect the duties of the board nor of the remaining members. The board shall designate biennially a member to act as chairman. The board may have a judicial seal, which shall be judicially noticed.

(b) The board and its divisions shall hear and determine appeals filed under sections 274, 279, 308, and 312.

And in lieu thereof to insert:

SEC. 1000. (a) There is hereby established a board to be known as the board of tax appeals (hereinafter referred to as the "board"). The board shall be composed of seven members, except that for a period of two years after the enactment of this act the board shall be composed of such number of members, not more than 28, as the President determines to be necessary.

(b) Each member of the board shall be appointed by the President, by and with the advice and consent of the Senate, solely on the grounds of fitness to perform the duties of the office. The term of office of all members who are to compose the board during the period of two years after the enactment of this act, shall expire at the end of such period. The terms of office of the first seven members who are thereafter to compose the board shall expire, two at the end of the fourth year, two at the end of the sixth year, two at the end of the eighth year, and one at the end of the tenth year, after the expiration of such two-year period. The term of office of each such member shall be designated by the President, and the terms of office of their successors shall expire 10 years after the expiration of their predecessors' terms, except that any individual appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed only for the unexpired term of his predecessor, and a member in office at the expiration of the term for which he was appointed may continue in office until his successor is qualified. Any member of the board may be removed by the President for inefficiency, neglect of duty, or malfeasance in office, but for no other reason. Each member shall receive a salary at the rate of $10,000 per annum.

(c) No member of the board shall be permitted to practice before the board or any official of the Bureau of Internal Revenue for a period of two years after leaving office.

(d) The board shall at least biennially designate a member to act as chairman. The board shall have a seal which shall be judicially noticed.

(e) The board and its divisions shall hear and determine appeals filed under sections 274, 279, 308, and 312. A majority of the members of the board or of any division thereof shall constitute a quorum for the transaction of the business of the board or of the division, respectively. A vacancy in the board or in any division thereof shall not impair the powers nor affect the duties of the board or division, nor of the remaining members of the board or division, respectively.

Mr. KING. Mr. President, may I inquire of the chairman of the Committee on Finance whether or not there are other amendments which may be taken up at this time? I am preparing an amendment which I wish to offer to the entire provision which is proposed to be stricken out by the committee. I dislike to delay the proceedings of the Senate; but if there are any other amendments which may be taken up at this time I shall be very glad.

Mr. SMOOT. Then I will ask that the amendment may go over temporarily.

Mr. KING. I thank the Senator.

The PRESIDING OFFICER. Without objection, the committee amendment will be passed over temporarily.

Mr. SMOOT. The next amendment passed over is on page 247, Mr. President.

The PRESIDING OFFICER. The next committee amendment passed over will be stated.

The READING CLERK. The next amendment passed over is on page 242, to strike out beginning with the word "provided," in line 6, to the end of line 10, as follows:

provided such regulations shall not enlarge or modify any provisions of this act and of any other law, and all such rules and regulations and all amendments thereto shall be annually reported to Congress.

Mr. SMOOT. That is simply surplusage and is not needed. Therefore the committee reported to strike it out.

Mr. FLETCHER. May I inquire of the Senator from Utah if that is not generally cared for in other provisions respecting regulations.

Mr. SMOOT. No; I will say to the Senator it is not. The committee propose the amendment in order to conform to the usual language throughout the bill and which is found in all other laws of this character.

Mr. FLETCHER. I think that it is a very good provision, but, as I understand, the position of the Finance Committee is that it is the law anyway and does not need to be expressed here.

Mr. SMOOT. It is surplusage.

Mr. FLETCHER. That the department has no power to make regulations which can modify or conflict with the law.

Mr. SMOOT. That is correct.

Mr. FLETCHER. I think that is a sound principle, but I am aware that in construing the authority to make regulations the courts have generally held that the power to make regulations is practically the power to legislate and that they have the effect of law. This is a safe provision to make, but if the Senator feels that it is already the law and need not be expressed here, upon that basis I have no objection to the provision going out.

Mr. SMOOT. There is not any doubt about it.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The next amendment passed over was, on page 247, line 22, after the word "be," to strike out "assessed at" and insert "assessed, any proceeding in court for the collection of such tax may be begun without assessment at," so as to read:

(b) In case of a false or fraudulent return with intent to evade tax, of a failure to file a required return, or of a willful attempt in any manner to defeat or evade tax, the tax may be assessed, and a proceeding in court for the collection of such tax may be begun without assessment at any time.

Mr. SMOOT. That is to conform to the amendment that was made in section 311 (a) and section 278 (a). It merely makes all three sections harmonize. The amendment is of a clerical nature.

Mr. FLETCHER. Mr. President, I have no objection to the amendment. The objection I have to the paragraph is that it includes "a failure to file a required return" along with an effort to commit a fraud or to make a false or fraudulent return. It seems to me there is quite a difference between the two cases, and I will propose an amendment to strike out the words "of a failure to file a required return." It seems to me that it is all right to provide for summary proceedings where there is an attempt to evade a tax or to commit a fraud, but to impose a penalty of this drastic nature for a mere failure to file a required return I think would be a hardship.

Mr. KING. Mr. President, let me ask the Senator a question. Suppose that a taxpayer neglected to file the required return, does the Senator think that the Government ought to be halted in all legitimate and proper efforts to obtain the tax? Of course the Senator must answer negatively, and, if that is true, then will the Senator kindly point out what objection can there be to the proceeding herein provided? It does not assert, as I read the section, that the taxpayer is guilty of any crime; it does not impute any moral turpitude; it does not cover him with any odium; it merely permits the Government to set in operation the necessary machinery for the purpose of assessing and collecting the tax. The mere fact that he is placed in the same category so far as brackets are concerned—that is to say, being placed in the same section—does not necessarily imply that he is guilty of any serious dereliction of duty, at least any dereliction that involves moral obliquity.

Mr. FLETCHER. The point is that the taxpayer may not willfully refuse or fail to file his return, but such a thing might happen without any real neglect on his part; it might happen through oversight, and yet under this provision, without any assessment being made and without any notification or anything of that sort, he may be sued at once and brought into the Federal court. It may be a case of that sort, and I think the language is rather broad. If we should say "willful neglect," or use an expression of that kind, I should have no objection to it; but it is entirely conceivable to me that a taxpayer in the utmost good faith, and without any intention to evade the tax or any purpose to commit any fraud on the Government at all, through mere oversight, might fail to file his return. It seems to me that in those cases he ought to be notified. He ought to have a right to some sort of notice. The assessment ought to be made against him so as to give him an opportunity to explain without going into court.

Mr. SMOOT. He has that already under the provisions of the act. This is the existing law, and there has never been any complaint made of it. The words that the Senator speaks of now are exactly as the law is to-day, and I think the same provision is in all of the other acts.

Mr. FLETCHER. You are adding to the law, in effect, that proceedings may be begun without any assessment or notice. That you are adding to the present law, I think.

Mr. REED of Pennsylvania. Mr. President, I suggest that in line 22 the wording of the committee amendment ought to be changed. It ought to be "or" instead of "and."

Mr. SMOOT. Yes; it ought to be "or" instead of "and." I was going to call attention to that. On line 22 I move to strike out the word "and" and insert the word "or."

The amendment as amended was agreed to.

Mr. SMOOT. I will say to the Senator that I think the committee did agree to that amendment, and it was overlooked.

The READING CLERK. The next amendment passed over is on page 251——

Mr. SMOOT. Mr. President, the Senator from Tennessee [Mr. McKELLAR] is in the Chamber now; and I should like to return to page 231, to the tax on drafts and checks.

Mr. McKELLAR. Mr. President, I just want to say a word about that. Before I say it, I want to ask the Senator what amount of revenue is derived from this tax now.

Mr. SMOOT. The revenue from this item is $2,150,000.

Mr. McKELLAR. Mr. President, this is a tax on checks and drafts payable otherwise than at sight or on demand, and on acceptances, and on promissory notes. I can not imagine anything that would be more of a nuisance tax so far as business is concerned. It is a real, genuine nuisance tax. I do not think it ought to be imposed, and I hope it will not be imposed, and I am going to ask the Senate to vote it down.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee on page 231, lines 3 to 15, inclusive.

The amendment was agreed to.

The next amendment passed over was, on page 251, line 23, to strike out the word "sum" followed by a quotation mark, and insert the word "sum" and a period, and the following:

(b) Except as provided in section 281 of the revenue act of 1924, claims for credit or refund (other than claims in respect of taxes imposed by the revenue act of 1916, the revenue act of 1917, or the revenue act of 1918) which at the time of the enactment of the revenue act of 1921 were barred from allowance by the period of limitation then in existence, shall not be allowed.

Mr. KING. Mr. President, for the moment I am not clear about the relevancy of that to the matter involved and its effect.

Mr. SMOOT. I will say to my colleague that this prevents any retroactive action being taken. In other words, the revenue act of 1921 had the same provision and we are rewriting the law, and therefore we do not put in "1921" in the first place, because of the fact that it was not in there; but this provision was in the act of 1921, and therefore we have to put it in this law by adding the words "which at the time of the enactment of the revenue act of 1921 were barred from allowance by the period of limitation then in existence, shall not be allowed." In other words, it is the same law, but it is bringing it up to date with this act.

Mr. KING. It does not extend the period upon the part of the taxpayer to make application for refund, or for the Government to pay the refund?

Mr. SMOOT. No.

Mr. KING. The same limitation, so far as time is concerned, is preserved in this bill?

Mr. SMOOT. Just the same.

Mr. KING. But the phraseology of the existing law must be changed because of the passage of time?

Mr. SMOOT. Yes.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The next amendment passed over was, on page 252, to strike out lines 6 to 8, inclusive, in the following words:

(b) This section shall not bar from allowance a claim for credit or refund filed prior to the enactment of this act which but for such enactment would have been allowable.

Mr. FLETCHER. Mr. President, before that amendment is agreed to, let me ask whether the matter is taken care of anywhere else in the bill. Why should a claim be barred now, after the enactment of this law, which had proper standing before the enactment of the law, or had been filed prior to the enactment of this law?

Mr. SMOOT. The retroactive provision of the law is taken care of by the amendment to which we have just agreed. Therefore this language is not necessary at all. They both involve the same principle.

Mr. KING. Mr. President, let me inquire about that, because I want to be certain. It would be very unjust by repealing provisions to deny the taxpayer who has invoked all the remedies which the law affords to obtain relief, the relief to which he is entitled. Is it entirely clear that the provisions of the preceding amendment——

Mr. SMOOT. This does not change the act of 1921 in any particular.

Mr. KING. Then the provisions of the act of 1921 still are preserved?

Mr. SMOOT. They are.

Mr. KING. And the rights of the taxpayer to secure refunds are fully preserved there?

Mr. SMOOT. They are preserved there just as they are in the act of 1921.

Mr. KING. I want to examine that.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

Mr. SMOOT. The next amendment is on page 262, I think.

The next amendment passed over was, on page 262, line 12, after the words "rate of," to strike out "5 per cent" and insert "6 per cent," so as to make the section read:

INTEREST ON REFUNDS AND CREDITS

SEC. 1119. Upon the allowance of a credit or refund of any internal-revenue tax erroneously or illegally assessed or collected, or of any penalty collected without authority, or of any sum which was excessive or in any manner wrongfully collected, interest shall be allowed and paid on the amount of such credit or refund at the rate of 6 per cent per annum from the date such tax, penalty, or sum was paid to the date of the allowance of the refund, or in case of a credit, to the due date of the amount against which the credit is taken, but if the amount against which the credit is taken is an additional assessment, then to the date of the assessment of that amount. The term "additional assessment" as used in this section means a further assessment for a tax of the same character previously paid in part.

Mr. SMOOT. Mr. President, that amendment should be agreed to, as all other similar amendments have been agreed to under this part of the bill. The committee decided to make the interest rate 6 per cent instead of 5 per cent in all cases, as I have explained on three or four other occasions.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

Mr. SMOOT. The next amendment is on page 274, I think.

Mr. KING. What about the one on page 263? Has that been agreed to?

Mr. SMOOT. Yes; that has been agreed to.

The next amendment passed over was, on page 274, line 22, to strike out "except subdivision (d) of section 500, effective on the expiration of 30 days after the enactment of this act."

Mr. McKELLAR. Mr. President, that ought to remain as it is, because the entire tax has been stricken out, so far as the Senate is concerned, up to date.

Mr. SMOOT. Yes; this amendment ought to be rejected, too, if that is to be the final action of the Senate. I gave notice, however, that I should offer that amendment when the bill reaches the Senate, and perhaps it will be just as well to leave it as it is now. However, we shall have to agree to it one way or the other before the bill gets into the Senate. Therefore, in order to conform to the action of the Senate, I ask that this amendment be rejected; but I give notice that if we put back in the bill the telegram and the telephone provision, then I shall ask a reconsideration of the vote by which this amendment was rejected.

Mr. McKELLAR. Of course.

Mr. KING. Mr. President, I should like to ask the Senator from Tennessee [Mr. McKELLAR] and the Senator from Ohio [Mr. WILLIS], who seem to have been triumphant in their attacks upon a provision which gave us $35,000,000 of revenue——

Mr. SMOOT. Thirty-four million dollars.

Mr. KING. Between thirty-four and thirty-five million dollars—I should like to ask those Senators what suggestions they have made to enable the Government to recoup its losses. The Senator from Ohio yesterday very courteously said that if he succeeded in accomplishing his malignant purpose he would then indicate to the members of the Finance Committee, who were struggling to find springs and fountains of revenue, an additional spring from which the copious stream might flow to replenish the exhausted Treasury of the United States.

Mr. WILLIS. But the Senator will remember that there was a condition precedent there. That was that if the Senator would aid in the purpose which I then indicated, I might be able to give him that information. The Senator refused to aid.

Mr. KING. I aided the Senator by making a speech against him.

Mr. McKELLAR. I will say to the Senator that if the Secretary of the Treasury will simply enforce section 220 of the law, either as now written or as rewritten in this bill, there will be far more funds in the Treasury than this takes out.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The amendment was rejected.

Mr. SMOOT. Mr. President, there are two committee amendments here that the committee desires to offer. On page 81, I move to strike out the semicolon in line 20 and all of lines 21 to 24, both inclusive, and to insert in lieu thereof a period.

The PRESIDING OFFICER. The amendment will be stated.

The READING CLERK. On page 81, line 20, it is proposed to strike out the semicolon and all of lines 21 to 24, inclusive, and to insert a period.

Mr. KING. After "Maryland"?

Mr. SMOOT. Yes; strike that all out.

Mr. McKELLAR. Will the Senator make a statement about it?

Mr. SMOOT. This is what the department sent up to me:

In the House bill, section 227 was changed at the request of the Bureau of Internal Revenue to provide that partnership and fiduciary returns shall be filed with the Commissioner of Internal Revenue rather than with the local collector. The bureau has reconsidered the question, and has now decided that in order to have complete records in the collector's office these returns should go through the collector's office. This question is purely one of administration, and one in which only the Bureau of Internal Revenue is interested. This amendment to the House bill goes back to the existing law, and provides that such returns shall be filed with the collector.

That is the explanation.

Mr. McKELLAR. Anyway, it can go to conference and can be worked out there.

Mr. FLETCHER. The Senator proposes to strike out all after "Maryland"?

Mr. SMOOT. Yes.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. SMOOT. Mr. President, I was about to ask the Senator from North Carolina [Mr. SIMMONS] if he was prepared to go on now with the earned-income provision on page 29.

Mr. KING. May I say to the Senator that the Senator from North Carolina has just gone to the restaurant for a moment, and as soon as he takes his Spartan meal he will be back.

Mr. REED of Pennsylvania. Mr. President, while we are waiting for that may I suggest an amendment which I think will not be objected to by the committee? On page 46, in line 3, there is an exemption given to compensation under the war risk insurance and the vocational rehabilitation acts. We have pending in the Senate and reported favorably by the Finance Committee a new codification, which will take the place of both of those acts, which is called the World War veterans' act, 1924. I suggest in order to carry out the intention of the bill and to take account of that new codification of the law that we insert after the words "rehabilitation acts," in line 3, on page 46, the words "or the World War veterans' act, 1924."

Mr. McKELLAR. Would it not be better to say "or amendment or substitute therefor"?

Mr. SMOOT. Of course, if I had any doubt about that bill passing I should have to object to the amendment at this time, but I have not the least doubt that it will pass, no matter if it does carry $27,000,000. Therefore I should have to propose the same thing later or else have a special act passed; but if it goes in it will make no difference if the bill should fail. It will go to conference, and therefore I have no objection at all to the amendment, even as a committee amendment. It was discussed as a committee amendment.

The PRESIDING OFFICER. Is there objection to the consideration of the amendment at this time? The Chair hears none. The question is on agreeing to the amendment offered by the Senator from Pennsylvania.

The amendment was agreed to.

Mr. SMOOT. The amendment relating to earned incomes, an page 29, is the next amendment to be taken up.

Mr. KING. Will not the Senator allow that to be passed over for a moment until the Senator from North Carolina returns?

Mr. SMOOT. We can not take up the normal tax and surtax amendment because the Senator from South Carolina notified me just a little while ago that he is not prepared to go on with them, and I do not intend to crowd him for the consideration of those sections if we have anything else to go on with.

Mr. McKELLAR. Would not the Senator be willing to temporarily lay aside this bill and let us finish the naval appropriation bill? I do not see the Senator from Maine in the Chamber, but I suppose he can be found in a moment.

Mr. SMOOT. I ask unanimous consent that the revenue bill be temporarily laid aside for the consideration of the naval appropriation bill.

The PRESIDING OFFICER. Without objection, the revenue bill will be temporarily laid aside.

NAVAL APPROPRIATIONS

Mr. HALE. I ask unanimous consent that the Senate resume the consideration of the naval appropriation bill.

There being no objection, the Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 6820) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1925, and for other purposes, the pending amendment of the committee being on page 39, after line 17, to insert:

Naval fuel depot, San Diego, Calif.: Storage for war heads, $60,000.

Mr. KING. I ask for a vote on that amendment.

The amendment was agreed to.

The next amendment passed over was, on page 40, line 16, where the committee propose to strike out "in all, $14,590,000," and to insert "for new construction, buildings, and improvements at air stations at a total cost not to exceed $410,000, as follows: Pearl Harbor, Hawaii, $173,000; Coco Solo, Canal Zone, $237,000; in all, $15,000,000."

Mr. KING. Mr. President, I shall be glad to hear the explanation of the chairman of the committee with respect to this amendment. My information is that we should not enter upon the expenditures contemplated in the amendment offered until after an agreement has been reached between the Navy and War Departments with respect to aviation stations. The matter has been the subject of consideration in the Committee on Naval Affairs, and a subcommittee has been appointed to confer with a subcommittee of the Military Affairs Committee of the Senate which has also been named. It is hoped that some general and comprehensive plan may be agreed upon—dealing with aviation in all of its phases. It has been felt by persons cognizant of the defects in our aviation policy that there should be greater cooperation between the two departments, and that a definite policy should be agreed upon before further expenditures should be made for aviation bases or stations. It is certain there is not that coordination between the two departments in respect to aerial defenses and needed stations and the control over the same. The House having considered these items in the bill resolved against the appropriation which the Senator is now asking for.

Mr. HALE. Mr. President, the House Naval Affairs Committee has recently reported favorably a bill recommending the expenditures contained in this amendment. The matter was not acted on in the House, I understand, on account of certain parliamentary reasons. They felt that it would be considered new legislation. The proposed amendment has to do with the building of hangars and runways at these two stations.

These are the two most important aviation stations we have outside of this continent; and I know that the Senator, who is very much interested in aviation and who believes that we should develop aviation, feels, as I do, that we should do everything that is proper to take care of these stations. At the present time they do not have hangars enough either at Coco Solo or at Pearl Harbor to take care of the airplanes that are maintained at those stations.

As far as combining with the Army is concerned, whatever is done, we shall have to have separate hangars for the Navy planes and the Army planes. So the amount recommended to be expended, no matter what plans may be made later on, will not in any way be wasted; and I hope the Senator will not feel that he has to object to this item. I regard it as one of the most important items in the bill.

Mr. KING. Mr. President, there is no disagreement between the chairman of the committee and myself as to the importance of making adequate provisions for airplanes, and I have deplored the ineptitude and procrastination of the Navy Department—indeed, what I regard as its incompetency—in dealing with the question of aviation. But little can be shown for the tens of millions of dollars expended for naval aviation since the war. We have but few planes and but little of genuine experimental value to the credit of the Navy during this period. The present situation, as it relates to aviation, is most unsatisfactory.

Mr. President, whatever criticisms I have suggested in discussing naval bills, I have been actuated by a desire to see reforms which all honest and sincere persons interested in the welfare of our Navy must regard as vital, if the Navy is to properly function and hold a proper place in the protection of our country. A survey of the work of the Navy Department during the past few years can not afford any great degree of gratification. Its machinery has been clumsy and its plans and activities uncertain and confused. I noticed in the newspaper yesterday a biting criticism of the Navy, and statements tantamount to a charge that it was deteriorating if not inefficient. It was declared that the 5-5-3 ratio had been destroyed, and that the United States was now not upon a parity with Great Britain, but had been reduced to the same ratio level or basis as Japan.

An examination of our battleships and auxiliary craft of all types will undoubtedly reveal striking defects and incongruities in the Navy, but the situation is not so serious as stated by the writer, and some of the conclusions reached by him are not in my opinion justified.

Mr. McKELLAR. Was that the criticism which was printed in the New York Times of last Sunday? There was a very extended criticism carried in that paper.

Mr. KING. By Mr. Shearer?

Mr. McKELLAR. Yes; I think it was.

Mr. KING. That is the article to which I am referring. Mr. President, the claim is made by some that there is an undermining process going on which will destroy the ratio of 5-5-3, if it has not already been destroyed. Whether the statements by Mr. Shearer or others are accurate, it is important that the experts and officers of the Navy Department give heed to all constructive criticisms and devote their energies to the development of the Navy along sane and rational lines. It is of vital importance that old fogies shall not run the Navy or that fantastic schemes and experiments shall be undertaken. The development of the Navy calls for scientific work, for the application of expert knowledge, for teamwork, for perfected organization, and for headwork backed by common sense. May I discuss briefly some matters relating to the development of the Navy in the light of the criticism contained in the article referred to.

Under the terms of the Washington treaty the United States was required to sacrifice its superiority in battleship strength, but subject to the condition that there should be such limitation of auxiliary ships as well as capital ships as would preserve the basis of 5-5-3. Of course, the ratio to be preserved permitted the maintenance of the relative aggregate strength of the respective signatories to the treaty, and did not contemplate the development of other forms of fighting ships which would disturb the basis of naval strength.

At the time of the Washington conference the United States had superiority in capital ships, and it was some sacrifice from a naval standpoint to relinquish this point of vantage. The view has been expressed by some that some participating nations have not fully met the spirit of the conference, and have sought, through auxiliary craft and other forms of naval power, a preponderant strength which disturbed the equipoise established by the Washington treaty, and this to the disadvantage of the United States.

The statement has been made by some naval experts that the final situation left the United States below the 5-5-3 ratio in auxiliary ship strength, and, of course, as we know, without limitation with respect to the latter class of vessels competition in aggregate naval power might be continued as before.

May I add, however, without assenting to or differing from the views just alluded to, that the security of this Nation will not be affected in any degree by the claimed departures by other nations from the 5-5-3 ratio. It is not a boastful or arrogant spirit which prompts the statement that this mighty Republic has no fear of any power on earth. Its mission is one of peace; it has no lust for territory or military power. Its ambitions are to develop a true democracy—to promote peace and fellowship in all the world, and by example and precept and in every proper way contribute to the happiness and freedom of the peoples of all lands. If we should lead the way toward the goal of world disarmament, all other nations will follow.

This Republic is in a position to be the moral leader of the world, great and small nations—not only look to the United States for leadership—but they desire that it shall point the way toward universal peace, and the removal of all menacing forces, to international amity, and the reign of law founded upon enduring principles of justice and righteousness.

The terms of the Washington treaty restricted the United States, as well as the other nations signatory thereto, in their battleship power, but it is declared by some naval critics that the other parties to the agreement have greatly strengthened their naval power along other lines. That was indicated in the article to which reference was made by the Senator from Tennessee, and the claim is made by some that all signatories to the treaty except the United States have violated the spirit of the treaty, if not the letter, by increasing the number of auxiliary war craft to such an extent that the ratio established has been disturbed.

In my opinion there have been rather loose statements made upon this subject, and the situation has been exaggerated. I believe that the signatories to the treaty have designed to conform to its terms. But there is some little

basis for the changes referred to when we examine the constructive program followed since the treaty was signed.

My information is that the United States has not laid down, since the naval treaty was signed, any mine layers, or light cruisers, or destroyers, or fleet submarines, or submarines, or destroyers, or destroyer leaders, or what might be denominated miscellaneous war craft.

Upon the other hand, Great Britain has laid down—and, of course, she had the right to do so under the treaty—one mine layer of 7,000 tons. Also she has projected officially, although nothing further has been done in the execution of the plan, 52 light cruisers to be completed in the next 10 years, 3 submarines, 2 destroyers, 1 aircraft carrier, 5 vessels which might be denominated miscellaneous, and 5 light cruisers to be incorporated in the navy estimates of the labor government for this year, and I understand that bids have been called for with respect to the 5 light cruisers.

Japan has laid down since the naval treaty was signed 6 light cruisers, 10 destroyers, 3 fleet submarines, and 10 miscellaneous vessels or craft. She has ordered, but has done nothing in the execution of the order, 4 light cruisers, 2 fleet submarines, 1 submarine, 1 destroyer, 3 light cruisers, 22 destroyers, 18 fleet submarines, and 17 submarines.

Mr. HALE rose.

Mr. KING. Does the Senator from Maine wish to interrupt me?

Mr. HALE. I find in a clipping from an Associated Press dispatch in a newspaper dated April 16 the following statement:

> LONDON, April 16.—Since the Washington armament treaty was signed Great Britain has laid down but 1 submarine, as compared, so far as known here, with 6 light cruisers, 17 destroyers, and 13 submarines by Japan. This information was given to a questioner in the House of Commons to-day by Charles Ammon, parliamentary secretary to the Admiralty.

Mr. KING. That information is not in accord with that given to me. My information is that Great Britain has laid down no submarines.

Mr. HALE. I thought the Senator had just stated she had laid down one.

Mr. KING. No; I said one mine layer.

Mr. HALE. I understood the Senator to say one mine-laying submarine.

Mr. FLETCHER. If I may interrupt the Senator——

Mr. KING. Certainly.

Mr. FLETCHER. Here is a statement from William B. Shearer in which he puts the ratio at 5-3-1, the United States being 1, and says:

> Not only are we outgunned so far as our battleships are concerned, but we are outnumbered in light cruisers and in fleet submarines. The British are 4 to 1 over us in light-cruiser strength and the Japanese 2½ to 1. Of this class of ships England has 53, Japan has 25, and we have 10. The new Japanese light cruisers outspeed the British light cruisers, and because of that the British Admiralty has asked for 17 more. Not only that, but Captain McNamee, naval expert now under Admiral Robison, is authority for the statement that the British have built 18 flotilla leaders, whereas we have no vessels of this class, none at all.

Mr. KING. The statement is true that we are outnumbered in light cruisers and fleet submarines. Indeed we have no scout or fleet submarines. We have spent, perhaps, one hundred and fifty millions of dollars for submarines—and do not have a single one to accompany the fleet.

But I do not agree with Mr. Shearer as to the ratio which he says now exists. The United States has a preponderating strength in capital ships, and has a treaty ratio in this craft. The fact is that the Naval Board and the Government adhered too rigidly to the 1915-16 naval program and expended too much money for capital ships and was too indifferent to submarines and aircraft.

The "old fogies" and reactionaries in the Navy fought the new methods and developments in naval warfare. They were determined to have the Nation build capital ships. Their prejudices against submarines and some other forms of naval warcraft was unconquerable, and they are in part to blame for our inferior position in various types of imperatively needed naval craft.

Mr. HALE. We have three fleet submarines which will be in commission in a short time.

Mr. KING. The Senator projects himself into the future. I am speaking of things in esse. We have no submarine now that can accompany the fleet. We have no fleet submarines and no scouting submarines. We have three that have been building for many, many months. I do not know when they will be completed. And when they are completed there is no certainty that they will serve the purpose for which they have been designed.

Mr. HALE. When they come out, if they prove in any way successful, they should be superior to any fleet submarines of any other country in the world.

Mr. KING. "If" they prove successful—"if" they are better than any others in the world—they will be better. But the experience of our Government in the construction of submarines is not very prophetic of success in the construction of submarines which will reach the high stage of perfection hoped for by my friend.

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

Mr. KING. I yield.

Mr. McKELLAR. In view of the widely divergent views as to the relative strength of the British Navy, the United States Navy, and the Japanese Navy, will not the chairman of the committee be good enough to get an accurate statement of the relative strength all along the line of the three navies and put it in the RECORD? I for one am very greatly interested. We read an article in one newspaper, and we think that since the limitation of armament treaty was entered into the American Navy is quite as strong as that of Great Britain. We read another article and we find that it is not only not as strong as the British Navy, but it is infinitely weaker even than the Japanese Navy. The Senator from Maine is chairman of the Committee on Naval Affairs, and I know he has the information or can readily get it. I would like to have him put in the RECORD some authoritative or authentic statement showing the actual strength of the navies to which I have referred.

Mr. HALE. The Senator is laying out quite a program.

Mr. McKELLAR. It will not take long.

Mr. HALE. Would the Senator like to have me give the information that I have on the subject now, or would he like to have me prepare a statement and put it in the RECORD at a later time?

Mr. McKELLAR. I think it would be very much better to have it done at a later time. I hope the Senator will take occasion at a very early date to do it.

Mr. HALE. I shall be very glad to do it.

Mr. KING. In response to the suggestion made by the Senator from Tennessee that the chairman of the Committee on Naval Affairs put into the RECORD a statement showing the relative naval strength of the signatories to the treaty, I venture to observe that there will be found the same disagreements as are daily discussed when laymen and experts discuss the relative naval strength of the various nations and particularly the United States, Great Britain, and Japan.

Returning to the matter which I was considering when interrupted, France has laid down since the naval treaty was signed 3 light cruisers, 6 destroyer leaders, 12 destroyers, 6 fleet submarines, and 6 submarines. Of course, Senators are aware of the difference between a scouting submarine, a fleet submarine, and a submarine. The latter are used principally for coastal defense. France has also projected, but there is no certainty of the project being fulfilled, 6 light cruisers, 15 destroyer leaders, 24 destroyers, 30 fleet submarines, and 9 submarines.

Since the treaty was signed Italy has laid down four destroyers. She has proposed, but the proposition has not been voted upon by the legislative branch of the Government, 5 light cruisers, 20 destroyers, and 20 submarines.

Mr. President, these figures show in rather striking manner the lack of auxiliary craft laid down or constructed by the United States since the naval treaty was signed, and the other nations have given considerable attention to strengthening their submarine craft and their auxiliary craft, including light cruisers. I make the prediction that unless the United States and the other naval powers of the world meet in conference soon and agree to further limitation of naval armament that at the next session of Congress we will be called upon to appropriate not only $300,000,000, the amount carried in the present bill, but a much larger sum for the construction of auxiliary naval craft—submarines, airplanes, airplane carriers, torpedo boats, and swift cruisers. We will be called upon, in my opinion, to authorize or to approve of a plan which will in the aggregate require for its completion perhaps $200,000,000. It is important, therefore, if we are to relieve the people of taxation, if we are to seek to promote world peace and international fellowship, that at an early date a conference be held not only of naval powers but of substantially all nations of the world for the purpose of agreeing upon some rational and effective plan to secure a further limitation of armament—indeed, if it is possible, complete world disarmament.

I might say in this connection that I sometimes think our Republican friends and the administration, including the President of the United States, have exhibited an unworthy hostility to the beneficent purposes of the League of Nations and the auxiliary organizations which it has created. This opposition to the league has led the administration to refuse assent to policies and cooperative activities that would have proven of incalculable benefit not only to the United States but to the world. The League of Nations has, as one of its auxiliary but important bodies, a commission for the purpose of formulating plans to bring about world disarmament. We have been invited to participate in its conferences; and it was understood that if the Government did not participate actively the commission would welcome it in a consultative capacity. We have refused to participate or to join with them in a consultative way. We have refused to associate with 54 nations of the world that now have able men seeking to relieve the world of the burden of armament. We have refused to join with them in trying to devise some rational and practical plan to further reduce the burden of military armament and relieve the peoples of the world from the hundreds of millions of dollars of taxation annually now being imposed upon them under the military policies which obtain. There is now pending before the Senate Committee on Foreign Relations a resolution asking the President of the United States to send representatives to the commission of the League of Nations to cooperate with them in the formulation of a plan of the character to which I have referred, but that committee does not act upon the resolution or upon other resolutions before it which in my judgment, if accepted by the United States, would be conducive to world peace.

I return to the subject which I was discussing.

Our Navy has projected no new auxiliary tonnage since the Washington treaty was signed. In some of our ships we have suffered actual deterioration. For instance, there were approximately 270 first-line destroyers in 1920. Of this number 165 have been laid up practically without crews, and, of course, they will suffer deterioration. I ought to say, however, in what would seem to be the extenuation of that course—and I do not offer it by way of extenuation, but approval—that we had perhaps too many of this class of ships and there was no other course for the Navy to pursue, even if it had desired, than to put in stand-by condition or to decommission a number of destroyers.

The preservation of even an approximate 5-5-3 ratio with respect to auxilliary tonnage existing when the treaty was signed would seem to require that some of the destroyers now laid up be manned with from 25 to 40 per cent complement. It is manifest that if the ratio referred to in auxiliary tonnage shall be preserved the United States will be compelled to engage in a further building program or there must be a cessation of competitive building and competitive projects upon the part of the other naval powers.

Let me say at this point, Mr. President, that if I correctly interpret the meaning of the writer referred to by the Senator from Tennessee [Mr. McKELLAR] and the Senator from Florida [Mr. FLETCHER], I do not agree with his assumption that the Washington treaty required us to maintain a ratio of 5-5-3 in each branch of naval craft. The treaty permits a ratio of 5-5-3 in the aggregate tonnage, or, perhaps, more correctly, in the fighting strength. It did not require, assuming that it called for a maintenance of that ratio, that each of the nations should have the same relative strength with respect to each kind or type of naval craft. It did fix the number of capital ships, but it did not refer to auxiliary craft.

Mr. McKELLAR. As I understand, it was limited wholly to capital ships.

Mr. KING. It dealt with capital ships and cruisers above 10,000 tons and made some suggestions with respect to the use of submarines and poison gases. But it has been insisted by some that the United States must have the full quota of naval craft, of each type, that the other powers possess.

Mr. McKELLAR. Mr. President, if the Senator will permit me again to interrupt him, of course the Senator knows—indeed, I think I have heard the Senator himself argue—that the value of battleships or capital ships is very doubtful at this time. If that is true, if the invention of aircraft has brought it about that capital ships are practically useless in the Navy, then the limitation agreement has no effect on navies.

Mr. KING. Mr. President, I have not taken the position that capital ships were useless or even unimportant in naval warfare. I confess that my knowledge of the subject is superficial; it has been based upon rather extensive reading of submarine literature and modern instruments of naval warfare. I have read the statements of many experts—American, British, German, and French—and have endeavored to ascertain what is the proper place of the capital ship in a well-balanced and powerful navy.

I have felt that the lessons of the war have diminished somewhat the importance of capital ships. It would be folly to abandon battleships. They have their place; but they have serious limitations. The Senator from Virginia [Mr. SWANSON] has frequently called capital ships "the backbone of the Navy." I am not disposed to challenge that statement. My position is that capital ships do not and can not constitute a navy. We must have a three-plane Navy. We must have a Navy upon the surface of the water, a Navy under the surface, and a Navy in the air—a three-plane Navy. Any country that depends alone upon its capital ships will soon discover its weakness if not impotency.

The greatest experts in the world say that we could not cross the Atlantic and fight an offensive naval war, or cross the Pacific and successfully contend against a first-class naval power. Japan could no more invade the United States than she could invade the moon. Her ships could not cross the Pacific and land a combative force upon the shores of the United States. I mean she could not do that in view of the development of airplanes, of submarines, of the mine-laying devices of naval warfare, and the multitudinous instrumentalities which grew out of the experiences of the great World War.

So, Mr. President, in further reply to the Senator from Tennessee, while the battleships do have an important place in the Navy, we are failing to maintain an up-to-date fighting Navy if we neglect submarines and airplane carriers and naval aviation. That brings me to just a few sentences which I dictated upon naval aviation.

I think that even the most enthusiastic supporters of the Navy must feel depressed over the failure of the Navy Department to develop naval aviation. Appropriations have been quite generous since the war, but the progress in naval aviation has been insignificant. There must be coordination between the land and the sea forces, not only with respect to shore stations or aviation bases, but, in so far as cooperation is possible, for the purpose of construction. There is conflict between the Army and the Navy with respect to air stations.

These remarks are prompted by the amendment which the Senator from Maine has just offered.

It is clear that there has been and that there will continue to be duplications in the Army and Navy with respect to the establishment of aviation bases. It is important that attention be given by the Navy Department to aviation questions. Our developments have been unimportant, and, as I have indicated, must bring disappointment to all who believe that our Navy should be a strong and up-to-date fighting, modern Navy.

I now desire to say a few words about fleet facilities, and my remarks are prompted because of another amendment which the Senator from Maine has offered dealing with the Hawaiian Islands. In the event of a war in the Pacific Ocean our deficiencies with respect to operating facilities are great. There are no sufficient dock facilities, particularly if we might be called upon to defend the Philippine Islands.

I know the views of some Senators, and I think I am not betraying any confidence when I say I know the views of the able Senator from Virginia, who for so many years was chairman of the committee.

Mr. President, I think that any attempt to spend money upon the Philippine Islands for the establishment of a great naval base would be more or less of a waste. I think we ought to withdraw our sovereignty from the Philippine Islands, as we promised to do in the Jones Act. Bills are pending now in the Senate and in the House of Representatives calling upon the United States to relinquish its control in the Philippine Islands and to permit the people of that archipelago to establish a government conformable to their own will. But if we shall retain the Philippine Islands and a conflict should ensue in the Pacific, we would find a large number of the American people who would insist that we send our battleships and our auxiliary fighting craft to the Philippine Islands to protect that archipelago from the possible aggressions or invasions of a belligerent power.

Mr. FLETCHER. Mr. President, would it interrupt the Senator if I should again quote a few words from this article?

Mr. KING. I yield.

Mr. FLETCHER. Under the heading "Where Japan leads" it says:

> In ships and bases and fuel stored Japan has the largest naval program of all. She lost only one cruiser in the earthquake. That was the *Naka*. She has 30 new destroyers and 70 submarines under construction. Comparison there is interesting. England has 17 fleet submarines, Japan has 25, and we have just 6.

So that so far as the fleet is concerned not only are we outgunned and outnumbered but the other significant fact is that the Japanese have transferred their fleet from the inland sea to the Pacific.

Our fleets must have bases of operation. Without such bases they can not operate in war. How do we compare there? Well, England has 19 bases, Japan has many, some of them secret, and we have none. On our Atlantic coast the British bases are Halifax, Bermuda, and Jamaica. Each of these has supplies and a garrison. In the Pacific we know the Japanese bases are Sasebo, Ominato, Yokosuga, Kure, and Bako. The first four are to be enlarged and strengthened for quick maneuvers. The base at Bako is a few hundred miles from the Philippines. The American port at Manila is useless and undefended. Bako is defended; Manila is not.

That seems to be the situation so far as ships and bases and fuel stored is concerned.

Mr. KING. The statement of the writer from whom the Senator has quoted with respect to the auxiliary craft being constructed by Japan is at variance with the information which I have received. I believe that the writer is unduly alarmed over naval construction in Japan, and I think he is attributing to Japan a more elaborate construction of naval vessels than the facts justify. I do not believe that Japan has any purpose to materially increase her navy, and certainly, in view of the great disaster which has recently overtaken her, there will be but limited construction during the next few years.

Mr. FLETCHER. Mr. President, on that point may I interrupt the Senator to get his view on another question?

Mr. KING. Certainly.

Mr. FLETCHER. In reading this article I am impressed with the rather serious situation with respect to oil and oil supplies. The Senator has manifested a great deal of interest, for instance, in the merchant marine. There is a great tendency in these days to convert coal burners into oil burners. Economies would be effected by it, it is claimed, and we are making progress in that direction. I have been very much in favor of a program of that sort, but this article impresses me with the idea that perhaps we are going too far. For instance, he quotes Admiral Rodman as saying:

The fleet could not fight a week on its oil reserves—

Meaning the whole Navy.

He gives the location of the oil reserves in this country, and the thought is that while we have an inexhaustible supply of coal—and we all know that for thousands of years we will be using coal—the question arises whether we have an inexhaustible supply of oil.

If we are not able to command an adequate fuel supply for our Navy and for our merchant ships, are we not running a great risk in converting our ships into oil burners and discarding the coal burners? That is another suggestion that comes to my mind from reading this article. I have been in favor of that conversion so far as possible, but we may be doing too much of that sort of thing—getting rid of our coal burners and converting everything into oil burners with the prospect that we may not be able to preserve and store and have available an adequate supply of fuel.

Mr. KING. Mr. President, I think the able Senator from Florida has more information upon the question that he has suggested than I have, and I would not put my judgment against his. I have tried to discover what available fields there are for oil for the Navy and for American vessels. Reports are so conflicting, may I say to the Senator, that it is impossible for us to have any intelligent, matured judgment. I have seen statements from oil men who have made the gloomy prediction that within 15 years the visible oil supply of the world would be exhausted. I know eminent oil men who have been engaged in the oil business for years, and they look with the gravest apprehension upon the approaching day—and they say it will be soon—when the oil supplies of the United States will be entirely exhausted.

England is concerned in this question, and she has been seeking oil reserves in Persia and near the Caspian Sea. Italy has recently negotiated a treaty with the Bolshevik Government of Russia, and one of the objects of the treaty, as I am advised, was that Italy might obtain oil fuel from the great oil fields of Grodno, some few hundred miles northwest of the Caspian Sea, and the oil fields of Baku upon the Caspian Sea. We hear reports of oil discoveries in South America near the Pacific coast. I have no authentic information as to these reports.

But, Mr. President, there is much in the suggestion of the Senator. With the rapidly diminishing supply of oil, and with the enormous consumption, we may well pause in our determination to abolish coal as a fuel and resort to oil as a fuel for our commercial and for naval craft. However, my information upon that matter is so limited that any opinion I might have would have but little value.

I was speaking, Mr. President, of our fleet facilities. Under the four power treaty we are interdicted from strengthening any naval base west of the Hawaiian Islands. It would seem that the only alternative is the use of floating docks, which may be of supreme importance in any contest. Of course, without docks the fleet could not maintain itself for any protracted period in the western Pacific. There is a dry dock in the Philippine Islands and, of course, with our fleet in possession of the harbors of the archipelago the dock is available. There are a number of privately owned floating docks which could be commandeered. We should, however, look to the development of satisfactory caissons which may be employed for repairs to propellers and sections of the underwater bodies of ships. However, there remains a necessity for at least one large dock capable of lifting the largest type of ship. Perhaps two such docks should be built.

Of course, I am presupposing that we shall not enter into an international agreement with the naval powers further to limit naval construction. If we did, much of what I am saying would be irrelevant and the building of many vessels which we should be compelled to construct in the near future would be unnecessary.

There should be a large floating dock immediately constructed on the Pacific coast. It is a very necessary factor in connection with our fleet facilities.

Much could be said concerning the importance of developing an operating base at Oahu. I shall pretermit what I should like to say concerning the situation there. I will say, however, that it is the natural point of initial concentration of the fleet, whether for offensive or defensive operations. Not only that, but it affords the west coast effective protection. Oahu must serve as a major point of call for all vessels engaged in line of supply duty and during any campaign in the western Pacific. Vessels bound to or from Washington, Oregon, California, or east coast ports via Panama, would pass through Oahu. Vessels should be provided to serve the fleet during protracted periods of service as well as to serve a numerous line of supply vessels. These facilities should include machinery for emergency repairs, dry docks, and fuel storage.

Of course, ample anchorage grounds at Oahu affording protection against submarine attacks are indispensable. At no great expense satisfactory deep anchorage can be obtained, and under cover of shore guns full opportunity can be afforded for a concentration, tactically, of all vessels.

There should be some development of Pearl Harbor for the berthing, docking, and repair of battleships and other large ships. There should be further technical examination made of the shores of Oahu, and indeed Pearl Harbor, before important expenditures are made upon this naval base.

In order that the Navy may be properly developed and maintained at a high standard of combative strength, large appropriations must be had. It should be the aim of the Navy Department, in order to obtain funds for the indispensable things, to practice the most rigid economy with respect to land and shore activities. There must be a retrenchment and reform in the conduct of stations and bases. The number of civilian employees must be reduced, and every possible reform inaugurated. Technical men and trained experts must be employed and consideration given to their views and recommendations. If officers of the line are placed in control of stations, yards, bases, engineering construction, and other activities calling for technical and trained scientific men, efforts should be made to secure officers with sufficient technical knowledge; failing which, their assistants should come within this category. Better still, technical and skilled and scientific men should be placed in charge of many activities now committed to the hands of less competent persons. I venture to suggest that it would be wise, also, to modify the selective system; but I shall not enter upon a discussion of that at the present time.

In view of the suggestion made by the Senator from Tennessee as to what we have of submarines, I will state that I am in receipt of a letter from the Secretary of the Navy, under date of April 28, in response to an inquiry from me made on the 24th of April in which certain specific questions were propounded, and in the letter of the Secretary he answers the questions. I ask that the letter be printed in the RECORD without my taking the time to read it. It furnishes a complete statement as to the status of our submarines.

The PRESIDENT pro tempore. Without objection, it will be so ordered.

The letter is as follows:

NAVY DEPARTMENT,
ASSISTANT SECRETARY'S OFFICE,
Washington, April 28, 1924.

MY DEAR SENATOR KING: Replying to your letter of April 24, 1924, asking certain specific questions concerning the submarines, I take pleasure in handing you the following information:

Question. Number of submarines now controlled by the Navy?

Answer. One hundred and twenty-six.

Question. Use made of same?

Answer—

In commission:	
Submarines, namely 3 N, 1 R, and 3 S at New London for training and experimental purposes	7
S submarines in the Asiatic Fleet	10
R submarines in the Hawaiian Islands	20
Submarines, namely, 9 O and 4 R in the Canal Zone	13
O submarine being decommissioned in the Canal Zone preparatory to being sold	1
S submarines with the Battle Fleet in the Pacific	12
S submarines with the control force in the Atlantic	17
Out of commission:	
Second-line submarines, namely, 8 H, 8 K, and 8 L	24
First-line submarines, namely, 6 O and 2 R	8
Fleet submarines, namely, 3 T	3
Under construction:	
Fleet submarines, namely, 3 V	3
S submarines	8
Total	126

Question. General character and condition?

Answer. H, K, and N classes—19 submarines. General reliability excellent; would be very useful in time of war for training purposes and for coast patrol.

L class—eight submarines. Four of these recently reengined with satisfactory engines. The other four not considered sufficiently reliable to meet the latest requirements of coastwise work and will probably be sold.

O and R classes, 43 submarines. Thirty of these are satisfactory and their reliability excellent, both surface and submerged. The other 13, while not so good, are creditable enough to be retained in commission.

These submarines are of great military value to the United States in defense of outlying stations and are assigned to the Canal Zone and Pearl Harbor.

S class, 50 submarines. These vessels were designed for independent operation of a general nature, similar to the *U-110* class, are practically 1,000 tons with a radius of 4,000 miles. These boats were authorized in 1916 and the last will be completed this year. They were built with a 7-inch crank shaft, which was not satisfactory, and the contractors substituted 8-inch shafts, which had originally been planned for the boats by the department. The Bureau of Engineering expects that the new crank shaft will eliminate further crank-shaft trouble. Thus far they have been satisfactory.

T class, 3 submarines. Designed in 1914 and finished in 1920 and 1921; were not satisfactory as the tandem type of engine has failed to give the performance expected.

V class, 3 submarines. These boats now under construction, 50 to 70 per cent completed.

Question. The status of the 166 submarines, paragraph 1, your letter?

Answer. Obsolete submarines sold or used as gun targets, 33; lost, 5.

Question. Number of submarines now in commission?

Answer. Eighty-eight.

Question. Number decommissioned?

Answer. Twenty-seven.

Question. Number under construction?

Answer. Eight S's and 3 V's.

Question. Status of the 3 V's.

Answer. Fifty to 70 per cent completed.

Question. To what use will the Vs be put?

Answer. To be assigned and will operate with the Battle Fleet.

Question. Will they be practically obsolete by the time of completion?

Answer. No.

In this connection the V 1, 2, and 3 come under the broad definition of fleet submarines; specifically they are known as cruiser submarines with a speed of 20 knots and a radius of 10,000 miles. The latest design of cruiser submarines which the department is anxious now to have an appropriation for will have a speed of 17 knots and a cruising radius of 18,000 miles.

The other type of fleet submarine is the mine-laying type, which, with a 15-knot speed, will have a cruising radius of 18,000 miles.

One of these mine-laying type has been recommended by the Senate Naval Committee. The Bureau of the Budget authorized appropriation for three of this type. The department is very anxious to secure this type for operation with the fleet as soon as possible, as they consider it a type of very great value.

Sincerely yours,

E. W. EBERLE, *Acting.*

Hon. WILLIAM H. KING,
United States Senate, Washington, D. C.

Mr. KING. Now, Mr. President, in view of the fact that negotiations, as I am told, are pending to bring about cooperation between the Army and the Navy with respect to air stations and air bases, I ask the Senator if he feels that this appropriation is necessary.

Mr. HALE. I do, Mr. President. As I have already said, I do not think this would interfere with any negotiations between the Army and the Navy. It would always prove useful.

Mr. KING. Mr. President, in view of the statement of the Senator, I shall not object, but I am sure the conferees will consider the matter very carefully.

Mr. HALE. Mr. President, I have listened with a great deal of interest to the remarks of the Senator from Utah. As I have said before in the course of this debate, he has given a great deal of attention to naval matters, and his opinions are of value to the Senate and to the country. I am inclined to agree with very many of the things he has said this afternoon; and later on, when we take up these matters for legislation in the Naval Affairs Committee, I believe we can get together on some program that will really be for the good of the country.

The PRESIDENT pro tempore. The question is upon agreeing to the amendment of the committee.

The amendment was agreed to.

The PRESIDENT pro tempore. The Secretary will state the next amendment passed over.

The next amendment passed over was, on page 51, line 9, to strike out "$7,500,000" and insert "$8,450,000," so as to read:

The Secretary of the Navy may use the unexpended balances on the date of the approval of this act under appropriations heretofore made on account of "Increase of the Navy," together with the sum of $8,450,000, which is hereby appropriated, etc.

Mr. KING. Mr. President, is that merely a change in the totals?

Mr. HALE. That is simply for the building of a submarine instead of following out the House program of testing out an engine in one of the T-boats.

The amendment was agreed to.

The next amendment passed over was, on page 51, line 17, after the word "treaty" and the semicolon, to insert:

toward the construction of one submarine authorized by the naval act of August 29, 1916.

The amendment was agreed to.

The PRESIDENT pro tempore. The Chair is advised that that completes the committee amendments.

Mr. McKELLAR. I desire to offer an amendment.

Mr. HALE. If the Senator will pardon me, I have several committee amendments which I have been authorized to present on the floor, and I would like to have them disposed of before the individual amendments come in.

Mr. McKELLAR. That is perfectly agreeable to me.

Mr. HALE. I move, on page 14, line 8, after the word "consent," to insert a colon and the following:

Provided further, That members of the Volunteer Naval Reserve may, in the discretion of the Secretary of the Navy, be issued such articles of uniform as may be required for their drills and training, the value thereof not to exceed that authorized to be issued to other classes of the Naval Reserve Force, and to be charged against the clothing and small-stores fund.

Mr. KING. What is the object of that?

Mr. HALE. Certain of the Naval Volunteer Reserves train in the reserves with class 2, which gets retainer pay and uniforms; they should be given their uniforms. Otherwise they can not train.

Mr. KING. Did the House consider that amendment?

Mr. HALE. It was offered on the floor and went out on a point of order.

Mr. KING. Does the Senator know whether the House committee have any fundamental objection to it?

Mr. HALE. I am very sure they have not. In fact, I have talked with members of the House Committee on Naval Affairs, and they assure me that it should be adopted.

Mr. SWANSON. New York volunteers are not members of the Naval Reserve, technically——

Mr. HALE. This is not the case of the New York Volunteers. This refers to class 6 of the Naval Reserves.

Mr. SWANSON. I thought it referred to the New York Volunteers.

Mr. HALE. No; it does not.

The amendment was agreed to.

Mr. HALE. I offer the following amendment, to be inserted on page 14, after the amendment just agreed to:

Provided further, That until June 30, 1925, of the Organized Militia as provided by law, such part as may be duly prescribed in any State, Territory, or for the District of Columbia, shall constitute a Naval Militia; and until June 30, 1925, such of the Naval Militia as now is in existence, and as now organized and prescribed by the Secretary of the Navy under authority of the act of Congress approved February 16, 1914, shall be a part of the Naval Reserve Force, and the Secretary of the Navy is authorized to maintain and provide for said Naval Militia as provided in said act: *Provided further*, That upon their enrollment in the Naval Reserve Force, and not otherwise until June 30, 1925, the members of said Naval Militia shall have all the benefits, gratuities, privileges, and emoluments provided by law for other members of the Naval Reserve Force; and that, with the approval of the Secretary of the Navy, duty performed in the Naval Militia may be counted as active service for the maintenance of efficiency required by law for members of the Naval Reserve Force.

The amendment was agreed to.

Mr. HALE. On page 32, after line 20, I move to insert as a new paragraph the following:

The Secretary of the Treasury is authorized and directed to transfer from the naval supply account fund an amount not exceeding $100,000 for the establishment of a permanent special working fund, which shall be charged with the net proceeds of all sales of surplus and condemned stores, with refunds to bidders at sales and to special depositors, and with all labor, overhead, material, and services incident to work done not chargeable to naval appropriations, and which shall be credited with all funds received as payment or advances for surplus stores, for condemned stores, and for all expenses incident to work not chargeable to naval appropriations.

Mr. KING. I make a point of order——

Mr. McKELLAR. Will not the Senator from Maine explain that?

Mr. HALE. The Navy has to do a good deal of work for other departments, and in some emergency cases it does work for private individuals. There is no fund from which they can make these expenditures, and very often when they are dealing with other departments they can not get the money before the work is done. In the past, in cases of this kind, they have been making the necessary expenditures, and drawing the money from the general appropriation account, but a year ago the Comptroller of the Treasury informed the Secretary of the Navy that that could not be done, that the appropriation account could only be used for expenditures for which the money had been appropriated.

Mr. McKELLAR. Does this provide——

Mr. HALE. If the Senator will allow me to finish, I will be through in a moment. The department then took up the matter, to comply with the comptroller's decision, and they have established this fund of $100,000. It is not an appropriation; it is simply a transfer from the naval supply account of $100,000 to this fund. That will give them $100,000 on which to come and go with this, and they can start the work that is necessary to be done. Then, when the work is paid for, the fund will be reimbursed. In some cases the fund will be increased. For instance, ordinarily where condemned stores are sold, the proceeds go straight into the Treasury. This amendment provides that such proceeds shall go to this fund, and then be paid into the Treasury. It is altogether a matter of bookkeeping.

Mr. McKELLAR. In substance, does this permit the Navy Department to use these funds without their being appropriated by Congress?

Mr. HALE. Not at all. The Navy is doing work for the other departments, for the Shipping Board, for the War Department, whatever has to be done for other departments by the Navy.

Mr. McKELLAR. If it is not to permit the Navy Department to spend money without an appropriation by Congress, I have no objection to it.

Mr. HALE. It is not that at all.

Mr. McKELLAR. I am opposed to any department spending any money except through appropriations from the Treasury.

Mr. KING. May I ask the Senator whether the amendment which he has just offered calls for an additional $100,000 appropriation——

Mr. HALE. It does not.

Mr. KING. Or, to use the Senator's expression, is it merely a transfer, in a bookkeeping way, from funds now in the possession of the Treasury or the Navy Department or which are carried in other items in the appropriation bill?

Mr. HALE. It has nothing to do with any item in the appropriation bill. It simply takes $100,000 from one fund and puts it in another.

Mr. KING. The appropriation has already been made?

Mr. HALE. Oh, yes.

Mr. KING. The $100,000 is in existence as a live fund somewhere in the Treasury Department?

Mr. HALE. I am glad to be able to assure the Senator that that is true.

Mr. KING. I do not want to add another $100,000 to this bill.

The PRESIDING OFFICER (Mr. FESS in the chair). The question is upon agreeing to the amendment.

The amendment was agreed to.

Mr. HALE. I have another amendment. On page 32, after line 20, I move to insert as a new paragraph, following the amendment just agreed to, this provision:

The paymaster General of the Navy is hereby authorized and directed to expend from the naval supply account, without reimbursement to the naval supply account fund, issues made by order of the Secretary of the Navy, pursuant to the directions of the President, for the relief of sufferers in Japan following the earthquake which occurred September 1, 1923.

The amendment was agreed to.

Mr. HALE. On page 37, in lines 14 and 15, I move to strike out the following words. I think I will have no difficulty in having this amendment agreed to, as it is a reduction in an item in the bill.

The PRESIDING OFFICER. The Secretary will state the amendment.

The READING CLERK. On page 37, lines 14 and 15, strike out the words "Acetylene gas plant, extension and remodeling, $22,000," and in line 18, strike out "$102,000" and insert "$80,000."

The amendment was agreed to.

Mr. HALE. On page 41, line 4, after the word "airplanes," I move to insert a colon and the following:

Provided further, That the Secretary of the Navy is hereby authorized to consider, ascertain, adjust, determine, and pay out of this appropriation the amounts due on claims for damages which have occurred or may occur to private property growing out of the operations of naval aircraft, where such claim does not exceed the sum of $250: *Provided further*, That all claims adjusted under this authority during the fiscal year shall be reported in detail to the Congress by the Secretary of the Navy.

The amendment was agreed to.

Mr. SWANSON. Mr. President, I desire to offer the following amendment, on page 52, line 19.

The PRESIDING OFFICER. The Secretary will state the amendment.

The READING CLERK. On page 52, line 19, after the word "aircraft," insert a comma and the following:

and the number of men permitted in the respective navies.

Mr. SWANSON. Mr. President, the object of this amendment is to call a conference to perfect naval disarmament, which was not perfected at the last conference held here. As it is recalled no agreement was made respecting ships under 10,000 tons or as to aircraft. This amendment directs the President to enter into negotiations with the four other signatories, Great Britain, France, Italy, and Japan, in connection with reaching an agreement regarding limitation in the construction of all types and sizes of submarines, surface craft of 10,000 tons standard displacement or less, and aircraft.

I do not think we will have a complete system of disarmament until we enter into an agreement as to the number of enlisted men who can be maintained in the respective navies. I believe that if we limit the number of men who may be kept in the navies, as we do the number of men in the armies, it will relieve the apprehension that advantage is being taken of us by other nations by their having men prepared for naval services when we might be unprepared. I simply propose to add as an amendment to this provision in the bill the words "and the number of men permitted in the respective navies."

I believe if there had been a limitation in the number of men permitted in the respective navies at the last conference we would have had an agreement about battleships and aircraft and submarines and ships under 10,000 tons which would have been effective, and I do not believe we are going to have an effective agreement for disarmament until there is a limitation on the number of men who can be permitted in the respective navies. I think this will perfect it.

I would like to say, in this connection, that I am heartily in favor of this conference being called. It is for a naval conference, and not a general conference. But I think this Government has made a mistake for years in not accepting the invitation of the League of Nations to send a delegate to attend

the conference on disarmament fostered by the league. Fifty-four nations are assembled now engaged in trying to reach an agreement upon naval disarmament, aircraft disarmament, and military disarmament of all kinds and character. An invitation has been extended and has been pending for the United States to send a representative to that conference in order to accomplish disarmament in all parts of the world. I think we have been derelict in our duty. I think we have misrepresented the wishes of our people when we have refused to send a representative to that conference to accomplish disarmament. There can be no disarmament in the world until the United States is a party to it.

The strongest nation in the world, the most threatening nation so far as potential political power is concerned, is the United States. The rest of the world will not consent to disarm, either in aircraft, in naval armament, or in military armament of any kind, until they have an understanding with the United States. I believe we should call a naval conference and see if we can not perfect the naval agreement entered into several years ago.

In addition to that I think we are derelict in our duty, derelict in our obligations to the world, in not sending a representative to the conference of the League of Nations which is discussing all phases of armament. The invitation has been extended to us. We should accept, attend, and participate in it without entering the league, as it will simply make a recommendation for the respective governments to ratify. I hope this administration will accept the invitation—if necessary, get the consent of Congress to accept the invitation—and show an earnest desire to accomplish disarmament in the world, which is absolutely necessary in order to reduce taxes and bring back reasonable business conditions.

Mr. PEPPER. Mr. President, it seems to me that the amendment proposed by the Senator from Virginia may very usefully be adopted, so that it will become a part of the recommendation already contained in the bill, in virtue of which the President is advised to call a conference on naval disarmament or limitation of armament to be participated in by certain designated powers. It seems to me it is appropriate that such a conference or any such conference when called should take into consideration limitation of man power as well as limitation of armament. Personally I have not much hope that an effective limitation of man power can ever be agreed upon by convention or treaty for the reason that while we can standardize munitions and equipment there is no way of standardizing human service.

A man employed upon an American ship may be able to render twice the service that a man employed upon a ship of another nation might render. The varying man power of the individual is a permanent obstacle in the way of standardizing along the lines suggested by the Senator from Virginia, but it seems to me there is no reason why the subject should not receive consideration, and I for one hope that the amendment as he has proposed it will be agreed to.

I can not agree with the Senator that the United States has been either derelict or unwise in not participating in the deliberations of the body which is now considering the subject of limitation of armaments. It seems to me that is the best possible illustration of the way in which not to do the thing his amendment contemplates. A commission of experts sitting behind closed doors with instructions to proceed in secret and report in a separate secret report to the several constituent powers is the last way in the world to accomplish the thing which the Senator from Virginia and all Senators on this side of the Chamber are honestly desirous of accomplishing. The only way in which we are ever going to get a limitation of armaments is by calling a conference to meet in the open, a conference which shall command the simultaneous attention of all the world, and when we focus the enlightened opinion of all mankind on the great subject, to focus it effectively.

We can not gather little commissions of experts who, in their heart of hearts, do not want to limit the armament in which they are particularly interested. We can not gather them hopefully to sit behind closed doors. The people whose sentiments are going to control the ultimate policy of the world are the people who suffer when war is waged, and they are the people who are excluded from either information respecting or participation in the conference that is meeting over yonder. We want none of that, but we do want the kind of conference suggested in this measure as proposed to be amended by the Senator from Virginia, or, better still, we want a world conference and not a conference of some powers only.

Mr. SWANSON. If the Senator from Pennsylvania will permit me, it seems to me the only objection the Senator has urged to the conference that is now in session considering the limitation of armament is that it is secret or might be secret. If it were made an open conference, open in all of its deliberations, free and wholly open, would the Senator advise and favor the United States accepting its invitation and participating with the 54 nations in attempting to accomplish a limitation of armament?

Mr. PEPPER. I have already stated my position in the Senate on that subject, which is that any effective conference to consider the limitation of armaments must simultaneously have under consideration the thing upon which we must rely if limitation of armament is to be effective, namely, the development and codification of international law and a court of justice for applying its principles. I shall always favor the attendance by the United States at any world conference held in the open where the agenda include limitation of armaments of all sorts and development and improvement of international law, the strengthening and establishing of courts of arbitral justice and courts of international law for the purpose of enforcing it.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Virginia.

The amendment was agreed to.

Mr. SMOOT. Mr. President, I ask unanimous consent that at the close of business to-day the Senate take a recess until 11 o'clock to-morrow morning.

Mr. GERRY. May I ask the Senator from Utah if he has spoken to the Senator from North Carolina [Mr. SIMMONS] about the matter?

Mr. SMOOT. No; I have not.

Mr. GERRY. I think the Senator from North Carolina will want to proceed to-morrow, and I do not know whether he will be ready by 11 o'clock in the morning. I am not sure as to that, and I wondered if the Senator had consulted with him.

Mr. SMOOT. I have not as to time. I complied with his request at about 3 o'clock to-day to let the bill go over until to-morrow.

Mr. GERRY. Will the Senator make the request a little later in the day?

Mr. SMOOT. I have some very important work to do and expect to leave right away if possible.

Mr. GERRY. I should like to have the Senator make the request a little later.

Mr. SMOOT. There are other items in the bill that can be taken up to-morrow morning. There is the earned income amendment to be taken up to-morrow.

The PRESIDING OFFICER. The Senator from Utah asks unanimous consent that when the Senate conclude its business to-day it shall take a recess until 11 o'clock to-morrow morning. Is there objections?

Mr. HARRISON. Mr. President, reserving the right to object, I wish to say that I realize the Senator from Utah desires to press the legislation, but it seems to me it is going along pretty well. The Committee on Agriculture and Forestry is holding hearings on the Ford proposal and the Muscle Shoals matter generally. There is a full attendance of the membership of the committee every morning. It is a very important question we are considering. We hope to close the hearings within two or three days. It is pretty hard on some of us who happen to be members of that committee and who want to be here while the revenue bill is being considered.

Mr. SMOOT. There are very few Senators actually present when we are considering the bill, as the Senator no doubt realizes.

Mr. HARRISON. The Senator knows that when we get here at 11 o'clock there must be a roll call, and we do not really get down to work until half past 11. So we do not save much time by meeting at 11 o'clock, especially when we are having so many committee meetings in the mornings.

Mr. SMOOT. The same thing applies when we meet at 12 o'clock. We have to call a quorum every day.

Mr. GERRY. I do not think the Senator will expedite the progress of the bill by meeting for the next few days at 11 o'clock. I think consideration of the bill is progressing very rapidly anyway. Just at this time I shall have to object to the unanimous-consent request.

The PRESIDING OFFICER. Objection is made.

Mr. SMITH. On page 37, line 24, I move to amend by striking out "$20,000" and insert in lieu thereof "$30,000." I have spoken to members of the committee in reference to it. The appropriation for this purpose has been double this amount up until last year, and it has been reported that the work had

to cease for lack of sufficient funds to do the dredging necessary in front of Government property.

Mr. HALE. In view of what the Senator has said, I shall be glad to accept the amendment and take it to conference.

The PRESIDING OFFICER. The amendment will be stated.

The READING CLERK. On page 37, line 24, the Senator from South Carolina proposes to strike out "$20,000" and insert "$30,000," so as to read:

Navy yard, Charleston, S. C.: Dredging to continue, $30,000.

The amendment was agreed to.

Mr. HARRISON. Mr. President, I desire to offer the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment offered by the Senator from Mississippi will be stated.

The READING CLERK. On page 54, after line 3, insert the following as a new paragraph:

That every officer of the United States Navy or Marine Corps who was dismissed therefrom solely because he left such service in order to join, or did join, the Confederate forces for service during the War between the States shall be held and considered to have duly resigned and to have been honorably discharged therefrom, and the Secretary of the Navy is hereby authorized and directed to correct the records of such officers in accordance herewith, as of the date of their dismissal.

Mr. SMOOT. Mr. President, I would like to have the amendment reported again.

The reading clerk again read the amendment.

Mr. HARRISON. May I say to the Senator from Utah that a similar amendment has passed the Senate twice before? At the outbreak of the War between the States there were some members of the Marine Corps and Navy who left and joined the Confederate forces. This is merely to amend their records so as to show that they were not dishonorably discharged. Most of them are dead and gone, but it is merely a matter of clearing up their records. I hope the Senator will not object. Twice such amendment has already been agreed to.

Mr. SMOOT. It seems to me that immediately they will come in for pensions.

Mr. HARRISON. Indeed not; there is no pension feature involved in it. If the Senator wants to do so he can offer an amendment providing that they shall not get pensions. God knows they never have and never will get pensions.

Mr. SMOOT. They deserted from the Navy or Marine Corps.

Mr. HARRISON. They did not desert. When the war broke out between the States there were some men in the Navy and Marine Corps who left and went to the other side.

Mr. SMOOT. Is not that desertion?

Mr. HARRISON. If the Senator wants to call it that, very well; but on the record it is shown that they were dishonorably discharged.

Mr. SWANSON. Liberal people now think the War between the States is over, and that if a man made a decision in the cause and chose to go with the Conferedate forces, it was all right. This amendment would simply go back to that time and correct the records of some of the men who have made some of the best records ever made in the United States Navy.

Mr. SMOOT. There is no doubt about that.

Mr. SWANSON. Those men considered it their duty to stand by their States and they sent in their resignations. This would simply cure their record and give them credit for the splendid work they did for the Federal Government before the war. It gives them no pension.

Mr. HALE. I do not think it would be advisable to change the record in regard to the action of these men. I think as to the first part of the amendment there will probably be no objection. I do not think it would be possible to change the record in regard to a case of this kind, but I think to the first part of the amendment probably there could be no objection; that is, that these men shall have been held "to have duly resigned and to have been honorably discharged therefrom."

In all cases that have come up with reference to the soldiers of the North, where there has been a question of change of record, such bills have been vetoed by the President, on the ground that statements of fact or records could not be changed.

Mr. HARRISON. Will the Senator not let the amendment go in this form? If he shall desire to strike out the latter part in conference, at the instance of the Navy Department, there would not be any objection.

Mr. HALE. I shall be glad to do so.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. McKELLAR. I have already sent to the desk an amendment to come in on page 53 of the bill. I desire to ask unanimous consent to perfect the amendment by inserting in line 3, after the word "moneys," the word "herein," and in line 4, after the word "expended," to insert the words "under contracts hereinafter made." Then I offer the amendment as perfected.

The PRESIDING OFFICER. Is there objection to the Senator perfecting the amendment? The Chair hears none, and the amendment will be perfected accordingly.

Mr. McKELLAR. I now offer the amendment.

The PRESIDING OFFICER. The amendment proposed by the Senator from Tennessee will be stated.

The READING CLERK. On page 53, line 20, after the word "plant" and the semicolon it is proposed to insert:

and that no part of the moneys herein appropriated or made available for the Naval Establishment shall be used or expended under contracts hereinafter made for the repair, purchase, or acquirement, by or from any private contractor, of any naval vessel, machinery, article, or articles that at the time of the proposed repair, purchase, or acquirement, can be repaired, manufactured, or produced in each or any of the Government navy yards or arsenals of the United States when time and facilities permit.

Mr. HALE. Mr. President, I will accept the amendment.

Mr. McKELLAR. I would rather put it to a vote.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from Tennessee.

Mr. KING. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah desire to address himself to the amendment?

Mr. KING. I wish to address the Senate. I ask for recognition.

Mr. McKELLAR. Will not the Senator allow us first to have a vote on the amendment?

Mr. KING. No, not for a moment.

I should like to ask the chairman of the Committee on Naval Affairs whether in the amendment which has just been offered adequate safeguards are provided for the Government, so that in computing costs or in determining whether the Government may do work as cheaply as private yards the question of overhead, capital investment, and all proper factors shall be considered?

Mr. HALE. There is nothing in the wording of the bill in reference to the prices that shall be paid.

Mr. KING. Mr. President, as I understand this amendment, it is a prohibition of the Government or any official of the Government from having any repairs made to any vessel or machinery or to purchase any article or articles where the repairs can be made or the articles purchased in navy yards in the United States when time and facilities permit, regardless of price.

Mr. McKELLAR. Mr. President, I shall be very glad to explain the amendment, if the Senator will permit me, in just a word.

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

Mr. KING. I yield.

Mr. McKELLAR. The Government of the United States has established navy yards and arsenals all along the Atlantic seaboard, along the Pacific coast, and in Honolulu at enormous expense. For some reason, after having established those navy yards and keeping a corps, or at least a skeleton corps, of workers there, frequently the department has in the past gone out and bought its supplies and had repairs made in private shops when there were ample Government facilities ready to do the work. It is quite remarkable that we should build up arsenals and navy yards at great cost and expense and maintain them at great cost and expense and then decline to use them. There is no doubt in the world that having put them there and having to maintain them anyway the work can be done very much cheaper in those navy yards than it can be done in private establishments.

The real reason that policy is being opposed—not by the Senator, I will say, but by the private institutions—is because the work can be done cheaper by Government facilities. The truth of the matter is that the greater part of the cost of the work which is let to private contractors by the Navy Department is just that much added to the general expense of the Navy. Of course, after instituting these facilities and after paying out the enormous sums which are provided in the pending bill to keep them in running order we ought to utilize them.

Mr. KING. Mr. President, in the discussion of other measures in the Senate the fact was brought to the attention of Senators that at any number of navy yards estimates submitted for the repair and for the construction of vessels, not having been carefully prepared or being drawn by officers or technicians who were anxious to get the work, and not having due regard to that ordinary integrity which should characterize their conduct, were so low as to result in a great deficit, and the Government of the United States was compelled to pay the deficit. The Senator from North Carolina [Mr. OVERMAN] instanced one case where the estimate was $400,000 less than the cost. Who paid it? The Government of the United States. I submit, Mr. President, this is putting into the hands of the navy yards too much unrestricted power.

Mr. BROOKHART. Mr. President——

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

Mr. KING. I yield.

Mr. BROOKHART. I think the Senator misunderstands the amendment. Under this amendment, whenever the time and facilities will permit, the navy yards will go ahead and do the work without the Government receiving estimates from private parties at all. The idea of incorporating the phrase as to "time and facilities" is that if a ship is disabled in Europe, away across the water, of course it will be repaired before it is brought home, as it may be necessary to repair it in foreign waters. So the department will have a little leeway in that respect. It may be that there will be times when they will abuse that privilege. I think I cited yesterday some instances where they had done so; but in all previous provisions they were required to get estimates from private parties.

As I understand, all those representing the different elements have agreed to this amendment. I know the Senator from Massachusetts [Mr. LODGE] has agreed to it; I have agreed to withdraw my amendment in favor of this one, and the Senator from Maine [Mr. HALE] has also consented to this amendment. We think it will bring about the reform the Senator from Utah suggested a moment or so ago.

Mr. KING. Mr. President, I knew that the amendment offered by the Senator from Tennessee did not ask specifically for estimates; but I called attention to the fact that heretofore when estimates were required to be submitted or bids to be offered a loss occurred, and I called attention to the fact because the statement has been made, as I understood the Senator—and that has been the argument—that naval vessels can be repaired more cheaply in Government yards than in private yards. In the past when amendments have been offered somewhat analogous to the one now under consideration they have been accompanied by a provision to the effect that the work should be done in Government yards if they could do it as cheaply as it could be done elsewhere. The fact that that provision has been omitted is almost a confession of the inability of the Government yards to construct vessels or to make repairs as cheaply as can be done by private yards. But whether that be true or not, Mr. President, I feel that the discretion ought to be left with the officers of the Navy.

Mr. BROOKHART. I think, Mr. President, that, instead of conceding that the Government can not perform the work as cheaply as it can be performed by private concerns, it is a concession exactly to the contrary. We are now satisfied to go ahead without going to the extra expense and trouble and delay of getting estimates. Everybody now believes that the Government can do the work cheaper, and the showing that I presented to the Senate yesterday on behalf of Admiral McVay was to the effect that the work was done cheaper in the Government yards than in private yards, and that in spite of the fact that the Government yards figured in an unnatural overhead that ought not to be figured in.

Mr. KING. Mr. President, the very fact, I repeat, that the amendment offered by the Senator from Tennessee is shorn of the provision usually accompanying such amendments furnishes at least the basis for a legitimate inference that those who are its proponents, or at least some of them, do not feel that the work can be done as cheaply in Government yards as it can be done elsewhere.

Mr. McKELLAR. Will the Senator yield?

Mr. KING. In a moment. If that be not the case, why should not the amendment contain the provision "if the work can be done as cheaply in Government yards as in private yards"? The Senator from Massachusetts [Mr. LODGE] yesterday said if it could be done for not to exceed 10 per cent above the price that could be obtained elsewhere; but now we find that whole idea swept aside, and the work must be done at the Government yards. It is mandatory regardless of the cost.

If the work costs 100 per cent or 200 per cent more than it can be done for in private establishments, we are making it mandatory upon the part of the officials of the Navy Department to have the work done in Government yards.

Mr. BROOKHART and Mr. McKELLAR addressed the Chair.

Mr. KING. I yield first to the Senator from Iowa.

Mr. BROOKHART. I think the Senator misunderstood the explanation made by the Senator from Massachusetts. The 10 per cent provision that he mentioned, as I recollect, was to reduce this unnatural overhead in Government yards down to 10 per cent, whereas the Senator from Maine claimed it ought to be 30 or 40 per cent, or even more than that, because much of that overhead should not logically be charged to these repairs.

Mr. KING. Whether the Senator is right or I am right, the object of it was to take out of the appraisement one of the factors determinative of the cost of repairs or construction and to give an advantage to the Government yards, which theretofore was not enjoyed by them. Now I yield to the Senator from Tennessee.

Mr. McKELLAR. Mr. President, what I was going to say was this: Heretofore the department, whenever it could, has insisted upon having this work done in private yards, even though it might be done more cheaply, as it appears to many, and as the facts are believed to be. Either for their own convenience or for some other reasons which need not be discussed they have preferred to have this work done in private yards rather than in their own yards. That does not apply to all the officers of the Navy, but it applies to the department.

Mr. HALE. Mr. President——

Mr. McKELLAR. This time they have used the cost feature to give them a real excuse for doing that. That is the reason why the cost feature is taken out. As I understand, the department have concluded that they will give this a trial. It applies to this year. They are going to give it a trial. They are going to see if it can be done more cheaply and if it is better for the Navy Department. For that reason the chairman of the committee has agreed to this amendment, and the members of the committee have agreed to it, and I hope it will be adopted. Let us try it out; and then another year, if it does not work well, we will know that fact, and we will be that far on the road, at any rate.

Mr. HALE. Mr. President——

Mr. McKELLAR. I yield to the Senator from Maine.

Mr. HALE. In spite of what has been said, the bulk of the work that can be done in the yards is done in the yards now. There is no case on record in the Navy where a vessel that has been hauled up for repairs has been hauled up anywhere other than in a Government yard in this country. There are cases when these vessels have been on foreign stations and have had to be repaired at foreign yards but never in this country.

Mr. KING. Mr. President, one of my objections to this provision is this: It is manifest that there is a determination upon the part of some—and I am not complaining or criticizing—to maintain as many as possible of these navy yards, construction stations and arsenals. There will be no excuse for the maintenance of some of these yards and plants and factories, if they may be denominated factories, if we shall limit the amount of work to be done. What ought to be done, of course, is to concentrate, and maintain but a few plants and bases. They should be brought up to the highest standard, so far as mechanical appliances and machinery and efficiency in operation are concerned; but we have too many of these plants, and, as I showed yesterday from the chart furnished me by the Secretary of the Navy, some of these plants are operated at from 15 to 40 per cent only of their capacity.

As long as we have legislation of this kind we will keep alive plants that ought to be closed. There is no question about it; and I am objecting to so many plants, so many organizations, so many shore stations, so many of these extraneous things, things that are not imperatively needed for the building up and maintenance of a good fighting Navy. I want more money for the fighting ships and the naval craft and less for these supernumerary, these unnecesary, organizations.

If we adopt amendments of this character, we are keeping alive organizations that we do not need; we are galvanizing into a condition of semiactivity moribund and decadent organizations and instrumentalities and plants that ought to be permitted silently to sleep away their lives and to be buried with proper solemnity.

Senators, of course, will vote for this provision. I know that opposition to the maintenance of plants, yards, and sta-

tions not needed will prove entirely futile. Senators some day may discover that in these enormous appropriations there is much wastage and that we are perpetuating a system that contributes to the maintenance of bureaucracy and the fastening upon the people of a paternalistic government.

Mr. DILL. Mr. President, I just want to make this observation:

Every year, when these bills come in, for some reason or other this amendment in one form or another must be voted on on the floor of the House and Senate, and always it is adopted. It seems to me that the wise thing to do would be to make it a part of the statute, because it is always adopted, and stop the continual bringing up of this amendment and having it discussed and always carried on the floor.

Mr. BROOKHART. Mr. President, I will say to the Senator from Washington that I have introduced such a bill, and it is now pending, I believe, in the Committee on Military Affairs. I hope we can get a report on it. I think myself that this proposition ought to be determined as a matter of general policy, and that this thing of fighting over it in every bill ought to be ended.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Tennesee [Mr. McKELLAR].

The amendment was agreed to.

Mr. FLETCHER. Mr. President, after line 4, on page 41, following the amendment agreed to this afternoon, I move to insert the language which I will ask the Secretary to read.

The PRESIDING OFFICER. The Senator from Florida offers an amendment, which will be stated.

The READING CLERK. Following the amendment heretofore agreed to, on page 41, line 4, it is proposed to insert the following words:

That the Secretary of the Navy is authorized, when directed by the President, to accept on behalf of the United States, free from encumbrances and without cost to the United States, the title to such lands as he may deem necessary or desirable in the vicinity of Pensacola, Fla., for use as a site and right of way for the construction and maintenance of a pumping station, wells, and pipe line to provide a suitable water supply for the United States naval air station, Pensacola, Fla.

Mr. HALE. Mr. President, this amendment was favorably reported by the Committee on Naval Affairs of the Senate. It was also favorably reported by the House Committee on Naval Affairs. I am familiar with the situation in regard to this case, and I shall be glad to accept the amendment and take it to conference.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Florida.

The amendment was agreed to.

Mr. FLETCHER. Mr. President, I think now I ought to ask the chairman of the committee to agree to another amendment in order to carry into effect this provision.

The report of the Secretary of the Navy on the bill, which was introduced in the language of this amendment, shows the importance of this water supply at the naval air station, Pensacola. Of course, the amendment adopted would authorize the acceptance of land, and so forth, for that supply, but they need the water now. They can not wait for a year without drinking water, and they need good, wholesome water, and it ought to be provided now.

I am going to ask the chairman of the committee, therefore, to agree to an amendment, on line 20, page 40, following the semicolon, to insert "Pensacola, Fla., $150,000." That will take care of the appropriation required to do just what needs to be done at that air station.

Mr. HALE. Mr. President, I think the amendment would be subject to a point of order, but if the Senator insists on it I shall not make the point.

Mr. FLETCHER. I ask that the amendment be adopted.

The PRESIDING OFFICER. The Senator from Florida offers an amendment, which will be stated.

The READING CLERK. On page 40, line 20, after the numerals "237,000," it is proposed to insert:

Pensacola, Fla., $150,000.

Mr. SMOOT. Why does not the Senator make it $250,000?

Mr. FLETCHER. Because $150,000 is all they need.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Florida.

The amendment was agreed to.

Mr. FLETCHER. Now, I ask to have inserted in the RECORD a letter from the Judge Advocate General of the Navy, Admiral Latimer, and the report of the committee on this bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

DEPARTMENT OF THE NAVY,
OFFICE OF THE JUDGE ADVOCATE GENERAL,
Washington, March 22, 1924.

The Hon. DUNCAN U. FLETCHER,
United States Senate, Washington, D. C.

MY DEAR SENATOR: I have the honor to inclose herewith for your information a copy of the department's letter of even date to the Speaker of the House of Representatives, relative to proposed legislation in connection with the water supply situation at the naval air station, Pensacola, Fla.

There is also inclosed a copy of a draft of bill "Authorizing the Secretary of the Navy to accept certain lands in the vicinity of Pensacola, Fla., to assure a suitable water supply for the United Stated naval air station at Pensacola," copy of which bill accompanied the department's letter to the Speaker.

Sincerely yours,

J. L. LATIMER,
Judge Advocate General of the Navy.

(2 inclosures.)

DEPARTMENT OF THE NAVY,
Washington, March 22, 1924.

The SPEAKER OF THE HOUSE OF REPRESENTATIVES,
Washington, D. C.

SIR: I have the honor to transmit herewith a draft of a proposed bill "authorizing the Secretary of the Navy to accept certain lands in the vicinity of Pensacola, Fla., to assure a suitable water supply for the United States naval air station at Pensacola."

The water supply at the naval air station, Pensacola, Fla., is in a very precarious condition. The commandant of the station reports having only half the amount of water necessary, reduced pressure in the mains, and the probability of failure in the future of the only remaining deep well on the naval reservation.

Careful preliminary studies have been made of the situation. It has been estimated that economy will result by securing pure water from a source about 1½ miles from the naval air station at Pensacola. The land and right of way for a pumping station, wells, pipe lines, and quarters for attendants have been made available to the Government by the Pensacola Chamber of Commerce without cost to the United States. The necessity for this work has been realized for several years, and necessary items have been included in the preliminary estimates from year to year to cover the essential parts of this work.

However, as the situation with regard to the water supply at the naval air station, Pensacola, now appears to have reached a critical stage, the department believes that immediate steps should be taken to acquire title to the land which the city of Pensacola has offered to donate to the Government, with a view to the construction and maintenance thereon of necessary pumping stations, wells, pipe line, etc., to assure an adequate water supply for the naval air station at Pensacola. This matter, affecting as it does the health and sanitation of the station, and also the adequacy of fire protection, is considered of such importance as to warrant early acceptance by the Government of the land in question for the purpose above mentioned.

In order to make the necessary improvements on the land in question, provided it is finally deeded to the United States, it will be necessary at a later date to request an appropriation not to exceed $150,000.

This matter was referred to the Director of the Bureau of the Budget for consideration in accordance with Circular Letter No. 49 of that bureau, and the director, under date of March 13, 1924, advised the department that this proposed legislation had been presented to the President, who instructed the director to advise the Navy Department that this proposed legislation "is not in conflict with his financial program."

This department earnestly recommends that the inclosed draft of bill be enacted into law at an early date.

Sincerely yours,

THEODORE ROOSEVELT,
Acting Secretary of the Navy.

[Senate Report No. 373, Sixty-eighth Congress, first session]

AUTHORIZING THE SECRETARY OF THE NAVY TO ACCEPT CERTAIN LANDS IN THE VICINITY OF PENSACOLA, FLA., TO ASSURE A SUITABLE WATER SUPPLY FOR THE UNITED STATES NAVAL AIR STATION AT PENSACOLA

Mr. TRAMMELL, from the Committee on Naval Affairs, submitted the following report (to accompany S. 2928):

The Committee on Naval Affairs, to which was referred the bill (S. 2928) authorizing the Secretary of the Navy to accept certain lands in the vicinity of Pensacola, Fla., to assure a suitable water supply for the United States naval air station at Pensacola, having considered the same, report favorably thereon with the recommendation that the bill do pass without amendment. The water supply of

the naval air station at Pensacola is not at all sufficient for the requirements, and the committee feels that it should be remedied as quickly as possible. The committee feels that this bill should be incorporated as an amendment to the naval appropriation bill, H. R. 6820.

The following letter from the Secretary of the Navy expresses the department's views in the case:

DEPARTMENT OF THE NAVY,
Washington, April 4, 1924.

The CHAIRMAN COMMITTEE ON NAVAL AFFAIRS,
United States Senate.

MY DEAR MR. CHAIRMAN: Replying to the committee's letter of March 28, 1924, inclosing a bill (S. 2928) authorizing the Secretary of the Navy to accept certain lands in the vicinity of Pensacola, Fla., to assure a suitable water supply for the United States naval air station at Pensacola, and requesting the views of the Navy Department relative to this matter, I have the honor to inform you as follows:

The water supply at the naval air station, Pensacola, Fla., is in a very precarious condition. The commandant of the station reports having only half the amount of water necessary, reduced pressure in the mains, and the probability of failure in the future of the only remaining deep well on the naval reservation.

Careful preliminary studies have been made of the situation. It has been estimated that economy will result by securing pure water from a source about 1½ miles from the naval air station at Pensacola. The land and right of way for a pumping station, wells, pipe line, and quarters for attendants have been made available to the Government by the Pensacola Chamber of Commerce without cost to the United States. The necessity for this work has been realized for several years, and necessary items have been included in the preliminary estimates from year to year to cover the essential parts of this work.

However, as the situation with regard to the water supply at the naval air station, Pensacola, now appears to have reached a critical state, the department believes that immediate steps should be taken to acquire title to the land which the city of Pensacola has offered to donate to the Government, with a view to the construction and maintenance thereon of necessary pumping stations, wells, pipe line, etc., to assure an adequate water supply for the naval air station at Pensacola. This matter, affecting as it does the health and sanitation of the station, and also the adequacy of fire protection, is considered of such importance as to warrant early acceptance by the Government of the land in question for the purpose above mentioned.

In order to make the necessary improvements on the land in question, provided it is finally deeded to the United States, it will be necessary at a later date to request an appropriation not to exceed $150,000.

This matter was referred to the Director of the Bureau of the Budget for consideration, in accordance with circular letter No. 49 of that bureau, and the director, under date of March 13, 1924, advised the department that this proposed legislation had been presented to the President, who instructed the director to advise the Navy Department that this proposed legislation "is not in conflict with this financial program."

In view of the foregoing, this department urgently recommends that the bill S. 2928 be enacted into law at an early date.

Sincerely yours,

CURTIS D. WILBUR,
Secretary of the Navy.

Mr. JONES of Washington. Mr. President, on page 38, after line 8, I desire to offer an amendment.

The PRESIDING OFFICER. The Senator from Washington offers an amendment, which will be stated.

The READING CLERK. On page 38, after line 8, it is proposed to insert the following:

Quay wall, extension (limit of cost, $300,000), $150,000.

Mr. HALE. I have no objection to that amendment, Mr. President. It has been authorized by the Committee on Naval Affairs.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Washington.

The amendment was agreed to.

Mr. JONES of Washington. Mr. President, following that amendment, I desire to offer another.

The PRESIDING OFFICER. The Senator from Washington offers a further amendment, which will be stated.

The READING CLERK. Following the amendment just agreed to, it is proposed to insert:

Repair and fitting out pier (limit of cost $1,190,000), $250,000.

Mr. KING. Mr. President, I shall leave that to the chairman of the committee, because I am sure that his devotion to the interests of the Navy and his desire for economy will prompt him not to consent to that amendment.

Mr. HALE. On the contrary, Mr. President, I think the amendment is an extremely good one. It was estimated for and it was asked for by the Navy Department.

Mr. JONES of Washington. It has been recommended by the Naval Affairs Committee of the House.

Mr. HALE. Yes; it has been recommended by the Naval Affairs Committee of the House.

Mr. JONES of Washington. It is a very necessary and a very desirable thing. It is something that we shall have to have.

Mr. HALE. I think it is extremely problematical whether a number of these amendments will be accepted by the conference; but I shall be very glad to take them to conference, and go over them on their merits.

Mr. KING. Mr. President, of course I have great regard for the Senator from Washington [Mr. JONES], and I know that he never advocates here a measure that he does not sincerely believe is necessary.

I have had considerable information concerning the item to which the Senator refers. I have talked with some naval men, and the information I have is not in harmony with the views of the Senator. I think the appropriation is an unnecessary one at this time, particularly in view of the important appropriations which we will need later on, if we do not have a naval agreement with other powers, for the enlargement of our auxiliary craft and the strengthening of the Navy. We are building too many piers, too many bases, too many plants, too many shore stations; and I think this is a needless appropriation. I shall not take the time to present the views which I have from a number of naval men who have spoken to me about it.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Washington.

The amendment was agreed to.

Mr. ODDIE. Mr. President, on behalf of the committee I report favorably an amendment proposed by the Senator from Oregon [Mr. MCNARY].

The PRESIDING OFFICER. The Senator from Nevada, on behalf of the Senator from Oregon [Mr. MCNARY], offers an amendment, which will be stated.

The READING CLERK. On page 39, after line 19, it is proposed to insert the following:

Submarine and destroyer base, Columbia River: Toward the further development of the submarine and destroyer base at Tongue Point, Columbia River, $200,000: *Provided*, That no part of the said appropriation shall be expended until the Secretary of the Navy shall have approved the further development of the said base.

Mr. WILLIS. Mr. President, it seems to me that is a very large appropriation. I think there ought to be some explanation by the Senator from Oregon before we vote on it. Otherwise, I should be inclined to oppose it.

Mr. MCNARY. Mr. President, to go into the details of the merits of this amendment would take quite a while, but I think it is sufficient to say that the Naval Affairs Committee of the Senate has voted favorably on the amendment. It simply carries out a subsisting contract between the county of Clatsop, in the State of Oregon, and the Federal Government, to continue the development of the naval base. I do not think it is necessary to say anything more. It would require the rest of the day for me to state all the merits of this amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Oregon.

The amendment was agreed to.

Mr. KING. Mr. President, I regret very much to interrupt the majestic procession by which the Treasury is being depleted, but if the Senator will pardon me, he will get his $1,000,000 in a moment.

I would like to have the attention of the Senator from Pennsylvania [Mr. PEPPER], if he is here. We had under consideration a moment ago the provision on page 52 requesting the President to enter into negotiations with the Governments of Great Britain, France, Italy, and Japan with a view of reaching an understanding or agreement relative to limiting the construction of all types of vessels. The Senator from Virginia offered an important amendment to that. I want to ask the chairman of the committee if he does not regard it as important to have another amendment of the following tenor: After the word "Japan," to insert the words "and such other governments as he [the antecedent being the President] may deem proper"?

The Senator may recall that at the time of the last Washington conference there were some reputed heartburnings upon the part of one or two other powers—I shall not name them—because they were not invited to participate in the conference. I express no opinion as to the wisdom of Presi-

dent Harding in limiting the invitation to the powers which did participate in the conference. I do believe, however, that where we are seeking a limitation of auxiliary craft, small craft, submarines, torpedo boats, airplanes, and cruisers the invitation should not be limited to the same powers which participated before. I have that confidence in the President of the United States that I think he should, if he deems it wise, be directed to invite other nations to participate in the conference. Therefore, I beg to offer the amendment, and hope the chairman of the committee will accept it.

Mr. HALE. It seems to me the Senator's amendment is a very reasonable one.

The PRESIDING OFFICER. The Secretary will state the amendment.

The READING CLERK. On page 52, after the word "Japan," the Senator proposes to insert the words "and such other governments as he may deem proper."

The amendment was agreed to.

Mr. KING. Mr. President, I had intended to offer as an amendment to that part of the provision of the bill calling for a conference for the limitation of armaments the text of two resolutions which I have heretofore introduced in the Senate, but I shall not take the time to offer them now as amendments to the bill. I merely ask that they be printed in the RECORD as a part of my remarks in connection with the amendment which I have offered to that provision of the bill.

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

Joint resolution (S. J. Res. 78) providing for the calling of an international conference on world relations.

Whereas the political and commercial relations between the governments and peoples of the world have not recovered from the dislocations caused by the World War, and there are many outstanding questions which require adjustment before international amity may be restored and international commerce regain its normal course; and,

Whereas the governments and peoples of the world desire and expect that the Government of the United States shall exercise its good offices to bring about a reconciliation of nations and a rectification of conditions which provoke war and preparation for war, prevent the use of work and goods of the world in the production of capital and wealth, and impede the normal course of trade and exchanges throughout the world: Now, therefore, be it

Resolved, etc., That the President is authorized to invite the nations without exception to convene in a world conference to be held at Washington to consider the present state of the world, particularly as affecting the political and commercial relations of the nations in the conference, and for the formulation and acceptance of a convention which shall promote international amity, reduce and restrict offensive armaments on land, sea, and in the air, arrange for the settlement, payment, clearing, and funding of international debts, stimulate production, facilitate international trade, stabilize international exchanges, remove impediments to commerce, and provide for the current settlement and adjustment of all questions affecting international political and commercial relations and the peace of the world.

A joint resolution (S. J. Res. 113) authorizing the President of the United States to appoint a commission to cooperate with the permanent advisory commission of the League of Nations for the limitation of military, naval, and air armaments

Whereas the League of Nations has constituted a permanent advisory commission for the consideration of questions affecting military, naval, and air armaments; and

Whereas said commission has under consideration the formulation of a draft convention for the limitation of military, naval, and air armaments, to which it is proposed all nations shall be signatory; and

Whereas the Council of the League of Nations, upon the recommendation of said permanent advisory commission on military, naval, and air questions, has invited the Government of the United States to name representatives to sit with the commission in a consultative capacity during its study of questions affecting the reduction of armaments; and

Whereas the Government of the United States is committed to the principle of the elimination of the provocation to war which is caused by the maintenance of large and unnecessary national armaments: Now therefore be it

Resolved, etc., That the President is authorized to appoint, by and with the advice and consent of the Senate, a commission of five representatives to sit in a consultative capacity with the permanent advisory commission of the League of Nations on military, naval, and air questions, and to advise with said commission with respect to the formulation of a draft convention, to which all nations shall be signatory, to effectuate the reduction and limitation of military, naval, and air armaments.

Mr. SMOOT. Mr. President, the Senator from Rhode Island [Mr. GERRY] is absent from the Chamber, and I am compelled to leave at this time. Therefore, I shall not request that we take a recess until 11 o'clock to-morrow, because the Senator objected; but I do at this time make a request that at the close of the business of the Senate to-day, we take a recess until 12 o'clock to-morrow.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Utah? The Chair hears none, and it is so ordered.

Mr. SHORTRIDGE. Mr. President, I offer the following amendment, to be inserted on page 40, after line 2.

The PRESIDING OFFICER. The Secretary will state the amendment.

The READING CLERK. On page 40, after line 2, the Senator from California proposes to insert the following:

Supply Depot, Marine Corps, San Francisco, Calif.: Construction of building, including grading of site, $500,000: *Provided*, That the Secretary of the Treasury is hereby authorized to transfer to the Navy Department a tract of land situated in the city of San Francisco, Calif., consisting of four 50-vara lots fronting 275 feet on the north side of Harrison Street and extending back bounded by Spear and Main Streets, 275 feet, for use as a site for the building herein authorized.

Mr. McKELLAR. Mr. President, has that been authorized, or has it been estimated for?

Mr. SHORTRIDGE. Yes.

Mr. McKELLAR. Has the Budget approved it?

Mr. SHORTRIDGE. I understand they have; and everybody favors it.

Mr. McKELLAR. Why was it not included in the bill?

Mr. SHORTRIDGE. I know not why it is not in the bill.

Mr. McKELLAR. Will the chairman of the committee state whether the Budget has approved this?

Mr. HALE. I do not think there is any estimate in the matter. I think there is merit in the amendment, however.

Mr. McKELLAR. Has there not been a bill introduced about this? What is it for; to establish a new base?

Mr. HALE. We have had this subject up for several years. It is a question of a supply depot.

Mr. SHORTRIDGE. I can explain it in a few minutes.

Mr. HALE. The Government has a lease on the property which is now occupied by the marines at San Francisco, which is about to expire. The marines have no other place to go if they are turned out of their present quarters.

Mr. KING. I have investigated this matter very carefully. As the Senator has said, we have had a depot there for some time. The lease is about to expire, and we have no headquarters, no depot, for the marines on the coast, and we must have some place for them.

Mr. HALE. There is no possibility of getting any other quarters. That has been tried.

Mr. KING. The authorities have tried to rent a place. I think really there has been neglect on the part of the Navy Department in the matter.

Mr. HALE. This matter has come up several times before the Committee on Naval Affairs, but we have not been able to legislate on the matter.

Mr. McKELLAR. If it was so important, why did not the committee take it up and discuss it?

Mr. HALE. We were unable to get the omnibus bill through. The Budget could never estimate on it, because it was never authorized.

Mr. McKELLAR. This property is property under the jurisdiction of the Treasury Department?

Mr. SHORTRIDGE. It is under the jurisdiction of the Treasury Department. The Marine Corps now occupy a building in San Francisco adjoining the Palace Hotel. The building happens to be owned by Mr. William Randolph Hearst. He has given notice to the Government that he can not or will not renew the lease.

Mr. McKELLAR. When will the lease expire?

Mr. SHORTRIDGE. It will expire June 30, 1925, next year. Our Government owns an available piece of property there in the city, and it is a question of erecting a building on property which the Government owns.

Mr. McKELLAR. The Government owns vacant property?

Mr. SHORTRIDGE. It does.

Mr. McKELLAR. Whereabouts in the city?

Mr. SHORTRIDGE. It is on Harrison Street. If the Senator visualizes San Francisco, as you enter, looking west on Market Street, it is to the left or south on Market Street, about three or four blocks from the wharves. The Secretary of the

Treasury, Mr. Mellon, is more than willing to transfer the control of the lot to the Navy Department, and all parties in interest are agreed.

Mr. McKELLAR. Has the Navy Department recommended it?

Mr. SHORTRIDGE. Yes; they all favor it, and it has been the subject of much discussion by individual Senators, and also the subject of correspondence.

Mr. McKELLAR. The head of the Marine Corps has recommended it also?

Mr. SHORTRIDGE. I have in my hand a detailed statement of the matter furnished me by that officer.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. JONES of Washington. Mr. President, I offer an amendment covering an item which I know the chairman of the committee thinks should not be included in the bill. I am rather inclined to think it ought to be included in the bill, and I am perfectly willing to submit the matter to the Senate. It does not have anything to do directly with the Navy.

There is to be a total eclipse of the sun on the 24th of January next. It will be a total eclipse near New York, and the Naval Observatory people would like to have an observation party authorized. They think there is a certain class of information which only the Government can get over a long period of time. Of course, it is known that private observers will be at various places along the line of this eclipse taking observations, and it may be that they can get all the information necessary. I have no technical knowledge in the matter. I have a brief statement here prepared by an astronomer whom I have known for a great many years, and in whose judgment I have a great deal of confidence, which I want to read.

Mr. McKELLAR. What is the proposal?

Mr. JONES of Washington. To appropriate $3,500.

Mr. McKELLAR. To do what?

Mr. JONES of Washington. To enable them to send a party up there to observe the eclipse. They will have to go up to Connecticut, somewhere near New York.

Mr. HALE. The hearings show that there would probably be from 50 to 100 other institutions making the same observations, and it does not seem to me the Government is justified in going to that expense itself.

Mr. McKELLAR. What relation has that to the naval appropriation bill?

Mr. JONES of Washington. The Naval Observatory officials want to make the trip. I want to read this brief statement from this astronomer stating what he thinks the Government would get out of it. His statement is as follows:

A total solar eclipse offers an opportunity of making a number of observations of great scientific value that can not be made at any other time. Among these are—

1. Times of the four contacts and the direction of the line joining the cusps during the partial phases. These observations furnish the means of correcting the tables of the motion of the sun and moon and therefore of great value to theoretical astronomers.

2. Spectroscopic observations, both visual and photographic, upon the corona, the prominences and the lower atmosphere of the sun.

3. Telescopic observations of the prominences and of the corona.

4. Photometric measurements of the intensity of the light at different stages of the eclipse.

5. Searching the regions near the sun for an intramercurial planet. (This has been given up by some astronomers, while others still hope to find one or more very small ones.)

6. There is an arrangement with the Western Union to observe the magnetic effect of an eclipse on the earth. There are many other observations that can be made by private observers, but those mentioned above should be made by the Government as they should be continued through many years.

As I said, I know nothing about the technical phases of this, but it does seem to me that as the Government maintains a Naval Observatory and gets out a nautical almanac and gives us information with reference to these things it is sort of a reflection for the Government to say, "Oh, well, private parties can make all these observations; private parties can look after these matters." It seems to me it is parsimonious on the part of the Government not to provide a little money to make these observations as long as we maintain the Naval Observatory.

Mr. McKELLAR. What are the elements of cost?

Mr. JONES of Washington. Three thousand five hundred dollars.

Mr. McKELLAR. But for what?

Mr. JONES of Washington. I do not know the details. They send a party—I do not know how many—and I suppose they have to fit up some little arrangement of some kind. This was approved by the Budget and is submitted to Congress. They evidently looked into it carefully, and I simply take their judgment. I will propose the amendment and leave to the Senate to do as it desires in the matter.

The PRESIDING OFFICER. The Secretary will state the amendment.

The READING CLERK. On page 19, after line 22, the Senator proposes to insert the following:

Expenses in preparing for and conducting observations of total solar eclipse of January 24, 1925, $3,500.

Mr. HALE. Mr. President, I have already expressed my views on the subject. This matter was considered by the House and turned down by them; it was considered by the Appropriations Committee of the Senate and turned down by them. I feel that it is an entirely unnecessary expense, which the Government would not be justified in making. I am sorry I can not agree with my friend, the Senator from Washington, much as I should like to do so.

Mr. WILLIS. Mr. President, I do not desire to speak more than a moment on the question; but it seems to me that in a great scientific matter of this sort involving the Naval Observatory, which makes the most important and the most accurate scientific investigations in the world, it is amazing that an important thing of this sort should be left to private persons. If we are not going ahead with this scientific work, then let us stop all of it; if we are going to maintain this sort of an establishment, let us do the thing as it ought to be done.

Mr. HALE. This solar eclipse is going to be observed by a good many other people.

Mr. WILLIS. Why does not the Senator say there are private observatories and that many of the things are going to be observed, so let us close down the Naval Observatory?

Mr. HALE. The data that other people get together will be entirely available to the Naval Observatory.

Mr. WILLIS. I presume it is the same way with other information that others get together. My contention is that the Government owes it to the scientists of the country to take the lead in matters of this kind, and I think it ought to make proper provision to do so.

Mr. HALE. I am sorry, but I can not agree with the Senator and I hope the amendment will not be adopted.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Washington.

The amendment was rejected.

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

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

APPROPRIATIONS FOR STATE, JUSTICE, COMMERCE, AND LABOR DEPARTMENTS

Mr. JONES of Washington. I want to give notice to the Senate that as the opportunity presents itself in the consideration of the tax bill I shall call up for consideration the bill (H. R. 8350) making appropriations for the Departments of State and Justice and for the judiciary and for the Departments of Commerce and Labor for the fiscal year ending June 30, 1925, and for other purposes.

WORLD WAR VETERANS

Mr. REED of Pennsylvania. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Senate bill 2257, to consolidate, codify, revise, and reenact the laws relating to the Veterans' Bureau, and so forth. For that purpose I ask that the unfinished business may be temporarily laid aside.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Pennsylvania?

Mr. McKELLAR. I do not see the Senator from Massachusetts [Mr. WALSH] present. He is a member of the committee having that bill in charge.

Mr. REED of Pennsylvania. I will say to the Senator that it is our purpose to take up only the unobjected committee amendments, which the Senator from Massachusetts and the rest of the Finance Committee have agreed to.

Mr. McKELLAR. Very well.

The PRESIDING OFFICER. Is there objection to the request made by the Senator from Pennsylvania?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill (S. 2257) to consolidate, codify, revise, and reenact the laws affecting the establishment of the United States Veterans' Bureau and the administration of the war risk insurance act, as amended, and the vocational

rehabilitation act, as amended, which had been reported from the Committee on Finance with amendments.

Mr. REED of Pennsylvania. I ask that the formal reading of the bill be dispensed with, that the bill may be read for amendment, and that committee amendments may be first considered.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Pennsylvania?

Mr. McKELLAR. I have no objection, but in the event that any amendment is agreed to, which the Senator from Massachusetts [Mr. WALSH], who is not here, may desire to have reconsidered, there will be no objection to a reconsideration, I presume?

Mr. REED of Pennsylvania. We will have that understanding, although I will say to the Senator from Tennessee that every amendment made by the committee had the concurrence of both the Senator from Massachusetts and myself.

Mr. McKELLAR. Of course, if that is the case, it is all right with me.

Mr. REED of Pennsylvania. We will have the agreement that any amendment may be reconsidered on request of the Senator from Massachusetts.

The PRESIDING OFFICER. The Senator from Pennsylvania asks unanimous consent that the formal reading of the bill may be dispensed with, that the bill be read for amendment, and that committee amendments be first considered. Is there objection? The Chair hears none, and it is so ordered. The bill will be read for action on the amendments of the committee.

Mr. JONES of Washington. Mr. President, I want to ask the Senator from Pennsylvania a question or two with reference to this measure. I have received telegrams from soldiers in hospitals not only in other States but in my own State, and resolutions from a committee of the inmates of the hospital at Walla Walla, Wash., in which they point out their objection to certain features of the report of the special committee. I want to find out whether those provisions are included in the bill or not.

Mr. REED of Pennsylvania. I shall be very glad to answer the Senator from Washington.

Mr. JONES of Washington. In the first place, after several whereases, the first resolution reads as follows:

Be it therefore resolved, That we go on record as being opposed to paragraph 2 of the committee's report, which limits the period of presumption that a tubercular and a neuropsychiatric disease is of service origin to three years after date of discharge, and that we recommend the extension of this period to five years after date of discharge.

Mr. REED of Pennsylvania. The committee has amended the bill, as the Senator will find on page 27, line 19, to extend the period to January 1, 1924, which is approximately four and one-half years from the average date of discharge. That extension goes almost the whole length to which the service men have asked us to go, but the committee did not feel justified in going to the full five years because of the very great cost.

Mr. JONES of Washington. I read further:

Be it further resolved, That paragraph 9 of the committee's report be so changed that where an insane veteran recovers to the extent that he is again able to resume his former position in society, he be entitled to recover all compensation to which he is entitled under the present laws.

Mr. REED of Pennsylvania. The Senator will find that that is corrected on page 35, lines 17 to 22, where it is provided that if an insane veteran recovers, the amount withheld shall be paid to him upon his discharge from the hospital.

Mr. JONES of Washington. I read further:

Be it further resolved, That we are vigorously opposed to paragraph 10 in its entirety, in that it will not serve as a disciplinary measure in any form but will simply be a cause to drive men from hospitals in order to obtain their full compensation.

Mr. REED of Pennsylvania. I think I remember the provision to which that refers.

Mr. JONES of Washington. Paragraph 10 of the report reads as follows:

A veteran in hospital will be required to allot not more than three-fourths of his monthly compensation to his wife, dependent children, or dependent parents. Any unallotted portion of such three-fourths will be deposited to his credit at interest with the Treasurer of the United States, and will be paid to the veteran on demand when he leaves the hospital. This provision compels of all men the same thrift that the wiser veterans have been employing of their own initiative. The extravagances of some men have retarded their own convalescence and have made discipline difficult.

Mr. REED of Pennsylvania. Most of that criticism is unjust. What the committee provided was a method by which married men might allot a part of their compensation to be paid to their wives. It was not compulsory. The committee further provided or meant to provide that men who had not allotted their pay and who were retarding their own convalescence by their own dissipation could be required by the director in his discretion to save up three-fourths of their compensation until they get out of the hospital. In order to make clear that that is the effect of the provision, we have inserted on page 36, lines 16 to 18, a provision that the compulsory allotment shall occur only where the director finds that the soldier is retarding his convalescence by his own gross dissipation, and in that kind of a case we feel that the money ought to be withheld.

Mr. JONES of Washington. I sympathize very much with the position as stated by the Senator. I read further from the resolutions:

Be it further resolved, That we are opposed to paragraph 13, in that it will be an injustice to many men entering original claims for compensation and many other men entering claims for increases in compensation if the granting of retroactive awards and retroactive increases of compensation were more strictly limited than at present, and that we are apposed to that part of paragraph 14 which prohibits automatic reinstatement of insurance out of retroactive awards for compensation.

Paragraph 13 of the report reads:

Retroactive awards and retroactive increases of compensation are more strictly limited. The opportunity for abuse of this privilege has been too great.

Mr. REED of Pennsylvania. As to that, the Finance Committee feel that the original decision should be retained. One of the greatest abuses in the Veterans' Bureau has been an abuse of the privilege of dating compensation back. In some cases it has gone to an absurd length in order to revive insurance which has lapsed. The Government has been cheated in many, many cases. We are anxious to avoid that abuse.

Mr. ODDIE. May I ask a question just at this point of the Senator from Pennsylvania? Has the fact that many awards have been made which have been unjust to the claimants been considered by the committee?

Mr. REED of Pennsylvania. Of course that is true, and we allow retroactive awards to be made for limited periods on the theory that the average case of injustice is corrected within six months of the time of original decision. I know that it is not always corrected within that time, but I think that the ends of justice in the average case are met by allowing an award to be made retroactive for one year where compensation has been totally refused, or to be retroactive for six months where it is a mere increase of compensation already paid. I know there is a great deal to be said both ways and that in some cases men have been unfairly dealth with, but there are many cases in which the Government has been unfairly dealt with.

Mr. ODDIE. From my observation and after careful study, I think a very, very large number of cases are those in which the men have been unfairly treated from various causes. I know of many cases where six months' time has not sufficed to give justice to the claimants because of the operation of the bureau as now constituted.

Mr. JONES of Washington. The resolutions to which I have been calling attention read further:

Be it further resolved, That we are opposed to paragraph 18 in its entirety unless additional legislation is enacted which will extend to these men, thus deprived in whole or in part of vocational training to which they are or should become entitled, a form of additional compensation equivalent to such training.

Section 18 of the committee report reads as follows:

Vocational training is limited to those who made application therefor on or before June 30, 1923. Training must be begun on or before June 30, 1924. All vocational training must be terminated by June 30, 1926. These provisions, and the conditions that render them necessary, will be fully discussed in the report of the committee.

Mr. REED of Pennsylvania. The committee have decided to recommend an extension of the time mentioned in that paragraph so that training can actually be commenced at any time up to June 30, 1925. We shall offer a committee amendment on page 62, line 21, to effect that extension, but we retain the original date for the termination of vocational training.

Mr. JONES of Washington. I thank the Senator for his clear explanation.

Mr. ODDIE. There are many tubercular cases in the hospital which, I think, will be unjustly dealt with if this arbitrary date is adhered to.

Mr. REED of Pennsylvania. The date is the same that has been in the law for several years. The vocational training experiment has been a great success in some cases. Take the men in the universities and the higher schools. All can feel very well satisfied with the way these men have taken advantage of the opportunity that was given them.

But, on the other hand, vocational training has been a dismal failure in thousands of cases. Men have started on one vocation and have changed to another and then to another and then to another in order to prolong their schooling, not because they wanted to learn anything but because they wanted to keep the monthly training allowance which was larger than the compensation for total disability. A soldier who was 10 per cent disabled would get $8 a month if he were receiving compensation, while if he could get himself ordered to take vocational training of some kind he would be getting $100 a month, and, of course, he has prolonged the training all he could. In some cases men have actually gone from one school to another, and from one occupation to another nine times; and they are still at it.

Mr. FESS. Mr. President——

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

Mr. REED of Pennsylvania. I yield.

Mr. FESS. The Senator from Pennsylvania is touching upon a phase of the vocational training that has given those of us who have favored it from the beginning a good deal of distress of mind. I think it was estimated that the vocational training work would all be completed within three years; that after three years there would not be any more work to be done; and yet I am still getting letters from trainees, who ask that an additional year be given to them even this late after the war.

As one who was originally very much in favor of the proposal, having been one of the first members who advocated attempting this sort of thing, I admit that I am greatly distressed as to whether or not we are getting anything like value received for the expenditure.

Mr. REED of Pennsylvania. I agree fully wih the Senator from Ohio. We started out with the best motive to rehabilitate men whose earning power had been impaired by injuries suffered in the world war. To rehabilitate means to restore a man to a former earning power by enabling him to overcome the handicap incurred in war service. We have actually interpreted that to mean habilitate. We have taken men who have had no earning power, boys who were not yet ready for college, and instead of rehabilitating them we are putting them through college and through professional schools. We have given them professions for which they never dreamed of striving. The United States has been overgenerous, and I am proud to say that it has been overgenerous.

I am also proud to say that most of the young men took advantage of it properly and availed themselves of and bettered themselves by their opportunities; but it is a preposterous thing, Mr. President, to claim that rehabilitation must go on indefinitely after the close of the war. Last year my recollection is that rehabilitation cost us $100,000,000. I shall have the correct figures here to-morrow morning; but I am sure its cost was over $100,000,000.

Mr. FESS and Mr. McKELLAR addressed the Chair.

The PRESIDENT pro tempore. Does the Senator from Pennsylvania yield; and if so, to whom?

Mr. REED of Pennsylvania. I first yield to the Senator from Ohio.

Mr. FESS. When the law was first passed and the first appropriation was made, the appropriation was $2,000,000, and there was tremendous opposition to the appropriation of that amount. Then later the appropriation was increased to $6,000,000, and later it was increased to $10,000,000. It created almost a sensation in the House of Representatives when there was that amount of money asked. Now, long after the war, the appropriation has increased to $100,000,000. The question is now being raised in my own mind as to how long this is going to continue, and what are the definite results we are getting from this enormous expenditure.

Mr. REED of Pennsylvania. I can give the percentages by summarizing them in this way. In all the time since we began this vocational-training effort—and it has been going on for more than six years—less than 50 per cent of the men who have entered training service have completed their vocational training, and until the beginning of the present fiscal year only 35 per cent of them had completed their training; so that six years after the war was over the United States was still training more than 50 per cent of the men who wanted rehabilitation.

Mr. McKELLAR. Mr. President, will the Senator from Pennsylvania yield to me in order that I may ask a question about another matter?

Mr. REED of Pennsylvania. I yield.

Mr. McKELLAR. I desire to ask a question in reference to the first matter which the Senator discussed. A constituent of mine from Nashville, Tenn., who was an officer in the Army and served in France, was stricken with paralysis agitans in 1921. The department has ruled against him every time, though, apparently, so far as I can determine, there is no other reason in the world except his war service for his trouble. I have known the man practically all my life. He was a splendid specimen of manhood, a man about 40 years old, I imagine, at the time he went into the Army. I am wondering whether in a worthy case of that kind, where a man is absolutely down and out and unable to do anything, there is any provision in this bill affording relief, or does the provision on page 27 relative to neuropsychiatric diseases cover that, in the opinion of the Senator?

Mr. REED of Pennsylvania. It should cover that, for paralysis agitans is entirely a psychiatric disease.

Mr. McKELLAR. The department has held, however, that it is purely a contagious or infectious disease that is contracted within a period of about two weeks—a most remarkable holding, as it seems to me. In a case which I know to be meritorious it seems to me that that man and others like him should have an opportunity to present their claims and not be barred by the statute. The bureau also holds that this man is barred because of the present statute.

Mr. REED of Pennsylvania. I fully agree with the Senator that if the disease was incurred while in the military service it is a matter for which the Government ought to compensate the soldier; and I should be glad to join with the Senator in looking into that particular case.

Mr. McKELLAR. I will undertake to-morrow to get the exact facts from the Veterans' Bureau and then submit an amendment. The Senator does not propose to vote on the bill this evening, does he?

Mr. REED of Pennsylvania. Not at all.

The reading clerk proceeded to read the bill.

The first amendment of the Committee on Finance was, on page 4, line 22, to reduce the annual salary of the Director of the United States Veterans' Bureau from "$12,000" to "$10,000."

Mr. REED of Pennsylvania. That is an amendment on which the committee was not wholly agreed, and I ask that it go over until the full committee is here.

The PRESIDENT pro tempore. The amendment will be passed over.

The next amendment of the Committee on Finance was, on page 5, line 1, after the word "prescribe," to strike out "to whom the director may delegate his powers to such extent as to him may seem advisable"; and in line 5, after "prescribe," to insert, "With such exceptions as the President may deem advisable, all employees shall be subject to the civil service law and regulations made thereunder," so as to read:

> There shall be included on the technical and administrative staff of the director such staff officers, experts, inspectors, and assistants as the director shall prescribe; and there shall be in the United States Veterans' Bureau such sections and subdivisions thereof as the director shall prescribe. With such exceptions as the President may deem advisable, all employees shall be subject to the civil service law and regulations made thereunder.

The amendment was agreed to.

The next amendment was, on page 5, after line 8, to strike out:

> That the bureau and its divisions shall have such deputies, assistants, actuaries, clerks, and other employees as may be from time to time provided by Congress. The director is authorized to establish an advisory board consisting of three members skilled in the practice of insurance against death or disability, for the purpose of assisting the division of military and naval insurance in fixing premium rates and in the adjustment of claims for losses under the contracts of insurance provided for in Title III and in adjusting claims for compensation under Title II, compensation for the persons so appointed to be determined by the director, but not to exceed $20 a day each while actually employed.

The amendment was agreed to.

The next amendment was, on page 6, line 2, after the word "act," to insert, "and all decisions of questions of fact affecting any claimant to the benefits of Titles II, III, or IV of this act shall be conclusive"; and in line 5, after the word "herein,"

to insert, "all officers and employees of the bureau shall perform such duties as may be assigned them by the director. All official acts performed by such officers or employees specially designated therefor by the director shall have the same force and effect as though performed by the director in person," so as to read:

SEC. 5. The director, subject to the general direction of the President, shall administer, execute, and enforce the provisions of this act, and for that purpose shall have full power and authority to make rules and regulations, not inconsistent with the provisions of this act, which are necessary or appropriate to carry out its purposes, and shall decide all questions arising under this act and all decisions of questions of fact affecting any claimant to the benefits of Titles II, III, or IV of this act shall be conclusive except as otherwise provided herein. All officers and employees of the bureau shall perform such duties as may be assigned them by the director. All official acts performed by such officers or employees specially designated therefor by the director shall have the same force and effect as though performed by the director in person. Wherever under any provision or provisions of the act regulations are directed or authorized to be made such regulations, unless the context otherwise requires, shall or may be made by the director. The director shall adopt reasonable and proper rules to govern the procedure of the divisions and to regulate and provide for the nature and extent of the proofs and evidence and the method of taking and furnishing the same in order to establish the right to benefits of allowance, allotment, compensation, or insurance provided for in this act, the forms of application of those claiming to be entitled to such benefits, the methods of making investigations and medical examinations, and the manner and form of adjudications and awards.

The amendment was agreed to.

The next amendment was, on page 6, line 24, after the word "duty," to strike out: "to provide such facilities, instructors, and courses as may be necessary to insure the proper training for such persons as are required to follow such courses as herein provided; to prescribe the courses to be followed by such persons; to pay, when in the discretion of the bureau such payment is necessary, the expense of travel, lodging, subsistence, and other necessary expenses of such persons while following the prescribed courses; to do all things necessary to insure vocational rehabilitation"; and on page 7, line 8, after the word "occupations," to insert "The test of rehabilitation shall be employability," so as to read:

SEC. 6. That the bureau shall have the power, and it shall be its duty, to provide for the placement of rehabilitated persons in suitable or gainful occupations. The test for rehabilitation shall be employability. The director is authorized and directed to utilize, with the approval of the Secretary of Labor, the facilities of the Department of Labor, in so far as may be practicable, in the placement of rehabilitated persons in suitable or gainful occupations.

The amendment was agreed to.

The next amendment was, on page 7, after line 13, to strike out:

SEC. 7. That it shall also be the duty of the bureau to make or cause to have made studies, investigations, and reports regarding the vocational rehabilitation of disabled persons and their placement in suitable or gainful occupations.

The amendment was agreed to.

The next amendment was, on page 7, line 19, to change the section number from 8 to 7.

The amendment was agreed to.

The next amendment was, on page 8, line 17, to change the section number from 9 to 8.

The amendment was agreed to.

The next amendment was, on page 9, line 19, after the word "such," to strike out "claims," and to insert "claims, to investigate frauds on or attempts to defraud the Government, or the irregularity or misconduct of any officer or agent of the bureau"; and in line 25, after the word "act," to strike out "Nothing in this section shall be construed to authorize a travel allowance to clerks or persons for transportation or subsistence outside of the district in which they are employed," so as to read:

For the purpose of this act, the director is authorized to detail from time to time clerks or persons employed in the bureau to make examinations into the merits of compensation and insurance claims, whether pending or adjudicated, as he may deem proper, and to aid in the preparation, presentation, or examination of such claims, to investigate frauds on or attempts to defraud the Government, or the irregularity or misconduct of any officer or agent of the bureau; and any such person so detailed shall have power to administer oaths, take affidavits, and certify to the correctness of the papers and documents pertaining to the administration of this act.

The amendment was argeed to.

The next amendment was, on page 10, line 4, to change the section number from 10 to 9; in the same line after the word "assistants" to strike out "authorized to be"; in line 7, after the word "give," to strike out "all necessary," and to insert "such"; in the same line, after the word "render," to strike out "all," and to insert "such," and in line 8, after the word "services," to strike out "upon the request of," and to insert "as may be requested by," so as to make the paragraph read:

SEC. 9. In addition to the legal assistant employed by the bureau, the officers of the Department of Justice, under the direction of the Attorney General, shall give such opinions and render such necessary legal services as may be requested by the director.

Mr. REED of Pennsylvania. Mr. President, in paragraph 9 the committee favors an amendment which was requested by the Department of Justice, and I should like to present it at this point. I offer an amendment so as to make paragraph 9 read as follows:

In addition to the services of the legal assistants employed by the bureau, the director may require the opinion of the Attorney General on any questions of law arising in the administration of the bureau.

The purpose of this amendment is to make the relations of the Veterans' Bureau with the Department of Justice the same as those which now exist in all of the departments, which by the Revised Statutes are given precisely the authority proposed to be given by this amendment.

Mr. McKELLAR. Mr. President, is that a committee amendment?

Mr. REED of Pennsylvania. It is an amendment approved by the members of the committee, including the Senator from Massachusetts [Mr. WALSH].

Mr. WALSH of Massachusetts. The only difference between the amendment printed in the bill and the amendment offered by the Senator from Pennsylvania is that the amendment in the bill gives the Veterans' Bureau authority to call upon the Department of Justice for legal services, while the amendment offered by the committee simply gives them authority to call for the opinion of the Attorney General.

Mr. REED of Pennsylvania. Yes; that is correct.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Pennsylvania to the amendment of the committee.

The amendment to the amendment was agreed.

The amendment as amended was agreed to.

The reading of the bill was resumed.

The next amendment of the Committee on Finance was, on page 10, line 10, to change the section number from 11 to 10.

The amendment was agreed to.

The next amendment was, on page 12, after line 13, to strike out "The President is hereby authorized, should he deem it necessary and advisable for the proper medical care and treatment of beneficiaries under this act, to transfer to the director the operation, management, and control of specifically designated hospitals now under the jurisdiction of the Public Health Service. Such hospitals when transferred shall be used exclusively for beneficiaries under this act and shall be under the operative control of the director for such period of time as the President may prescribe," and in lieu thereof to insert:

There are hereby permanently transferred to the Veterans' Bureau all hospitals now or formerly under the jurisdiction of the Public Health Service, the operation, management, and control of which have heretofore been transferred by the President to said bureau pursuant to the authority contained in section 9 of the act entitled "An act to establish a Veterans' Bureau and to improve the facilities and service of such bureau and further to amend and modify the war risk insurance act, approved August 9, 1921."

The amendment was agreed to.

The next amendment was, on page 13, line 7, to change the section number from 12 to 11.

The amendment was agreed to.

The next amendment was, on page 13, line 21, to change the section number from 13 to 12.

The amendment was agreed to.

The next amendment was, on page 14, line 10, to change the section number from 14 to 13.

The amendment was agreed to.

The next amendment was, on page 14, line 19, to change the section number from 15 to 14.

The amendment was agreed to.

The next amendment was, on page 14, after line 21, to strike out:

SEC. 16. That the director shall submit annually to the Bureau of the Budget estimates of the appropriations necessary for the work of the bureau.

The amendment was agreed to.

The next amendment was, at the top of page 15, to strike out:

SEC. 17. Complete individual record of each beneficiary shall be kept by the bureau.

The amendment was agreed to.

The next amendment was, on page 15, line 3, to change the section number from 18 to 15.

The amendment was agreed to.

The next amendment was, on page 15, line 19, to change the section number from 19 to 16; on page 16, at the beginning of line 9, to strike out "in the Court of Claims or," and in line 10, after the name "United States," to insert "or in the Supreme Court of the District of Columbia," so as to read:

SEC. 16. All sums heretofore appropriated for the military and naval insurance appropriation and all premiums collected for the yearly renewable term insurance provided by the provisions of Title III deposited and covered into the Treasury to the credit of this appropriation, shall, where unexpended, be made available for the bureau. All premiums that may hereafter be collected for the yearly renewable term insurance provided by the provisions of Title III hereof shall be deposited and covered into the Treasury for the credit of this appropriation. Such sum, including all premium payments, is made available for the payment of the liabilities of the United States incurred under contracts of yearly renewable term insurance made under the provisions of Title III, including such liabilities as shall have been or shall hereafter be reduced to judgment in a district court of the United States or in the Supreme Court of the District of Columbia. Payments from this appropriation shall be made upon and in accordance with the awards by the director.

The amendment was agreed to.

The next amendment was, on page 16, line 13, to change the section number from 20 to 17; in line 20, after the word "judgment," to strike out "in the Court of Claims or," and in line 21, after the name "United States," to insert "or in the Supreme Court of the District of Columbia," so as to read:

SEC. 17. That all premiums paid on account of insurance converted under the provisions of Title III hereof shall be deposited and covered into the Treasury to the credit of the United States Government life insurance fund and shall be available for the payment of losses, dividends, refunds, and other benefits provided for under such insurance, including such liabilities as shall have been or shall hereafter be reduced to judgment in a district court of the United States or in the Supreme Court of the District of Columbia. Payments from this fund shall be made upon and in accordance with awards by the director.

The amendment was agreed to.

The next amendment was, on page 17, line 9, to change the section number from 21 to 18.

The amendment was agreed to.

The next amendment was, on page 17, after line 15, to strike out:

SEC. 22. That all commissioned personnel detailed or hereafter detailed from the United States Public Health Service to the bureau shall hold the same rank and grade, shall receive the same pay and allowances, and shall be subject to the same rules for relative rank and promotion as now or hereafter may be provided by law for commissioned personnel of the same rank or grade or performing the same or similar duties in the United States Public Health Service.

The amendment was agreed to.

The next amendment was, on page 17, line 24, to change the section number from 23 to 19; in the same line, after the word "attorney" to insert "except the recognized representatives of the American Red Cross, the American Legion, the Disabled American Veterans, and the Veterans of Foreign Wars"; in line 8, after the name "United States," to strike out "either in the Court of Claims or," and to insert "either in the Supreme Court of the District of Columbia or"; and in line 20, after the word "paid," to insert "All persons having or claiming to have an interest in such insurance may be made parties to said suit, and such as are not inhabitants of or found within the district in which suit is brought may be brought in by order of the court to be served personally or by publication as the court may direct. The procedure in such suits shall otherwise be the same as that provided for suits in the district courts by the act entitled, 'An act providing for the bringing of suits against the United States,' approved March 3, 1887, as amended." so as to make the section read:

SEC. 19. That no claim agent or attorney except the recognized representatives of the American Red Cross, the American Legion, the Disabled American Veterans, and the Veterans of Foreign Wars shall be recognized in the presentation or adjudication of claims under Titles II, III, and IV, except that in the event of disagreement as to claim under a contract of insurance between the bureau and any beneficiary or beneficiaries thereunder an action on the claim may be brought against the United States either in the Supreme Court of the District of Columbia or in the district court of the United States in and for the district in which such beneficiaries or any one of them resides, and that whenever judgment shall be rendered in an action brought pursuant to this provision, the court, as part of its judgment, shall determine and allow such reasonable attorney's fees, not to exceed 5 per cent of the amount recovered, to be paid by the claimant in behalf of whom such proceedings were instituted to his attorney, said fee to be paid out of the payments to be made to the beneficiary under the judgment rendered at a rate not exceeding one-tenth of each of such payments until paid. All persons having or claiming to have an interest in such insurance may be made parties to said suit, and such as are not inhabitants of or found within the district in which suit is brought may be brought in by order of the court to be served personally or by publication as the court may direct. The procedure in such suits shall otherwise be the same as that provided for suits in the district courts by the act entitled, "An act providing for the bringing of suits against the United States," approved March 3, 1887, as amended.

The amendment was agreed to.

The next amendment was, on page 19, line 4, to change the section number from "24" to "20."

The amendment was agreed to.

The next amendment was, on page 19, line 8, to change the section number from 25 to 21; in line 12, after the word "payment," to strike out "shall" and to insert "may," and in line 14, after the words "by the," to insert "laws," so as to read:

SEC. 21. That where any payment under this act is to be made to a minor, other than a person in the military or naval forces of the United States, or to a person mentally incompetent, or under other legal disability adjudged by a court of competent jurisdiction, such payment may be made to the person who is constituted guardian, curator, or conservator by the laws of the State or residence of claimant, or is otherwise legally vested with responsibility or care of the claimant or his estate, etc.

The amendment was agreed to.

The next amendment was, on page 20, line 7, to change the section number from 26 to 22.

The amendment was agreed to.

The next amendment was, on page 20, line 23, to change the section number from 27 to 23.

The amendment was agreed to.

The next amendment was, on page 22, line 7, to change the section number from 28 to 24.

The amendment was agreed to.

The next amendment was, on page 22, line 21, to change the section number from 29 to 25.

The amendment was agreed to.

The next amendment was, on page 23, line 10, to change the section number from 30 to 26.

The amendment was agreed to.

The next amendment was, on page 23, after line 21, to insert a new section, as follows:

SEC. 27. That all payments of compensation and insurance heretofore made pursuant to a regulation permitting permanent and total disability to be presumed from hospitalization or ratings of less than permanent total disability shall be deemed valid and no recovery thereof shall be made: *Provided*, That nothing herein shall operate to validate insurance not in force on the date of award thereof was approved, except where premiums have been thereafter accepted.

The amendment was agreed to.

The next amendment was, on page 24, after line 4, to insert a new section, as follows:

SEC. 28. There shall be no recovery of payments from any beneficiary, who, in the judgment of the director, is without fault on his part, and where, in the judgment of the director, such recovery would defeat the purpose of benefits otherwise authorized or would be against equity and good conscience.

The amendment was agreed to.

The next amendment was, on page 24, after line 10, to insert a new section, as follows:

SEC. 29. The director is authorized, in his discretion, to sell, lease, or exchange surplus equipment, supplies, products, or waste materials belonging to the bureau or any of its plants or institutions; and to lease for a term, not exceeding three years, lands or buildings, or parts or parcels thereof, belonging to the United States and under the control of the bureau. The net proceeds of all such sales, leases, or exchanges shall be covered into the Treasury of the United States to the credit of the appropriation from or on account of which the subject of such sale, lease, or exchange was purchased or is maintained to be available for the purpose of such appropriation.

The amendment was agreed to.

The next amendment was, on page 24, after line 22, to insert a new section as follows:

SEC. 30. That all files, records, reports, and other papers and documents pertaining to any claim for the benefits of this act, whether pending or adjudicated, shall be deemed confidential and privileged, and no disclosure thereof shall be made except as follows:

(a) To a claimant or his duly authorized representative, as to matters concerning himself alone, when in the judgment of the director such disclosure would not be injurious to the physical or mental health of the claimant;

(b) Where required by the process of a United States court to be produced in any suit or proceeding therein pending; or when such production is deemed by the director to be necessary in any suit or proceeding brought under the provisions of this act;

(c) In all proceedings in the nature of an inquest into the mental competency of a claimant, and in all other judicial proceedings, when in the judgment of the director such disclosure is deemed necessary and proper;

(d) The amount of compensation or training allowance of any beneficiary shall be made known to any person who applies for such information.

Wherever the production of a file, record, report, or other document is required or permitted by this section a certified copy thereof may be produced in lieu of the original, and such certified copy shall be received in evidence with like force and effect as the original.

The amendment was agreed to.

The next amendment was, under the heading "Title II.—Compensation and treatment," on page 25, line 26, after the words "in the," to strike out "line of duty" and insert "military service"; on page 26, line 2, after the word "aggravation," to insert "or recurrence"; in line 5, after the word "in," to insert "or such recurrence was caused by,"; in the same line, after the word "the," to strike out "line of duty" and to insert "military service"; in line 16, after the word "disease," to strike out "or"; in the same line, after the word "aggravation," to insert "or recurrence"; on page 27, line 7, after the words "have had," to strike out "within three years after separation from the active military or naval service of the United States" and to insert "prior to January 1, 1924"; in line 10, before the word "an," to strike out "or"; in the same line, after the word "disease," to insert "or encephalitis lethargica"; in line 13, after the words "shall be," to strike out "considered" and to insert "conclusively presumed"; in line 14, after the word "service," to insert "between April 6, 1917, and July 2, 1921"; in line 16, after the word "neuropsychiatric," to strike out "disease" and to insert "disease"; in line 17, before the word "tuberculosis," to strike out "or"; in the same line, before the word "in," to insert "or encephalitis lethargica"; in line 18, before the word "but," to insert "between said dates"; in line 23, after "of this act," to strike out "at a date more than three years after separation from such service," and to insert "on or subsequent to January 1, 1924"; and on page 28, line 1, after the word "claim," to strike out the colon and the following proviso: "*And provided further*, That compensation as hereinafter provided may be paid for disability resulting from personal injury or disease contracted in line of duty prior to April 6, 1917, or for aggravation of a disability existing prior to examination, acceptance, and enrollment for service for such aggravation suffered and contracted in line of duty prior to April 6, 1917, by any member of the military or naval forces in active service on April 6, 1917, who was discharged subsequent to April 6, 1917. With the exception of members of the military and naval forces whose injury was suffered or disease contracted prior to April 6, 1917, this section shall be deemed to be in effect as of April 6, 1917," so as to read:

TITLE II.—COMPENSATION AND TREATMENT

SEC. 200. For death or disability resulting from personal injury suffered or disease contracted in the military service on or after April 6, 1917, and before July 2, 1921, or for an aggravation or recurrence of a disability existing prior to examination, acceptance, and enrollment for service, when such aggravation was suffered and contracted in, or such recurrence was caused by, the military service on or after April 6, 1917, and before July 2, 1921, by any commissioned officer or enlisted man, or by any member of the Army Nurse Corps (female) or of the Navy Nurse Corps (female) when employed in the active service under the War Department or Navy Department, the United States shall pay to such commissioned officer or enlisted man, member of the Army Nurse Corps (female) or of the Navy Nurse Corps (female), or, in the discretion of the director, separately to his or her dependents, compensation as hereinafter provided; but no compensation shall be paid if the injury, disease, aggravation, or recurrence has been caused by his own willful misconduct. That for the purposes of this section every such officer, enlisted man, or other member employed in the active service under the War Department or Navy Department who was discharged or who resigned prior to July 2, 1921, and every such officer, enlisted man, or other member employed in the active service under the War Department or Navy Department on or before November 11, 1918, who on or after July 2, 1921, is discharged or resigns, shall be conclusively held and taken to have been in sound condition when examined, accepted, and enrolled for service, except as to defects, disorders, or infirmities made of record in any manner by proper authorities of the United States at the time of, or prior to, inception of active service, to the extent to which any such defect, disorder, or infirmity was so made of record: *Provided*, That an ex-service man who is shown to have or, if deceased, to have had, prior to January 1, 1924, a neuropsychiatric disease, an active tuberculous disease, or encephalitis lethargica developing a 10 per cent degree of disability or more in accordance with the provisions of subdivision (4) of section 202 of this act shall be conclusively presumed to have acquired his disability in such service between April 6, 1917, and July 2, 1921, or to have suffered an aggravation of a preexisting neuropsychiatric disease, tuberculosis, or encephalitis lethargica in such service between said dates, but nothing in this proviso shall be construed to prevent a claimant from receiving the benefits of compensation and medical care and treatment for a disability due to these diseases of more than 10 per cent degree (in accordance with the provisions of subdivision (4), section 202, of this act) on or subsequent to January 1, 1924, if the facts of the case substantiate his claim.

The amendment was agreed to.

The next amendment was, on page 29, at the beginning of line 5, to strike out "$76" and to insert "$75," so as to read:

SEC. 201. That if death results from injury—

If the deceased leaves a widow or child, or if he leaves a mother or father either or both dependent upon him for support, the monthly compensation shall be the following amounts:

(a) If there is a widow but no child, $25.

(b) If there is a widow and one child, $35, with $5 for each additional child.

(c) If there is no widow, but one child, $20.

(d) If there is no widow, but two children, $30.

(e) If there is no widow, but three children, $40, with $5 for each additional child.

(f) If there is a dependent mother (or dependent father), $20, or both, $30. The amount payable under this subdivision shall not exceed the difference between the total amount payable to the widow and children and the sum of $75. Such compensation shall be payable whether the dependency of the father or mother, or both, arises before or after the death of the person, but no compensation shall be payable if the dependency arises more than five years after the death of the person.

The amendment was agreed to.

The next amendment was, on page 31, after line 6, to strike out:

(7) That this section shall be deemed to be in effect as of April 6, 1917: *Provided, however*, That before compensation thereunder shall be paid there shall first be deducted from said sum so to be paid the amount of any payments such person may have received by way of gratuities or payments under pension laws in force and existence between April 6, 1917, and October 6, 1917: *And provided further*, That no changes in rates of compensation made by this act shall be retroactive in effect.

The amendment was agreed to.

The next amendment was, on page 31, after line 15, to insert:

(7) That this section shall be deemed to be in effect as of April 6, 1917: *Provided, however*, That the receipt of a gratuity, pension, or compensation by widow or parent on account of the death of any person shall not bar the payment of compensation on account of the death of any other person: *Provided*, That before compensation under this section shall be paid there shall first be deducted from said sum so to be paid the amount of any payments made under any other law on ac-

count of the death or disability of the same person: *Provided further*, That no changes in rates or compensation made by this act shall be retroactive in effect.

The amendment was agreed to.

The next amendment was, on page 32, line 6, after the word "amounts," to strike out the colon and to insert a comma and the following words: "payable monthly or semimonthly, as the director may prescribe," so as to read:

SEC. 202. That if disability results from the injury—

(1) If and while the disability is rated as total and temporary, the monthly compensation shall be the following amounts, payable monthly or semimonthly, as the director may prescribe.

The amendment was agreed to.

The next amendment was, on page 33, line 6, after the words "one eye," to insert "or the loss of hearing of both ears"; in line 7, after the word "becoming," to insert "permanently"; and in the same line, after the word "helpless," to strike out "and" and to insert "or," so as to read:

(3) If and while the disability is rated as total and permanent, the rate of compensation shall be $100 per month: *Provided, however*, That the permanent loss of the use of both feet or both hands, or of both eyes, or of one foot and one hand, or of one foot and one eye, or of one hand and one eye, or the loss of hearing of both ears, or becoming permanently helpless or permanently bedridden shall be deemed to be total, permanent disability: *Provided further*, That for double, total, permanent disability the rate of compensation shall be $200 per month.

The amendment was agreed to.

The next amendment was, on page 35, line 10, after the words "six months in a," to strike out "neuropathic" and to insert "neuropsychiatric;" in line 11, after the word "hospitals," to insert "and shall be deemed by the director to be permanently insane"; in line 14, after the words "bureau in a," to strike out "neuropathic" and to insert "neuropsychiatric"; and in line 17, after the word "patient" to insert a colon and the following proviso: "*Provided, however*, That if such patient shall recover his reason and shall be discharged from such hospital as cured, an additional amount of $60 per month shall be paid to him for each month the rate of compensation was reduced as provided by this subdivision." so as to make the paragraph read:

(7) Where any disabled person having neither wife, child, nor dependent parent shall, after July 1, 1924, have been maintained by the bureau for a period or periods amounting to six months in a neuropsychiatric hospital or hospitals, and shall be deemed by the director to be permanently insane, the compensation for such person shall thereafter be $20 per month so long as he shall thereafter be maintained by the bureau in a neuropsychiatric hospital or hospitals; and such compensation may, in the discretion of the director, be paid to the chief officer of said hospital to be used for the benefit of such patient: *Provided, however*, That if such patient shall recover his reason and shall be discharged from such hospital as cured, an additional amount of $60 per month shall be paid to him for each month the rate of compensation was reduced as provided by this subdivision.

The amendment was agreed to.

The next amendment was, on page 35, after line 22, to insert:

The compensation of any inmate of an asylum or hospital for the insane, or any part thereof, may, in the discretion of the director, be paid to the chief officer of said asylum or hospital to be used for the benefit of such inmate.

The amendment was agreed to.

The next amendment was, on page 36, after line 2, to insert:

After June 30, 1927, the monthly rate of compensation for all veterans (other than those totally and permanently disabled), who are being maintained by the bureau in a hospital of any description and who are without wife, child, or dependent parent, shall not exceed $40.

The amendment was agreed to.

The next amendment was, on page 36, line 16, after the word "compensation," to insert "and in case the director shall find that by gross dissipation he is retarding his own progress to recovery, then"; in line 19, after the words "case of," to strike out "neuropathic" and to insert "neuropsychiatric"; in line 20, after the words "terms of," to insert "the first paragraph of"; and in line 22, after the word "compensation," to strike out "may" and to insert "shall," so as to read:

(8) The director shall prescribe by regulation the conditions and limitations whereby all patients or beneficiaries of the bureau who are receiving treatment through the bureau as patients in a hospital may allot any proportion or proportions or any fixed amount or amounts of their monthly compensation for such purposes and for the benefit of such person or persons as they may direct.

In case such patient has not allotted three-fourths of his monthly compensation and in case the director shall find that by gross dissipation he is retarding his own progress to recovery, then regulations to be made by the director may provide that (except in the case of neuropsychiatric patients who are within the terms of the first paragraph of subdivision (7) hereof) any unallotted portion of such three-fourths compensation shall be deposited to the patient's credit with the Treasurer of the United States, to accumulate at such rate of interest as the Secretary of the Treasury may determine but at a rate never less than 3½ per cent per annum, and when such patient shall be discharged by the bureau from hospital care, the said deposit and interest shall be paid to such patient if living, otherwise to any beneficiary or beneficiaries he may have designated, or if there be no such beneficiary, then to the executor or administrator of the estate of such deceased person, etc.

The amendment was agreed to.

The next amendment was, on page 38, line 16, after the word "diseases," to insert "encephalitis lethargica or the loss of sight of both eyes"; and in line 20, after the word "act" and the period, to insert "The director is further authorized, so far as he shall find that existing Government facilities permit, to furnish hospitalization and necessary traveling expenses to honorably discharged veterans of any war, military occupation, or military expedition since 1897, without regard to the nature or origin of their disabilities, if such veterans have no adequate means of support, and by reason of their disability are incapable of earning their living," so as to read:

(10) That all hospital facilities under the control and jurisdiction of the bureau shall be available for every honorably discharged veteran of the Spanish-American War, the Philippine insurrection, the Boxer rebellion, or the World War suffering from neuropsychiatric or tubercular ailments and diseases, encephalitis lethargica or the loss of sight of both eyes regardless whether such ailments or diseases are due to military service or otherwise, including traveling expenses as granted to those receiving compensation and hospitalization under this act. The director is further authorized, so far as he shall find that existing Government facilities permit, to furnish hospitalization and necessary traveling expenses to honorably discharged veterans of any war, military occupation, or military expedition since 1897, without regard to the nature or origin of their disabilities, if such veterans have no adequate means of support, and by reason of their disability are incapable of earning their living.

The amendment was agreed to.

The next amendment was, on page 39, after line 2, to insert:

Any veteran mentioned in this subdivision who is not then receiving any other pension, gratuity, compensation, or training allowance shall be paid by the bureau a monthly allowance of $10 while in such hospital.

The amendment was agreed to.

The next amendment was, on page 39, line 13, after the word "treatment," to strike out "either by allowing the patients to retain the same or by selling the articles and depositing the money received to the credit of the appropriation from which materials for making the articles were purchased" and to insert "or to allow the patients to sell or to retain such articles," so as to read:

(11) The director shall have the same power, and shall be subject to the same limitations, in the sale of surplus or condemned supplies, material, and other personal property as now pertains to the Secretary of War. The director is authorized to make regulations governing the disposal of articles produced by patients of such bureau in the course of their curative treatment, or to allow the patients to sell or to retain such articles.

The amendment was agreed to.

The next amendment was, on page 41, line 7, after the word "pension," to insert a comma and the following words, "except as provided in subdivision 7 of section 201," so as to read:

(15) That any person who is now receiving a gratuity or pension from the United States under existing law shall not receive compensation under this section unless he shall first surrender all claim to further payments of such gratuity or pension, except as provided in subdivision 7 of section 201.

The amendment was agreed to.

The next amendment was, on page 41, line 20, after "(17)," to strike out "That this section shall be deemed to be in effect as of April 6, 1917: *Provided*," so as to read:

That no changes in rates of compensation made by this act shall be retroactive in effect.

The amendment was agreed to.

The next amendment was, on page 43, line 10, after the word "retroactive," to insert a comma and the following words: "and no reduction or discontinuance of compensation shall be effective until the first day of the second calendar month next succeeding that in which such reduction or discontinuance is determined," so as to read:

SEC. 205. Upon its own motion or upon application the bureau may at any time review an award and, in accordance with the facts found upon such review, may end, diminish, or increase the compensation previously awarded, or, if compensation is increased, or if compensation has been refused, reduced, or discontinued, may (subject to the provisions of section 210 hereof) award compensation in proportion to the degree of disability sustained as of the date such degree of disability began, but not earlier than the date of discharge or resignation. Except in cases of fraud participated in by the beneficiary, no reduction in compensation shall be made retroactive, and no reduction or discontinuance of compensation shall be effective until the first day of the second calendar month next succeeding that in which such reduction or discontinuance is determined.

The amendment was agreed to.

The next amendment was, on page 44, line 12, after the word "enemy" and the period, to insert "A dismissal or discharge by sentence of court-martial from the service shall bar and terminate all rights to any compensation under the provisions of this article for the period of service from which such discharge is given," so as to read:

SEC. 208. That no compensation shall be payable for death inflicted as a lawful punishment for crime or military offense except when inflicted by the enemy. A dismissal or discharge by sentence of court-martial from the service shall bar and terminate all right to any compensation under the provisions of this article for the period of service from which such discharge is given.

The amendment was agreed to.

The next amendment was, on page 45, line 13, after the word "therefor," to strike out the comma and the word "except," so as to read:

SEC. 210. That no compensation shall be payable for any period more than one year prior to the date of claim therefor, nor shall increased compensation be awarded to revert back more than six months prior to the date of claim therefor. Except in case of fraud participated in by the beneficiary, no reduction in compensation shall be made retroactive.

The amendment was agreed to.

The next amendment was, on page 45, line 16, after "Sec. 211," to strike out "That compensation under this title shall not be paid while the person is in receipt of active service or retirement pay," so as to read:

SEC. 211. Compensation because of disability or death of members of the Army Nurse Corps (female) or of the Navy Nurse Corps (female) shall be in lieu of any compensation for such disability or death under the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916.

The amendment was agreed to.

The next amendment was, on page 46, line 7, after the word "applicable," to insert a colon and the following: "*Provided, however,* That the laws relating to the retirement of persons in the regular military or naval service shall not be considered to be laws providing for pensions, gratuities, or payments within the meaning of this section: *And provided further,* That compensation under this title shall not be paid while the person is in receipt of active service or retirement pay," so as to make the section read:

SEC. 212. This act is intended to provide a system for the relief of persons who were disabled, and for the dependents of those who died as a result of disability suffered in the military service of the United States between April 6, 1917, and July 2, 1921. For such disabilities and deaths no other pension laws or laws providing for gratuities or payments in the event of death shall be applicable: *Provided, however,* That the laws relating to the retirement of persons in the regular military or naval service shall not be considered to be laws providing for pensions, gratuities, or payments within the meaning of this section: *And provided further,* That compensation under this title shall not be paid while the person is in receipt of active service or retirement pay. Titles II and IV of this act shall not be applicable to any disability or resultant death in the service if such disability occurred as a result of service prior to April 6, 1917, or after July 2, 1921.

The amendment was agreed to.

The next amendment was, on page 46, after line 17, to strike out:

SEC. 213. (1) That if an injury or death for which compensation is payable under this article is caused under circumstances creating a legal liability upon some person other than the United States or the enemy to pay damages therefor, the director, as a condition to payment of compensation by the United States, may require the beneficiary to assign to the United States any right of action he may have to enforce such liability of such other person; or if it appears to be for the best interests of the beneficiary, the director may require him to prosecute the said action in his own name, subject to regulations. The director may require such assignment or prosecution at any time after the injury or death, and the failure on the part of the beneficiary to so assign or to prosecute said cause of action in his own name within a reasonable time, to be fixed by the director, shall bar any right to compensation on account of the same injury or death. The cause of action so assigned to the United States may be prosecuted or compromised by the director, and any money realized or collected thereon, less the reasonable expenses of such realization or collection, shall be placed to the credit of the military and naval compensation appropriation. If the amount placed to the credit of such appropriation in such case is in excess of the amount of the award of compensation, if any, such excess shall be paid to the beneficiary after any compensation award for the same injury or death is made.

If a beneficiary or conditional beneficiary shall have recovered, as a result of a suit brought by him or on his behalf, or as a result of a settlement made by him or on his behalf, any money or other property in satisfaction of the liability of such other person, such money or other property so recovered shall be credited upon any compensation payable, or which may become payable, to such beneficiary or conditional beneficiary by the United States on account of the same injury or death.

(2) The bureau is hereby authorized to pay the beneficiary or other person or persons in whose name an action may have been commenced or prosecuted and to all witnesses in such action fees and mileage the same as is now paid and allowed to witnesses in the United States courts in going to, remaining at, and returning from place of trial and without any regard to whether the action, if any, is brought or prosecuted in a court of the United States or some other court.

In all cases of assignment of causes of action under this section, whether the assignment be heretofore or hereafter made, where it shall appear to the director to be to the best interests of the beneficiary so to do, the director, acting for and in the name of the United States, may assign the cause of action back to the beneficiary or to his personal representatives.

(3) The bureau shall make all necessary regulations for carrying out the purposes of this section. For the purpose of computation only under this section the total amount of compensation due any beneficiary shall be deemed to be equivalent to a lump sum equal to the present value of all future payments of compensation computed as of the date of the award of compensation at 4 per cent true discount, compounded annually. The probability of the beneficiary's death before the expiration of the period during which he is entitled to compensation shall be determined according to the American Experience Table of Mortality.

A conditional beneficiary is any person who may become entitled to compensation under this article on or after the death of the injured person.

Nothing in this section shall be construed to impose any administrative duties upon the War or Navy Departments.

The amendment was agreed to.

The next amendment was, on page 49, after line 9, to insert:

SEC. 213. That where any beneficiary of this bureau suffers or has suffered an injury or an aggravation of an existing injury as the result of training, hospitalization, or medical or surgical treatment, awarded to him by the director and not the result of his misconduct, and such injury or aggravation of an existing injury results in additional disability to or the death of such beneficiary, the benefits of this article shall be awarded in the same manner as though such disability, aggravation, or death was the result of military service during the World War. The benefits of this section shall be in lieu of the benefits under the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916; and from any payments due hereunder shall be deducted all amounts paid by any person other than United States as damages or compensation for such injury, aggravation, or death: *Provided,* That application be made for such benefits within one year after such injury or aggravation was suffered or such death occurred or after the passage of this act or whichever is the latest date.

The amendment was agreed to.

The next amendment was, on page 50, after the word "resignation," to insert a colon and the following:

Provided, That application for insurance must be made by cadets of the United States Military Academy and midshipmen of the United States Naval Academy within 120 days after admission to such

academy or 120 days after the approval of this act, whichever is the later date.

The insurance shall be payable only to a spouse, child, grandchild, parent, brother, sister, uncle, aunt, nephew, niece, brother-in-law or sister-in-law, or to any or all of them, and also during total and permanent disability to the injured person.

The United States shall bear the expenses of administration and the excess mortality and disability cost resulting from the hazards of war. The premium rates shall be the net rates based upon the American Experience Table of Mortality and interest at 3½ per cent per annum.

The amendment was agreed to.

The next amendment was, on page 54, line 5, after "Sec. 303," to strike out "If no person within the permitted class of beneficiaries survive the insured, then there shall be paid to the estate of the insured the monthly installments payable and applicable under the provisions of this title" and to insert "If no person within the permitted class of beneficiaries survive the insured, or if before the completion of payments the beneficiary or beneficiaries shall die and there be no surviving person within said permitted class, then there shall be paid to the estate of the insured the present value of the monthly installments thereafter payable under the provisions of this title commuted at 5 per cent interest with annual rests," so as to read:

SEC. 303. If no person within the permitted class of beneficiaries survive the insured, or if before the completion of payments the beneficiary or beneficiaries shall die and there be no surviving person within said permitted class, then there shall be paid to the estate of the insured the present value of the monthly installments thereafter payable under the provisions of this title commuted at 5 per cent interest with annual rests: *Provided*, That in cases where the estate of the insured would escheat under the laws of the place of his residence the insurance shall not be paid to the estate of the insured, but shall escheat to the United States and shall be credited to the United States Government life insurance fund or the military and naval insurance appropriation, as may be proper. This section shall be deemed to be in effect as of October 6, 1917.

The amendment was agreed to.

The next amendment was, at the top of page 56, to insert a new section as follows:

SEC. 305. Where any person has heretofore allowed his insurance to lapse while suffering from a compensable disability for which compensation was not collected and dies or has died, or becomes or has become permanently and totally disabled and at the time of such death or permanent total disability was or is entitled to compensation remaining uncollected, then and in that event so much of his insurance as said uncollected compensation, computed in all cases at the rate provided by section 302 of the war risk insurance act as amended December 24, 1919, would purchase if applied as premiums when due, shall not be considered as lapsed; and the United States Veterans' Bureau is hereby authorized and directed to pay to said soldier, or his beneficiaries as the case may be, the amount of said insurance less the unpaid premiums and interest thereon at 5 per cent per annum compounded annually in installments as provided by law.

The amendment was agreed to.

The next amendment was, on page 56, line 18, to change the section number from 305 to 306.

The amendment was agreed to.

The next amendment was, on page 58, line 22, after the word "premiums" to insert "and subject to the provisions of section 23," so as to read:

SEC. 306. All such policies of insurance heretofore or hereafter issued shall be incontestable after the insurance has been in force six months from the date of issuance or reinstatement, except for fraud or nonpayment of premiums and subject to the provisions of section 23.

The amendment was agreed to.

The next amendment was, on page 59, line 10, after the word "in," to strike out "line of duty" and to insert "the military service," so as to read:

SEC. 400. That every person who was enlisted, enrolled, drafted, inducted, or appointed in the military or naval forces of the United States, including members of training camps authorized by law, and who has resigned or has been discharged or furloughed therefrom, having a disability incurred, increased, or aggravated after April 6, 1917, and before July 2, 1921, in the military service and not the result of his own willful misconduct while a member of such forces or later developing a disability traceable in the opinion of the director to service during said period with such forces in line of duty and not the result of his own willful misconduct, and who, in the opinion of the director, is in need of vocational rehabilitation to overcome the handicap of such disability, shall be furnished by the bureau, where vocational rehabilitation is feasible, such course of vocational rehabilitation as the bureau shall prescribe and provide.

The amendment was agreed to.

The next amendment was, on page 60, line 6, after the words "be paid," to strike out "monthly"; and in line 7, after the word "bureau," to strike out "from the appropriation hereinafter provided," and to insert "monthly or semimonthly, as the director may prescribe," so as to read:

SEC. 401. The bureau shall have the power, and it shall be its duty until June 30, 1926, to furnish the persons included in section 400 hereof suitable courses of vocational rehabilitation, to be prescribed and provided by the bureau; and every person electing to follow such a course of vocational rehabilitation shall, while following the same, be paid by the bureau monthly or semimonthly, as the director may prescribe, such sum as in the judgment of the director is necessary for his maintenance and support and for the maintenance and support of persons depending upon him, if any.

The amendment was agreed to.

The next amendment was, on page 61, after line 16, to strike out:

Any trainee who shall suffer physical injury in and by reason of his vocational training shall receive compensation therefor in accordance with the terms of an act entitled, "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, and any amendments thereto.

The amendment was agreed to.

The next amendment was, on page 61, line 25, after the word "vocational," to strike out "rehabilitation," and to insert "training," so as to read:

SEC. 402. That until June 30, 1926, the courses of vocational training provided for under this act shall, as far as practicable, and under such conditions as the director may prescribe, be made available without cost for instruction for the benefit of any person who is disabled under circumstances entitling him, after discharge from the military or naval forces of the United States, to compensation under Title II hereof and who is not included in section 400 hereof.

The amendment was agreed to.

The next amendment was, on page 65, after line 6, to insert a new section, as follows:

SEC. 505. Every guardian, conservator, curator, or other person having charge and custody in a fiduciary capacity of the compensation or insurance of his ward, or any other benefits, payable to his ward by the bureau, who shall embezzle the same in violation of his trust, or fraudulently convert the same to his own use, shall be punished by fine not exceeding $2,000, or imprisonment at hard labor for a term not exceeding five years, or both, at the discretion of the court.

The amendment was agreed to.

The next amendment was, on page 66, at the beginning of line 17, to strike out "section" and insert "sections 313 and," so as to read:

(5) An act entitled "An act to amend an act entitled 'An act to authorize the establishment of a Bureau of War Risk Insurance in the Treasury Department,' approved September 2, 1914, and for other purposes," approved October 6, 1917; saving and excepting from repeal sections 313 and 314 of Article III of said act.

The amendment was agreed to.

The next amendment was, on page 67, after line 4, to strike out:

The incorporation in this codification of any general and permanent provision taken from an act making appropriations shall not repeal or in any way affect any appropriation contained in any of said acts, but the same shall remain in force.

The amendment was agreed to.

The next amendment was, on page 67, line 12, after the word "right," to strike out "accruing"; in the same line, before the word "accrued," to insert "liability"; in the same line, after the word "suit," to strike out "or proceeding had or"; in line 13, before the word "before," to strike out "in any civil cause"; and in line 14, before the word "rights," to insert "such," so as to read:

SEC. 602. The repeal of the several acts as provided in sections 600 and 601 hereof shall not affect any act done or any right or liability accrued or any suit commenced before the said repeal, but all such rights and liabilities under said acts shall continue and may be enforced in the same manner as if said repeal had not been made; nor shall said repeal in any manner affect the right to any office or change the term or tenure thereof.

The amendment was agreed to.

The next amendment was, on page 68, after line 6, to strike out:

SEC. 605. The arrangement and classification of the several sections of this codification have been made for the purpose of a more convenient and orderly arrangement of the same and therefore no inference or presumption of a legislative construction is to be drawn by reason of the title, chapter, or section heading under which any particular section is placed except where specifically provided.

The amendment was agreed to.

The next amendment was, on page 68, line 14, to change the section number from 606 to 605.

The amendment was agreed to.

Mr. REED of Pennsylvania. Mr. President, I ask unanimous consent that the Secretary be authorized to make all necessary corrections in paragraph and section numbering and lettering.

The PRESIDENT pro tempore. Without objection, the Secretary is authorized to make these changes in the relettering of paragraphs and the renumbering of sections.

Mr. REED of Pennsylvania. Mr. President, I have three small amendments agreed to by the committee but not shown in the draft of the calendar print.

First, on page 12, line 25, after the words "Public Health Service," I move to amend by inserting the words "or of the Treasury Department."

The PRESIDENT pro tempore. The amendment will be stated.

The READING CLERK. On page 12, line 25, in the committee amendment heretofore agreed to, after the words "Public Health Service," it is proposed to insert "or of the Treasury Department."

The PRESIDENT pro tempore. Without objection, the vote whereby the committee amendment was agreed to will be reconsidered. The question is on agreeing to the amendment to the committee amendment.

The amendment to the amendment was agreed to.

Mr. REED of Pennsylvania. On page 13, line 1, in the same committee amendment, I move to strike out the word "and" and insert the word "or."

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. REED of Pennsylvania. On page 45, line 4, I move to strike out "one year" and insert "two years."

The amendment was agreed to.

Mr. REED of Pennsylvania. On page 62, line 21, I move to strike out "1924" and insert "1925."

The amendment was agreed to.

Mr. REED of Pennsylvania. The committee amendments are now completed.

Mr. CURTIS. Mr. President, if that completes the committee amendments, I understand that there will not be a final vote on the bill to-night, and I therefore ask that the unanimous-consent agreement be carried out.

Mr. REED of Pennsylvania. There is only one committee amendment left, and that is the one relating to the salary of the director, which was passed over. I think it ought to be voted on by a full Senate; so I have no objection to the request of the Senator from Kansas.

RECESS

Mr. CURTIS. I move that the Senate take a recess, the recess being, under the unanimous-consent agreement, until 12 o'clock to-morrow.

The motion was agreed to; and (at 5 o'clock and 45 minutes p. m.) the Senate took a recess until to-morrow, Wednesday, April 30, 1924, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

TUESDAY, *April 29, 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:

In the blush of a new day, gracious Heavenly Father, Thou hast spoken unto us again. Thy mercy fills the earth with promise, which no sorrow can repress. It works for righteousness, it makes the just cause prevail, it secures moral progress and spiritual growth. We therefore say with reverent and grateful breath, "God is good." Glory be to Thy name, O Lord most high. Help our purposes and plans to develop into new deeds, and may Thy blessed Holy Spirit give direction to the whole day, through Jesus Christ our Lord. Amen.

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

DEFERRING PAYMENTS ON RECLAMATION CHARGES

Mr. SMITH of Idaho. Mr. Speaker, I call up the conference report on the bill (S. 1631) to authorize the deferring of payments on reclamation charges, and ask unanimous consent that the statement be read in lieu of the report.

The SPEAKER. The gentleman from Idaho calls up the conference report on the bill S. 1631, which the Clerk will report by title.

The Clerk read as follows:

Conference report on the bill (S. 1631) to authorize the deferring of payments on reclamation charges.

The SPEAKER. The gentleman from Idaho asks unanimous consent that the statement be read in lieu of the report. Is there objection?

There was no objection.

The statement accompanying the conference report was read.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1631) to authorize the deferring of payments of reclamation charges having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with amendments as follows:

In lieu of the matter inserted by the amendment of the House insert the following:

"That the Secretary of the Interior is hereby authorized and empowered, in his discretion, to defer the dates of payments of any charges, rentals, and penalties which have accrued prior to the 2d day of March, 1924, under the act of June 17, 1902 (32 Stat. L. p. 388), and amendatory and supplemental acts, or prior to that date as against water users on any irrigation project benefiting Indians or being constructed or operated and maintained under the direction of the Commissioner of Indian Affairs, as may, in his judgment, be necessary in or concerning any irrigation project now existing under said act: *Provided*, That no payment shall be deferred under this section in any particular case beyond March 1, 1927: *Provided*, That upon such adjustment being made, any penalties or interest which may have accrued in connection with such unpaid construction and operation and maintenance charges shall be canceled, and in lieu thereof the amount so due, and the payment of which is hereby extended, shall draw interest at the rate of 5 per cent per annum, paid annually from the time said amount became due to date of payment: *And provided further*, That in case the principal and interest herein provided for are not paid in the manner and at the time provided by this section, any penalty now provided by law shall thereupon attach from the date of such default.

"SEC. 2. That where an individual water user, or individual applicant for a water right under a Federal irrigation project constructed or being constructed under the act of June 17, 1902 (32 Stat. L. p. 388), or any act amendatory thereof or supplementary thereto, makes application prior to January 1, 1925, alleging that he will be unable to make the payments as required in section 1 hereof, the Secretary of the Interior is hereby authorized in his discretion prior to March 1, 1925, to add such accrued and unpaid charges to the construction charge of the land of such water user or applicant, and to distribute such accumulated charges equally over each of the subsequent years, beginning with the year 1925, or, in the discretion of the Secretary, distribute a total of one-fourth over the first half of the remaining years of the 20-year period beginning with the year 1925, and three-fourths over the second half of such period, so as to complete the payment during the remaining years of the 20-year period of payment of the original construction charge: *Provided*, That upon such adjustment being made, any penalties or interest which may have accrued in connection with such unpaid construction and operation and maintenance charges shall be canceled, and in lieu thereof the amount so due, and the payment of which is hereby extended, shall draw interest at the rate of 5 per cent per annum, paid annually from the time said amount became due to date of payment: *Provided further*, That the applicant for the extension shall first show to the satisfaction of the Secretary of the Interior detailed statement of his assets and liabilities and probable inability to make payment at the time required in section 1; *And provided further*, That

in case the principal and interest herein provided for are not paid in the manner and at the time provided by this act, any penalty now provided by law shall thereupon attach from the date of such default: *And provided further*, That similar relief in whole or in part may be extended by the Secretary of the Interior to a legally organized group of water users of a project, upon presentation of a sufficient number of individual showings made in accordance with the foregoing proviso to satisfy the Secretary of the Interior that such extension is necessary."

And the House agree to the same.

ADDISON T. SMITH,
N. J. SINNOTT,
CARL HAYDEN,
Managers on the part of the House.
CHAS. L. MCNARY,
W. L. JONES,
LAWRENCE C. PHIPPS,
JOHN B. KENDRICK,
KEY PITTMAN,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1631) entitled "An act to authorize the deferring of payments of reclamation charges," submit the following written statement explaining the effect of the action agreed on by the conference committee and submitted in the accompanying conference report:

The date prior to which accrued charges may be taken care of under the pending bill is extended from March 1, 1924, to March 2, 1924.

The bill as it passed the Senate contained a provision that relief should be afforded settlers on irrigation projects on Indian reservations. The House eliminated the words "upon irrigation projects on Indian reservations." The Senate disagreed to this amendment, and the conference committee which was appointed has agreed upon the following language in lieu of the language stricken out by the House "or prior to that date as against water users on any irrigation project benefiting Indians, or projects being constructed or operated and maintained under the direction of the Commissioner of Indian Affairs."

Under this provision the settlers on Indian irrigation projects would be afforded the same relief as those upon the United States reclamation projects, evidence having been submitted by the Secretary of the Interior to the chairman of the Committee on Indian Affairs, as contained in House Report No. 569 on H. R. 8581, providing for extensions of water charges in connection with Indian irrigation projects, which bill is on the House Calendar, that this relief is necessary to enable these water users to carry on their farming operations.

The conferees have also agreed upon the elimination of the following words in section 2: "Excepting operation and maintenance charges for drainage on the Boise, Idaho, project for the year 1923, or prior thereto." This provision was carried in the relief act approved March 28, 1923, at the request of the Boise Water Users' Association, as this organization had made arrangements to pay the drainage charges for the year 1922, but as the charges for drainage have been carried into the construction charge this language is not now necessary, and the drainage charges will hereafter be included in the construction charges, and the pending relief legislation will apply to the delinquent drainage charges as well as to the other charges.

ADDISON T. SMITH,
N. J. SINNOTT,
CARL HAYDEN,
Managers on the part of the House.
CHAS. L. MCNARY,
W. L. JONES,
LAWRENCE C. PHIPPS,
JOHN B. KENDRICK,
KEY PITTMAN,
Managers on the part of the Senate.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

ENROLLED JOINT RESOLUTION PRESENTED TO THE PRESIDENT FOR HIS APPROVAL

Mr. ROSENBLOOM, from the Committee on Enrolled Bills, reported that this day they had presented to the President of the United States, for his approval, the following joint resolution:

H. J. Res. 163. Joint resolution authorizing the Secretary of War to loan certain tents, cots, chairs, etc., to the executive committee of the United Confederate Veterans for use at the thirty-fourth annual reunion to be held at Memphis, Tenn., in June, 1924.

EXTENSION OF REMARKS

Mr. JACOBSTEIN. Mr. Speaker, I ask unanimous consent to extend my remarks on the child-labor amendment.

The SPEAKER. All Members of the House have that privilege for five legislative days.

DISTRICT OF COLUMBIA APPROPRIATION BILL

Mr. DAVIS of Minnesota. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 8839, the District of Columbia appropriation bill; and pending that motion, I will ask the gentleman from Kansas [Mr. AYRES] if he can not agree on the time for general debate. I have suggested to him heretofore four hours. If that is not satisfactory, we shall have to agree on something else.

Mr. AYRES. I suggested five hours, but I should think about four hours and a half would be a fair compromise.

Mr. DAVIS of Minnesota. Four hours and a half?

Mr. AYRES. Yes.

Mr. DAVIS of Minnesota. That will be satisfactory to me, I to occupy one half of the time and the gentleman from Kansas the other half?

Mr. AYRES. Yes.

The SPEAKER. The gentleman from Minnesota asks unanimous consent that the general debate be limited to four and a half hours, one half the time to be controlled by himself and the other half to be controlled by the gentleman from Kansas [Mr. AYRES]. Is there objection?

There was no objection.

The SPEAKER. The question is on agreeing to the motion of the gentleman from Minnesota, that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 8839, the District of Columbia appropriation bill.

The motion was agreed to.

The SPEAKER. The gentleman from Illinois [Mr. GRAHAM] will please take the chair.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 8839, the District of Columbia appropriation bill, with Mr. GRAHAM of Illinois in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 8839, which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 8839) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District of Columbia for the fiscal year ending June 30, 1925, and for other purposes.

Mr. DAVIS of Minnesota. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. The gentleman from Minnesota asks unanimous consent that the first reading of the bill be dispensed with. Is there objection?

There was no objection.

Mr. DAVIS of Minnesota. Mr. Chairman, I yield 15 minutes to the gentleman from Kansas [Mr. TINCHER].

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

Mr. TINCHER. Mr. Chairman and gentlemen of the committee, I propose to take these 15 minutes to discuss the bill which is to come before Congress under the new rule next Monday, known as the Barkley bill. Under the terms of that bill there are four adjustment boards.

The first one has 14 members; 7 named by organized capital, and 7 by organized labor, at $7,000 per year.

The second one has 14 members; 7 named by organized capital, and 7 by organized labor, at $7,000 per year.

The third has 6 members; 3 named by organized capital, and 3 by organized labor, at $7,000 per year.

The fourth board has 6 members; 3 named by organized capital, and 3 by organized labor, at $7,000 per year.

Each adjustment board has a secretary at a salary of $4,000 a year. In addition to this, each adjustment board shall employ and fix salaries of such employees as it may deem necessary. Thus we see that we have forty $7,000-a-year Government employees, four $4,000-a-year Government employees, and God only knows how many employees in all.

The Board of Mediation and Conciliation is composed of five members at $12,000 a year each. This board has the power

"to employ and fix the compensation of such attorneys, assistants, special experts, clerks, and other employees as it may from time to time find necessary." This Board of Mediation and Conciliation has no power, except that which the parties to the contest agree to give it. No doubt this board would expend more than the half a million dollars authorized in the act every year after the first year.

There is positively no limit to the number of men that may be appointed.

The problem of capital and labor has occupied the best thought of thinking men for a great many years, and the tendency in recent years has been to recognize the right and interest of the public, of the 100,000,000 people not directly involved in that immediate controversy or the question involved. This is natural, because every strike and every controversy affects the price of the necessaries of life, and affects not only the price of the necessaries of life, but affects our ability to get them at any price; and the tendency of the best thinkers has been toward giving the American public, the people interested, some rights. [Applause.]

But this bill departs from the ordinary rule of our Government, that judicial officers must be impartial. It makes the sudden and rapid and revolutionary departure of making it obligatory upon the judicial officer to be partial and partisan.

Mr. BLACK of Texas. Mr. Chairman, will the gentleman yield?

Mr. TINCHER. Yes.

Mr. BLACK of Texas. And the man also, as I understand it, if he represents the labor end of it, must be a member of the union, and can not be on the board unless he is a member of the union?

Mr. TINCHER. Yes; he must be a member of a union affiliated with the American Federation of Labor.

I am fond of my good friend the gentleman from Kentucky [Mr. BARKLEY], but I do not like the title of the bill which he has adopted, especially since the speech of the gentleman from Alabama [Mr. HUDDLESTON] who said the other day, "We did not introduce this bill to be considered by a committee. We introduced it to use the new rule on, and now you indorse it, and now you take it." I do not think that bill ought to bear the name of my friend Mr. BARKLEY. The right name for the bill is "the resumption of strikes bill."

Mr. BLANTON. Will the gentleman yield right there?

Mr. TINCHER. Certainly.

Mr. BLANTON. I understood the gentleman from Kentucky [Mr. BARKLEY] to say that this bill had been drawn by the representatives of the railroad employees?

Mr. TINCHER. That is right.

Mr. BLANTON. Now, may I ask this: If all these boards have equal rights, half of railroad employees and half of railroad capital, does not that embrace most of the membership of the House, so that we few fellows who are looking after the people's interest have no chance at all?

Mr. TINCHER. It not only does that, but it effects a tie during which time the public must suffer. Let me tell you what happened. The exploiters of labor who are behind this bill are the same bunch that double-crossed labor in the West in the strike of 1922. They are the crowd that settled the strike on the eastern railroads and left the poor devils in the West to fight their own battle.

Lots of good men with good families and owning their homes in little towns were left out by these exploiters and some of them are now awakening to the fact that the strike is not their remedy, and they are awakening to the fact that they have been paying too much of their hard-earned money to the paid exploiter and walking delegate, who is the man behind this bill.

I just wonder what they have been thinking about. Here is agriculture. The other day before our committee stood a representative of the American Federation of Labor—the Committee on Agriculture—a fair man of intelligence. He said to us, "I want you to pass a bill for the relief of the American farmer because I realize that the present existing prosperity and high wages that the American Federation of Labor members are enjoying to-day can not continue unless you bring about some relief for agriculture." I did not know then that they were planning to absolutely kick out of Congress any chance for the consideration of agricultural relief by bringing onto this floor, by petition, a bill longer than any bill we have been considering, and we have had one under consideration in that committee of 21 for three months—a longer bill than any we have been considering to be voted on without any hearing and without any consideration. Just one of two things will happen when the Barkley bill comes before this House. They will take four months in perfecting it and do nothing else—because it will take that long to consider this bill in this House—or the House will take the dictation of the gentleman from Alabama [Mr. HUDDLESTON], who told us the other day that this is labor's bill; you must vote for it or you are against labor. I am going to vote against it and I am a friend of labor. [Applause.] And I do not believe the American Federation of Labor ought to put itself in this attitude.

My friends, this bill creates more offices and puts more men on the Federal pay roll than the salary of the President of the United States, the Vice President of the United States, and all the Cabinet officers combined. They are permanently placed on the Federal pay roll and they are not impartial men but men put there because of their partiality.

In the Committee on Interstate and Foreign Commerce they have been considering a bill to reduce freight rates, a bill to give the shipper some chance. Is that to be supplanted by the petition route by a bill to create strikes and to return to that old form of government by force? Under such a bill we shall have strikes, and I think the average laboring man has had about enough of them. He ought to wake up as to what is happening to him through his representatives here if this is their demand.

Think how ridiculous Congress will be if next Monday we decide to forget what is on the calendar for agriculture, if we forget what is on the calendar and has been regularly considered by the Committee on Interstate and Foreign Commerce for the reduction of freight rates—forget all those things. There are members of the committee qualified and ready to explain every little provision in these bills. Are we going to forget the rights of 100,000,000 people and take up a proposition which has for its purpose the getting of the votes of those at the head of the American Federation of Labor and who tell you how to vote? Ah, my friends, Congress did that eight years ago and four years ago the Executive did it, but surely this Congress is not going to put itself in the attitude of going before the people this fall and saying, "We did not have time to consider agriculture; we did not have time to consider the matter of a reduction in freight rates, but all the time we had we used in obeying the demands that were made on us to pass the Barkley bill"—not a little bill but one to create more executive officers than we already have. Not only will there be more offices created and more expense incurred than the expense of paying the President, the Vice President, and all of the Cabinet, but these men will have more power under the Barkley bill, or the strike bill, to hire help than any Cabinet officer has, and will have more power to spend the Government's money than any member of the Cabinet has or the President himself has under any existing law.

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

Mr. TINCHER. Yes.

Mr. BLANTON. I just want to suggest to the gentleman that if he were to attempt to offer an amendment to the Barkley bill they would get a rule and pass it without debate.

Mr. TINCHER. I do not believe that at all. I do not believe they will ever get a rule from the present Rules Committee to consider a bill that ought to be considered in committee, and I believe if this bill is considered it will be by the petition route, because 150 men filed up there and signed the petition when the gentleman from Alabama [Mr. HUDDLESTON] said that this was a demand of organized labor and told them to sign it. Members signed that petition who have told me since that they had not then read the bill and they have not read it since. Members of Congress signed that petition to consider a 40-page bill, and said they had not read the bill then and they say they have not read it since.

Mr. HERSEY. Will the gentleman yield right there? With all the power that these four new organizations are given they have not a single power, have they, to settle a labor strike or anything else, because they can not enforce anything?

Mr. TINCHER. Certainly not. This bill is not to go back to the brotherhood of government; this bill is to go back to the strike system and let the mighty win in the strike, and its purpose is to restore the right to settle all labor disputes by the strike method. I believe the best thinking part of organized labor, if they were cognizant of the fact, would be against it.

Mr. McKEOWN. Will the gentleman yield?

Mr. TINCHER. Yes; I yield.

Mr. McKEOWN. Does the gentleman favor continuing the present Labor Board which has been functioning in these matters?

Mr. TINCHER. I introduced a bill to abolish the Labor Board and give its power to the Interstate Commerce Commission. I am opposed to having one board fix prices for the men and another board fix rates for the farmers to pay. [Ap-

plause.] So long as you have that system you will have trouble, but I am not in favor now of repealing the only agency that seems to have any interest in the public and turning it over to the warring factions, and I hope it will not pass.

Mr. McKEOWN. Will the gentleman yield further?

Mr. TINCHER. Will the gentleman answer me a question? Did you sign the petition?

Mr. McKEOWN. Yes.

Mr. TINCHER. Have you read the bill?

Mr. McKEOWN. Yes.

Mr. TINCHER. How many offices does it create?

Mr. McKEOWN. Quite a good many of them.

Mr. TINCHER. Do you like that? Do you know that it costs more every 12 months to pay those officers than to pay the President of the United States, the Vice President, and every member of the President's Cabinet, and there is no limitation in the bill on the number of employees they can hire?

Mr. McKEOWN. The gentleman knows that this bill makes compulsory the settlement of disputes——

Mr. TINCHER. I say the bill does not. It absolutely takes that power away from the board which it has now.

Mr. McKEOWN. The gentleman is wrong about that.

Mr. TINCHER. This bill restores the right to strike, and it recognizes that right and recognizes that means of settlement of labor disputes, and I have too many men in my district who are homeless to-day by reason of it not to know that.

Mr. HERSEY. Have not the highest courts decided in a number of decisions that there is no such thing as compulsory arbitration?

Mr. TINCHER. Certainly they have.

Mr. McKEOWN. If the gentleman will yield there, I would like to state that this bill does not affect any power in any bill to require the individual to work, but this bill does settle the proposition of the organization continuing a strike. That is the distinction.

Mr. TINCHER. No. I want to give the gentleman credit for having read the bill because he signed the petition, but if he keeps on I will wonder whether he has read it. This bill takes away from the board the power to enforce an order, gives that power to another board, if the order is satisfactory to both sides. That is what this bill does.

Mr. McKEOWN. The order is filed with the court.

Mr. TINCHER. This bill should not be called the Barkley bill. This bill should be called the great-return-to-the-right-to-strike bill. This bill is not a step backward; this bill is a mile and a half backward. [Laughter and applause.]

Mr. RAYBURN. Will the gentleman from Kansas yield before he takes his seat?

Mr. TINCHER. Yes; I will yield.

Mr. RAYBURN. Did the gentleman vote for the discharge rule?

Mr. TINCHER. I voted to amend the discharge rule to make it as ineffective as possible, and I do not remember whether I voted for it or not; but I voted in favor of crippling it in any way I could. I suspected then, as I know now, that it would never be used for any good purpose. [Applause.]

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

Mr. AYRES. Mr. Chairman, I yield one minute to the gentleman from Minnesota [Mr. KVALE].

Mr. KVALE. Mr. Chairman, the gentleman from Kansas [Mr. TINCHER] has stated that this may prevent the consideration of agricultural bills. I want to say that if he will examine the list of those who signed the discharge petition, the gentleman will find that in the vast majority of cases they are the men who will also vote for measures to relieve the situation in the agricultural districts.

Mr. TINCHER. Will the gentleman vote to take up the agricultural legislation first?

Mr. KVALE. I have been here for four months looking for a chance to vote for relief for agriculture, and I will vote to take that up any time the gentleman is ready.

Mr. TINCHER. It has been before the committee during all that time, and it is on the calendar now, having been reported within the last two or three days. The committee has worked on the bill and has absolutely given consideration to it——

Mr. KVALE. I know it has.

Mr. TINCHER. Regardless of party, every day, and it is not as long a bill as the Barkley bill and will not cost the Government one-twentieth as much as that bill.

Mr. GARRETT of Texas. Could the gentleman get a rule for the Agricultural bill?

Mr. KVALE. Let Congress remain in session until some relief measure for agriculture has been enacted into law, even if it has to stay here all summer.

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

Mr. DAVIS of Minnesota. Mr. Chairman and gentlemen of the committee, it is again my privilege to present for your consideration the annual District of Columbia appropriation bill. I say privilege advisedly, for, in my judgment, it is a privilege to be your intermediary in ascertaining and proposing for your consideration the money requirements of the Capitol City of the Nation—the Capitol City of your constituents and of mine—toward the support of which they contribute in generous measure.

Before proceeding with a discussion of the bill I wish to say to the House that three of my colleagues on the subcommittee had had no previous experience with the fiscal affairs of the local government. I refer to Mr. FUNK, of Illinois; Mr. AYRES, of Kansas; and Mr. EAGAN, of New Jersey. I found, however, that their business training and natural ability peculiarly well fitted them for the assignment; and I am sure my friend, Mr. TINKHAM, who has served on this subcommittee before, will bear me out that their sound judgment was of inestimable value in shaping the bill which you have before you.

TOTAL APPROPRIATIONS

The appropriations proposed amount in the aggregate to $23,770,517. This sum is $803,465 less than appropriated for the present fiscal year. At first blush that may sound as if I were bearing down on the District of Columbia, but before this discussion is over I will show you that I am not and have not any such design on the District of Columbia. Of the total sum proposed $1,152,860 is payable wholly out of the water revenues, $183,490 is payable wholly from the revenues of the District of Columbia, $13,460,500.20 represents the District of Columbia's portion on the 60-40 method of dividing expenses, and the Federal Government's contribution or share is $8,973,666.80. The activities to which it is proposed the Government shall not contribute, apart from the appropriations proposed on account of the water service, are the public employment service, playgrounds, other than sites, and community center activities. This is in agreement with the practice which heretofore has obtained.

I shall not in the limited time at my disposal attempt to analyze the numerous increases and decreases which the bill proposes. These are set out in great detail in the report on the bill which you have before you. I am inclined to believe that it would be better to give the reasons which prompted our action when the various items are considered under the five-minute rule. Perhaps I should say, however, with respect to the proposed reduction below the current appropriation, that while it is the net of a number of increases and decreases, it will not be sufficient to offset such increases as later may be provided to take care of increased or additional compensation in one form or another for those employments under the local municipal government which are specifically exempted from the provisions of the reclassification act.

EXEMPT FROM RECLASSIFICATION

I refer to teachers, librarians, school attendance officers, and employments under the community center department, all under the Board of Education; to officers and members of the police and fire departments, and to the park police. The $240 bonus for these employees alone creates a demand of more than $1,000,000. So it is manifest that if legislation be enacted dealing with the pay of such employments it will most likely involve a sum not less than is now occasioned by the $240 bonus.

AMOUNT FOR RECLASSIFICATION CARRIED IN BILL

While alluding to reclassification I might at this point remark that as to the employments not excepted from the operation of the law the appropriations proposed in this bill to follow the form employed in the annual appropriation bills previously presented at this session, and their application is proposed to be similarly restricted. The total amount carried in the bill on account of reclassification over the present basic pay plus the $240 bonus is $322,033.80, or an increase of 12.28 per cent. This increase is distributed over 2,230 employments.

I will say right there that continuing the bonus alone for policemen, firemen, and teachers will bring the bill above the present law, while the special pay laws dealing with such employments will carry it about a million and a quarter above the sum total of the current appropriation.

Mr. LAZARO. Will the gentleman yield?

Mr. DAVIS of Minnesota. I will.

Mr. LAZARO. Several editorials have been written in one of the papers of the District criticizing the committee for not appropriating enough money for the District of Columbia, and when the gentleman comes to deal with the proposition I thought we ought to get a little information on that and in relation to the suits that are pending in which four or five million dollars is involved. They complain that they have not been provided with assistant attorneys to meet the legal advisers on the other side. Will the gentleman explain that?

Mr. DAVIS of Minnesota. I will say to the gentleman that that is vital in many ways, and I understand my associate, Mr. AYRES, of Kansas, is going to explain that fully in detail. He can do it as well as any living man, and he is fully informed. When he gets through I think the gentleman will be perfectly satisfied on the proposition.

Mr. LAZARO. I want the gentleman to understand that I am not criticizing the committee. I am merely trying to get information.

Mr. DAVIS of Minnesota. The gentleman knows that sometimes arrangements are made between members of the committee whereby members discuss various subjects, and that particular subject my friend from Kansas [Mr. AYRES] will discuss.

THE 3.65 BONDS

The committee was confronted by two new sizeable appropriations not carried in the current appropriation act. I refer to the sum required finally and fully to close out the old 50-year 3.65 bonds which mature next August, and to the proposition to make an annual appropriation out of the policemen and firemen's relief fund and to have the Government appropriate 40 per cent of the sum required for such purpose.

The 3.65 bonds amounted originally to $15,000,000. They have been reduced to $4,589,250. The sinking fund assets held for the liquidation of this indebtedness amounted to $4,423,640.91 on June 30 last, or $165,609 less than the outstanding debt on the same date. The estimate is that by August 1 next, when all of such outstanding bonds mature, an appropriation of $300,000 must be available to supplement the sinking fund and accrued interest thereon fully to satisfy the maturing debt. The bill carries an appropriation in that amount.

POLICE AND FIREMEN'S RELIEF FUND

With respect to the policemen and firemen's relief fund the proposition to have the Federal and District Governments contribute in the 60–40 proportion to the support of this fund admittedly perplexed the committee not a little. However, when it is considered that the District, by the terms of the District of Columbia appropriation act for 1923, was required to divide with the Federal Government the receipts from police court fines—and such fines amounted last year to more than $460,000—and that such fines supplemented the District revenues which were drawn upon to supply any deficiency in the regular revenues of the policemen and firemen's relief fund, the committee felt that there was considerable equity in the proposition and has acceded to the recommendation.

ADDITIONAL POSITIONS

Taking the main headings of the bill seriatim, I shall briefly outline the major changes which are presented for your action. The committee was asked to provide for additional positions apart from teachers, policemen, and firemen. The committee is recommending 47 of these positions at an additional expense of $53,540. Twenty-nine of the 47 are engineers, janitors, and so forth, for new public-school buildings; six are for duty on account of the new school for white girls, maintained by the National Training School for Girls; three are for duty at the free Public Library; and the remainder are distributed among seven different activities. Included in the number is a new business manager, to be in charge of the business administration of the public-school system, at a salary of $3,750 per annum. Such a position has the strong indorsement of the Bureau of the Budget, the commissioners, and the board of education. Properly filled, the amount required for the pay of this position should be money well expended. The employments refused for the most part were requested for new branch libraries and for augmenting the clerical force of the schools.

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

Mr. DAVIS of Minnesota. I will.

Mr. LAZARO. There was some criticism made also that the committee did not make sufficient appropriation for new buildings for the children of the District. Is there anything in that?

Mr. DAVIS of Minnesota. Absolutely nothing. We have given a number of items here amounting to over a million dollars—eight hundred and eighty thousand for buildings alone, and the balance for equipment and for repairs and improvements. I will get to the schools in a minute.

LIBRARIES

With respect to libraries, the Budget includes provision for the establishment of three branch libraries in public-school buildings, for which purpose $25,520 was specifically allocated. The committee felt that if this request were acceded to it would prove the forerunner of a demand to have circulating libraries provided as an adjunct to many more if not all of the schools throughout the District. There probably is no city in the country better equipped with library facilities than Washington. We have here the Congressional Library, with its countless volumes and a splendid free public library, situated in the center of the city, with a branch in Takoma Park, another in the southeast section of the city, and a third about to be built in the Mount Pleasant section.

STREET IMPROVEMENTS AND REPAIRS

We next come to the matter of street improvements and repairs. There are but few of the many other items in this bill which arouse a greater degree of local interest. I think I speak the sentiment of the entire House when I say that all of us are desirous of seeing local thoroughfares properly paved, but, at the same time, I believe that there is a unanimity of thought among us that few, if any, cities can boast of better streets than will be found in this city. Just at this time the principal needs are in the newly built areas. Building operations have been proceeding here during the past two or three years on a scale never before paralleled, and the consequence is that in these newly built sections there is an unprecedented amount of paving work to be done. The Budget this year included quite a number of specific projects, three or four of the number being grading items. Each of these and a number of others besides were inspected personally by the members of the subcommittee in charge of this bill, and they were sufficiently impressed with the merits of 50 of the items as to present them to you in this bill. Some of the projects recommended in the Budget involve the replacement of permanent pavement, while a temporary covering had been applied to a number of others which rendered them, in the judgment of the committee, less pressing than a number of streets which it examined or noticed during its inspection trip for which no estimates were submitted. We have provided for one item not included in the Budget, to which, perhaps, I should direct your especial attention. That is the one to widen Thirteenth Street NW. from F to I Streets, from 40 to 80 feet. There is an item of prime importance to abutting property owners or tenants of such property. It is also a project that will greatly benefit traffic conditions, and in a section, it is submitted, where relief is badly needed. This item is urged by the entire Thirteenth Street Business Men's Association, which has proposed that abutting property owners be charged with 40 per cent of the entire cost, and the appropriation proposed provides for such a distribution of the expense. Under the law abutting property owners would be assessed for but 25 per cent of the cost, excluding street intersections.

REPAIRING STREETS, URBAN AND SUBURBAN

For repairing streets, urban and suburban, the bill provides appropriations corresponding with those made for this present fiscal year, which amounted to $825,000. This would seem to be a generous allowance. I might remind you that a year ago these appropriations were increased over $100,000.

SEWERS AND GARBAGE

For sewers and for the collection and disposal of refuse the appropriations proposed exceed the current appropriations by $176,900. Additional funds are necessary to keep pace with the city's growth.

SCHOOLS

I will now turn to the appropriations for schools. At first blush it would appear that the committee is proposing rather drastic action, but an analysis of the figures will show quite the contrary. As I have previously pointed out, teachers, librarians, school attendance officers, and community center employees are exempted from the provisions of the classification act. They have been estimated for at their present basic salaries without increased compensation of any kind. To pay such employees the $240 bonus this year requires an appropriation of $629,320. As we are obliged, you might say,

to provide increased compensation in one form or another for these public servants in some subsequent measure, it is apparent that, instead of the proposed appropriations aggregating less than the current appropriation, we are in reality, assuming that the increased compensation later to be provided will amount at least to the sum now required to pay the $240 bonus, proposing appropriations approximately $80,000 in excess of the current appropriations.

Mr. McKENZIE. Will the gentleman yield?

Mr. DAVIS of Minnesota. I will.

Mr. McKENZIE. In the matter of schools I have understood that we have a school here in Washington for the teaching of foreigners, and in that school there was a pupil 80 years of age.

Mr. DAVIS of Minnesota. That is the fact.

Mr. McKENZIE. I would like to know if that school is still in existence, and if that pupil is still there.

Mr. DAVIS of Minnesota. I can not say whether the pupil is there, but we have made an appropriation for the school which is now in existence. We have given it considerable money, and there was a good deal of pressure to keep it. In the hearings a year or two ago I asked the age of the pupils and they said both young and old, and I asked how old is the oldest one and they said 80.

Mr. DYER. Mr. Chairman, referring to the courts——

Mr. DAVIS of Minnesota. I shall come to the courts in a few minutes.

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

Mr. DAVIS of Minnesota. Yes.

Mr. BLANTON. In view of the fact that the Washington Times on Saturday last criticized the gentleman very severely, I want to say that I think the work done by the gentleman and his colleagues on this bill deserves the commendation of the entire Congress and of the people of the country. [Applause.] With regard to Mr. Syme, over whom the Times criticized the gentleman from Minnesota, I wish that the chairman would get an accurate statement of what the Supreme Court said to Mr. Syme when he was attempting to represent the people of the District as against the utilities board and put that criticism by the Supreme Court into the RECORD. If he does that, I think then that these Washington newspapers will let the gentleman alone.

Mr. DAVIS of Minnesota. If the gentleman will wait for about 15 or 20 minutes, he will hear the gentleman from Kansas [Mr. AYRES] explain that fully. It will be seen from the table accompanying the report that a number of substantial increases are proposed over the current year. The bill provides for 84 additional school-teachers required for new buildings, for teaching special subjects, conducting kindergartens, and so forth. It provides for 29 additional building attendants for new schools or additions to existing schools. It provides $152,169 more than was appropriated for the current fiscal year for furniture and equipment for new school buildings and additions to existing buildings; and it provides $875,000, as requested in the Budget, for continuing work on buildings under construction. Now, I do not believe any fair-minded person can say we have not been liberal with the schools. The committee is not proposing any appropriations for the purchase of additional land for school purposes.

Mr. SPROUL of Illinois. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Minnesota. Yes.

Mr. SPROUL of Illinois. How many new schools have been erected in the last year in the District?

Mr. DAVIS of Minnesota. I will enlighten the gentleman on that subject in a moment.

Four additional tracts have been acquired for which no funds have been requested for erecting buildings thereon, namely:

New McKinley Manual Training School	$215,000
For elementary school in Woodley Park section	40,000
For new junior high school between Twentieth Street and Rock Creek and K and O Streets	50,000
For site for remodeling and building addition to Garnet and Patterson Schools	50,000

No funds were requested in the Budget for erecting buildings on any of these four sites.

Since July 1, 1920, the following amounts have been appropriated on account of additional school facilities:

For school building sites alone	$789,500
For additions to buildings	2,015,000
For new buildings	2,230,000
For replacement of buildings	545,000
Total	5,579,500

Mr. SPROUL of Illinois. Does not the gentleman think it was a good idea to buy this property while it is low instead of buying it now?

Mr. DAVIS of Minnesota. Yes; I do, when you have sufficient classroom accommodations, but when the contention is made in many quarters that classroom facilities are inadequate, then, if that be true, I think we should forego the purchase of land and put the money into needed buildings. The appropriations on account of buildings—that is, $4,790,000—supplemented by the $875,000 carried in this bill for completing certain construction now under way will provide a net increase of 164 schoolrooms for elementary pupils and additional accommodations for about 3,000 high-school pupils. While there is much clamor in some quarters respecting the inadequacy of school accommodations, when the Budget includes provision for the acquirement of an athletic field at a cost of $125,000 to the exclusion of any additional elementary schools it is difficult to believe that an alarming situation prevails.

The high-school situation has not been neglected by Congress, either. Since the school year terminating in June, 1920, provision has been made for the—

	Capacity.
New Eastern High School	1,500
Addition to Western High School	500
Addition to Armstrong High School	850
Total	2,850

Also two new junior high schools have been built—the Macfarland and Langley—and the old Eastern High has been converted into a junior high and likewise the Randall School. Plus the Shaw and Columbia Junior Highs heretofore established, we have now in operation six junior high schools, and they, while given over largely to elementary classrooms, aid in a large measure in relieving the high schools.

POLICE AND FIRE DEPARTMENTS

Both the police and fire departments have been adequately taken care of. The salary appropriations for members of these departments include nothing on account of increased compensation. This year there is required to pay the $240 bonus in these departments $410,880. An appropriation will have to be provided later to cover increased compensation for the policemen and firemen or else to continue the $240 bonus, which, of course, will have the effect of making the appropriations for 1925 go well beyond those proposed in this bill and in the Budget as well. We are providing for 20 additional policemen and 4 additional firemen, precisely as recommended in the Budget.

COURT ITEMS

The court items, with one exception, are devoid of anything unusual or out of the ordinary. The employees of the supreme court and the court of appeals were construed to be field-service employees and have been provided for in this bill at their present rates of pay without any provision to take care of the $240 bonus which they are now receiving. This is a matter, of course, which must be taken care of in a later measure. With respect to the municipal court the committee, of its own volition, is providing $300 extra compensation for presiding judge. There are five judges of the municipal court, each of whom is scheduled to receive $5,300 under the classification act. The committee is proposing that the presiding judge shall receive $300 more than the other judges of the court.

CHARITIES AND CORRECTIONS

For charities and corrections the appropriations proposed total $2,570,890, being $57,319 more than current law. This is made up of a multiplicity of items, the largest of which is $850,000 for the care of indigent insane. For the Florence Crittenton Home, the Southern Relief Society, the National Library for the Blind, and the Columbia Polytechnic Institute for the Blind it will be observed the committee has gone beyond the Budget proposals. I have not heard and I can conceive of no good reason which could be advanced that would not warrant the amounts the committee is proposing for these four charities. Their field of usefulness is well known to you; the good which they do is immeasurable, and never with my sanction shall they be denied the full measure of support which they richly merit.

ANACOSTIA FLATS

The usual amount and as recommended by the Budget is $150,000. In former bills all appropriations were provided for the money to be expended below Benning Bridge. Much work still remains to be done in this section. On October 1 last the expenditures amounted to $1,610,647.45. Approximately $900,000 will be required to finish this part of the project. You will recall that in the current appropriation act a report was required to be submitted on the desirability or undesirability of continuing the project above Benning Bridge. That report was submitted, as appears in Senate Document No. 37, Sixty-eighth Congress, first session. The report recommends that the

project be proceeded with, but on a modified scale. The total cost of the work above Benning Bridge under the revised plan is $1,806,000.

REGARDING CONNECTING PARKWAY BETWEEN ROCK CREEK AND POTOMAC PARKS

Regarding the connecting parkway between Rock Creek and Potomac Parks, funds have been made available for purchasing all but 12.68 acres of the 92 acres which have to be thus acquired. These 12 acres, it has been estimated, will cost around $500,000. They are situated chiefly in the built-up section in the vicinity where Pennsylvania Avenue crosses Rock Creek. Condemnation proceedings will have to be instituted, and it is, of course, difficult to approximate what the awards will aggregate.

The committee in this bill proposes to appropriate $75,000, which the commission can use in purchasing certain very small tracts or parcels of land which may become necessary to properly make the connection between Rock Creek and Potomac Parks.

WATER SUPPLY

I have acquainted you in a general way with our action, I believe, on all of the matters upon which interest largely centers with the single exception of the project for increasing the local water supply, and for this purpose your committee proposes an appropriation of $800,000, which accords with the Budget estimate. I believe it will suit the Members of the House better if I should defer making a more particular statement regarding this undertaking until the item is reached when we are reading this bill under the five-minute rule.

CONCLUSION

Before concluding there is a matter which I wish to bring to the attention of the House and particularly the members of the District Committee. There is an urgent and pressing need that there be enacted some well-studied, comprehensive school development program for the District of Columbia.

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

Mr. DAVIS of Minnesota. Yes.

Mr. CHINDBLOM. If the committee were to undertake that, it could not give so much time to passing model legislation for the balance of the country. Surely the gentleman does not feel that the schools are more important than the passing of model legislation for the rest of the country?

Mr. DAVIS of Minnesota. Oh, the gentleman must remember that this is the capital of the Nation, and we must make this a model city, and everything else must be modeled upon it, our buildings, our laws, our conduct, and everything else. Surely, the gentleman must have read the newspapers published here in the city, and if he has, he will have noticed, I have no doubt, at some times some slight reference to the great need there is for making this the model city—I was going to say of the country, but let me say of the whole world.

Mr. CHINDBLOM. I am in entire accord with the gentleman. I think we ought to have legislation here pertaining more to the particular needs of the District as a municipality.

Mr. DAVIS of Minnesota. And particularly with respect to the method of handling and locating our schools, and so forth, because this city is building up in a peculiar way, and there ought to be some legislation along that line. We have been proceeding here for a number of years to appropriate for a building here and a building there and for a site here and for a site there, none a part of any legally recognized plan to build up a system which will properly and adequately serve the various communities. This is a most unbusinesslike way to proceed and one that should not be longer tolerated. In recent years what is termed the junior high school has come into existence. We have six of them now. I am not aware that any committee of Congress has considered whether or not a junior high school should be a part of the school system. I am certain the question as to the number of them which should be provided has not been considered or the localities in which they should be built. I submit it is time to call a halt on this haphazard method of providing for local educational facilities, and I earnestly hope that the District Committee will call on the school authorities to present a program, to extend over a period of years, and give it consideration and bring in a bill here by which the Appropriation Committee can be guided in considering the requests which are presented to it for funds.

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

Mr. DAVIS of Minnesota. Yes.

Mr. DYER. I want to ask the gentleman a question or two on the subject of the bonus.

Mr. DAVIS of Minnesota. Yes.

Mr. DYER. The bill provides for the Supreme Court of the District of Columbia and the Court of Appeals of the District of Columbia. The gentleman does not state there that the salaries of the clerks and the employees of these courts are in accordance with the classification act of 1923.

Mr. DAVIS of Minnesota. No; they are not.

Mr. DYER. The matter I want to call to his attention is the fact that the employees of the Supreme Court of the District of Columbia and the Court of Appeals of the District are left out of the classification act.

Mr. DAVIS of Minnesota. They come in under what is called the field service.

Mr. DYER. They do not come under classification which gives them salary in lieu of bonus, which is to be chopped off on the 1st of July. Did the gentleman's committee consider that question?

Mr. DAVIS of Minnesota. They were construed to be field-service employees. They are now receiving the $240 bonus.

Mr. DYER. On the 1st of July that comes off.

Mr. DAVIS of Minnesota. Yes.

Mr. DYER. They are not provided for.

Mr. DAVIS of Minnesota. They will be taken care of.

Mr. DYER. They will not unless there is legislation.

Mr. DAVIS of Minnesota. What is the matter with the deficiency bill? We will have to provide for all employments not heretofore taken care of either in that or some special bill.

Mr. DYER. That is the question.

Mr. DAVIS of Minnesota. It can and will be done.

Mr. DYER. A bill has been presented to the Committee on the Judiciary of the House asking for increases of pay for certain courts, including these. Of course the gentleman knows the difficulty of getting general legislation through. I invite his attention to this apparent oversight so that his committee will take care of these other courts.

Mr. DAVIS of Minnesota. I shall endeavor to see that they are taken care of. I am also on the subcommittee which has charge of the deficiency bill.

Mr. DYER. It includes the Supreme Court of the District of Columbia, the Court of Appeals of the District of Columbia, the United States Court of Claims, and the United States Court of Customs Appeals. None of these are taken care of in the classification act.

Mr. DAVIS of Minnesota. They will certainly be taken care of.

Mr. DYER. Certain salaries there are very meager; for instance, stenographers to the court of appeals and the supreme court at $1,100. The gentleman knows that no competent stenographer can be found for that salary.

Mr. DAVIS of Minnesota. Yes. I thank you very much, gentlemen, for your attention. [Applause.]

The CHAIRMAN. The gentleman from Kansas [Mr. AYRES] is recognized.

Mr. AYRES. Mr. Chairman and gentlemen of the committee, I want to make a brief statement regarding this appropriation bill, at least to a few of the items, and I particularly want to call attention to one of the greatest items of increase in this appropriation bill. It is that of salaries of Government employees of the District of Columbia. This is due to the classification act of 1923, which expressly provides that the reclassification of salaries shall be applicable to the municipal government employees of the District. It does apply to all except teachers and librarians in the public schools, members of the Metropolitan police force, the fire department, and the United States park police.

The total amount carried in this appropriation bill on account of the reclassification of these employees is $322,113.80. This is considerable of an increase over the present pay plus the $240, which has been paid for several years. I might say there has been passed by the House bills which are now pending in the Senate, known as compensation adjustment bills which care for the teachers and librarians of public schools, the firemen and policemen, in the way of salaries, and which it is estimated will require a further appropriation of approximately $2,200,000.

REGARDING PUBLIC SCHOOLS

The proposed appropriation carried in this bill for educational purposes or activities is $6,974,007. This is $1,044,463 less than proposed in the Budget. But as already stated the classification act does not extend to teachers or librarians, and basic salaries provided for in this bill remain the same, or unchanged. If the rates of pay should be increased, which no doubt they will be if the bills I have already referred to should pass the Senate and should become effective June 30 next, it would very materially reduce this amount which the

committee is proposing below the Budget estimate. The committee has appropriated for 84 more teachers than now provided for and 15 less than recommended by the Budget. There is no question but that the 84 additional teachers are needed on account of new rooms which are used to relieve the congestion.

The committee, however, did not feel justified in making appropriation for the employment of teachers in schools for buildings not yet erected; in fact, they have not been contracted for, and but little prospects of completion of the buildings before the beginning of the school year of 1925. This accounts for the reduction in number of the teachers asked for by the Budget. We were asked to appropriate for the hiring of teachers and attendants and the purchase of equipment for such as the Raymond School, which has not as yet been contracted for, and the John F. Cook School, where there has to be at least two parcels of property obtained and the plans for the school building completed before the school authorities can even think of starting the buildings.

On the question of furniture and equipment for new school buildings and additions to existing buildings the committee made a decided cut in the appropriation recommended by the Budget. We propose $182,351, while the Budget recommended $287,000, being $104,649 more than we propose. Of the amount requested by the school board to be appropriated for furniture and equipment for these new buildings, $160,000 was for the Armstrong Manual Training School. We felt this was unreasonable, so we arbitrarily cut that amount to one-half, or $80,000; and while the cut may seem a little drastic, the committee is unanimous in the opinion a much less sum than $160,000 should be estimated. The balance of the reduction of appropriation for equipment is on account of schools not completed and which will not be during the fiscal year. We did not deem it necessary to appropriate for equipment and furniture for contemplated school buildings.

Mr. Chairman, I want at this time to make a statement regarding the furnishing and equipment of some of these schools. I want it understood I will go just as far as anyone in the way of expenditures for education and for all necessary equipment to carry out fully and thoroughly any reasonable idea pertaining to the interest and advancement of education and its institutions. Let me say, however, that during these times, when the individual is admonished daily it is necessary to economize, and when business all over the Nation is endeavoring to economize, when national and municipal governments everywhere are asked to economize, when the taxpayers all over the country are appealing for a reduction in their taxes, and Congress should be doing its utmost to heed that appeal, knowing full well it can be done only by reducing governmental expenditures, I feel it is unnecessary to put into a school building a $2,500 grand piano. I also feel there are many other articles enumerated in the items of equipment of some of these schools that might cost less, and many that could be dispensed with at this time and wait, at least, until we can get back on our feet again, so to speak. I must say, until that times comes, so long as I remain a member of this committee it is going to be a difficult matter to convince me that I am wrong.

REGARDING TAXATION

Regarding taxes I want to say that I tried to develop at the hearings the method of arriving at the value of real property in this city for taxing purposes. While I did not succeed very well, at least not to my satisfaction, I did find that from all appearances there are two values placed on real property in the city. One is a rental value, or value for rental purposes, and the other is a taxing value, and it is needless to say there is a vast difference in many cases in these values. For instance, the assessor's office depends largely on the consideration shown in the instrument of conveyance, coupled with the amount of revenue stamps placed thereon. That, of course, is by no means a safe or reliable way to arrive at a fair value in all cases. I appreciate it is a little difficult to get the actual value of residential property for taxing purposes, especially when occupied as a home by the owner. It is a question of judgment of the assessor largely based on sales made of like property in the immediate vicinity. It seems to me, however, this difficulty is obviated when it comes to apartment houses and other properties used for business and rental purposes.

I asked the question of the city assessor what his method was in case an owner of an apartment house should go before the Rent Commission and value his property at a million and two hundred thousand dollars for the purpose of convincing that commission he should be permitted to charge his tenants so much rent in order to be able to receive an 8 per cent income on his investment, as I understand that is what he is allowed, and then when it comes to valuing his property for taxing purposes he insisted that it was worth not to exceed $750,000; which value would the assessor take? His only explanation was that when there were two or three values placed on a piece of property they had to equalize it as best they could. It would seem to me, so long as they are making the assessment on the full value of the property, as they say they are doing at this time, it would be an easy matter to arrive at the true value of an apartment house for taxing purposes where the owner has already fixed its value for rental purposes. I think if that method should be pursued for a while it will have one of two effects—either increase taxes on real estate and the amount of revenue derived therefrom, or it will be the means of reducing the unconscionable rents every poor devil not owning a home has to pay. For one I want to see if there is not some way to get at it and equalize it. If I have to pay a third to one-half more rent than I should pay, I want to know that my landlord is paying taxes accordingly. Putting it another way, I do not feel that a Washington landlord should be permitted to play both ends against the middle, and more particularly when I am the middle. The taxpayers of the Nation as a whole pay 40 per cent of the expenses of running the District of Columbia. The property owners of the District pay the other 60 per cent. The less revenue they receive from taxes in the District, the greater the appropriations will have to be on the part of Congress and the more there will have to be taken from the Treasury of the United States.

GRADING STREETS AND ALLEYS

I have a purpose in calling attention of the House to this item. It is a small item, only $50,000. However, $15,000 more than the current law, and at that rate of increase, with the present growth of the city, it will amount to much more each year. Besides, it is the numerous small items that go to make up a large appropriation. The engineer of highways stated to the committee that this $50,000 appropriation would be sufficient to do only a small part of the grading that should be done at this time. The method of carrying on this work, in my opinion, is an injustice to the taxpayers as a whole. This money appropriated is practically all expended upon requests of property owners for sewer and water mains to be extended to their properties where homes are intended to be built. In order to extend these mains along the thoroughfare of the property the streets must be graded. This work is spread all over the District. Under the present law neither the property owners requesting this work nor the property owners along whose property the mains run pay for any proportion of this work or expense, and that notwithstanding the fact it enhances the value of their property. It seems to me that when water and sewer mains are placed along the property of an owner there should be declared a benefit district the same as in other cities and the owner be required to pay his portion of the costs entailed in creating those benefits. Until some law of that kind is passed Congress will have to appropriate thousands of dollars each year to bear such expenses.

REGARDING SEWER AND WATER MAINS

In this connection I want to call attention to the law regarding sewer and water mains. Section 5 of the act passed in April, 1904, authorizing the laying of water mains and service sewers in the District of Columbia and the levying of assessments therefor, and for other purposes, provides that property in the county of Washington, not subdivided into blocks or lots or both, shall not be assessed for water mains or service sewers until subdivided. It is estimated since the passage of that act that there has been advanced for sewer mains alone, where no assessment has been returned, the amount of $384,000. This amount, it must be understood, does not include large trunk or storm water sewers constructed under general appropriations, or out of specific appropriations made for particular sewers.

An examination of the records of the water department since the passage of the 1904 law, referred to a moment ago, will show that the water revenues have been depleted to approximately $216,725, because under the law it was impossible to levy assessments against abutting unsubdivided property. It seems to me the District Legislative Committee should amend the act of 1904 so as to create a benefit district just as soon as these mains are laid. It is the only fair and just method of handling this matter.

WITH REFERENCE TO HOSPITALS

I want to say a word about hospitals and appropriations for same. In addition to our Government hospitals we are appropriating amounts annually from $5,000 to $20,000 and up for 10 to 11 privately owned hospitals, and in view of what

was shown in the hearings it seems there is no way of getting out of it. These appropriations are made principally to take care of the indigent patients which fall to the lot of the District.

I am inclined to the belief that a thorough investigation would reveal the fact that many States, and especially those close to Washington, are relieved to a great extent of the responsibility and expense of caring for their needy and indigent people. My limited experience on this committee for the past few months, consisting of just one hearing before the committee on the needs of the District of Columbia, has convinced me that, owing to the fact those in charge of the administration of affairs of the District are so generous and kind-hearted, they are woefully imposed upon. I am thoroughly convinced the District of Columbia and the National Government are expending thousands of dollars taking care of helpless, diseased, indigent people who are in a sense floaters; that is, they have not received the attention probably they should have received in their own States and municipalities, so they become floaters, and naturally float into Washington, where they know they will be cared for at the expense of the District and National Governments, as I have said. As a result not only our Government hospitals are filled, but some 10 or 11 privately owned hospitals are crowded taking care of these unfortunates.

In the Middle West if an insane or a diseased or a helpless person from any cause should conclude to find a more considerate community than that in which he lived, and journeyed to another State, or even another county or city in the same State, and became a charge on the State or municipality of his new abode, he would be bundled up and sent back from whence he came. While that may seem hard-boiled, it is the only fair and just method to pursue. These unfortunates have to be cared for, that is true; but each State and municipality should care for its own indigent and not shift them or permit them to be shifted for the care of some other government. That, in my opinion, is what is being done to an alarming degree here in Washington, simply because of the generosity and kind-heartedness of the authorities of the city. As one member of this committee, I not only urge but insist that a close inspection be made of these floaters as they come here and they be sent back to where they belong. The city of Washington should not be made the dumping ground and asylum for the unfortunates of other municipalities and States.

In this connection I want to say I am also opposed to using prisoners or jailbirds as help in hospitals in the manner as shown by the hearings in the Gallinger Municipal Hospital. These prisoners might be used for some purposes around a hospital, like menial labor, but they should not be used as orderlies or in any manner waiting on the sick, nor should they be used to guard the mentally afflicted patients. The hearings developed the fact that some of these prisoners were trusted to the extent of letting them have the keys to the doors of the ward. Some of the women prisoners are used as maids in the nurses' home. I do not know of any good reason why refined women, such as I have always found considerate nurses to be, should be compelled to have to be served by such a class as this when they are off duty trying to get needed rest. It is an injustice to a class of good women engaged in a self-sacrificing work, and they are entitled to the best that can be given them during their hours of rest.

In this particular I am not in agreement with this bill and wish at this time to give warning that when the next appropriation measure is considered by this committee for the District of Columbia, unless the Budget allows a sufficient amount for the employing of efficient or at least decent help in this hospital and the nurses' quarters, I shall do my best to put it in the bill anyway.

WIDENING THIRTEENTH STREET NW.

The business men and property owners on Thirteenth Street NW., between F and I Streets, are asking that this street be widened. At the present time the roadway is only 40 feet wide. The sidewalk from building line to curb is 70 feet; that is, 35 feet on each side. Anyone driving over that street will appreciate there should be more street and less sidewalk. These people want the street widened to 70 feet, leaving 20 feet of sidewalk on each side. It has been estimated that this will cost $80,000, of which the adjoining property owners will pay 40 per cent and the remaining 60 per cent will be met by the District and National Governments at the rate of 60 and 40 per cent, respectively. The committee felt, in view of the congestion in that particular locality, that these requests should not be ignored and made the appropriation for the amount of $80,000.

One of the most difficult problems the committee had to decide was the question of street improvements. We were compelled in some instances to refuse to appropriate for these improvements where they were to a great degree needed, and this because there were many places where they were needed much more. At best the appropriation will be large. Some places in the older parts of the city had to be refused, while new parts of the city were allowed these improvements. The explanation for this is in the old part of the city, where such improvements were requested, the pavement can be repaired and used for some time to come, while in the newer sections, where street improvements were allowed, there was no pavement at all and the streets and roads were at times impassable. The committee was careful not to appropriate for any improvements on streets where it was, you might say, possible to use the streets without any great inconvenience. There were some streets where we would be glad to replace the old cobble-stone pavement with up-to-date pavement, but we knew the present pavement would keep the traveling public out of the mud, and under the circumstances it could stand the jolts for awhile longer, at least, until the Nation as a whole recovers from the financial jolt it is receiving at the present time. It begins to look as though patches will be a badge of honor in the near future and will be pretty generally displayed the Nation over unless some change in conditions is brought about soon; therefore the committee felt it was no disgrace to the property owners on some streets clamoring for new pavement to be content to use patches for the time being at least.

I want to say, further, that the bill which passed the House a few days ago, what is known as the automobile-tag reciprocity bill, putting a tax of 2 cents a gallon on gasoline, carried with it, as I understand, a proviso to the effect that that money derived from this tax is to be used on the streets and highways of the District of Columbia. It is estimated that that law will probably create a fund anywhere from a half million to three-quarters of a million dollars. That will bring the amount for the coming fiscal year for street purposes to a sum more than is available for the present fiscal year under the last appropriation.

Mr. YOUNG. The gentleman thinks it would not be necessary to have an appropriation?

Mr. AYRES. That is my understanding. It may be used under the present arrangement by the District authorities for street improvements. If not, it will be an easy matter to have it appropriated for that use.

Mr. Chairman, my serving on this subcommittee, which has been only this session of Congress, has been sufficient to convince me that the present arrangement between the District and National Government as to revenue and expenditures is not fair and equitable to either. From the view of the District government it can be seen that there are many improvements that should be made but can not be because the National Government, through Congress, will not permit. The item, or items, of street improvements is a fair illustration. Some of us represent congressional districts containing fairly good-sized cities wherein pavement is badly needed or repairing of streets is badly needed, but owing to hard times, scarcity of money, and the desire to economize the city dads of those municipalities are saying, "No; we will get along for a while." It is rather hard for us to say to the city of Washington, "Notwithstanding the fact my city at home can not have these improvements, I am willing for you to have them, even though the taxpayers of my city help pay for yours and are denied them at home." That is an illustration that can be applied to many other things along the same line.

Owing to the rapid growth of the city of Washington within the past few years and phenomenal real-estate development which should at least increase the taxable value of all property, but which apparently has not kept pace with expenditures of the city made necessary by such developments and increase in population, it has made it impractical in fairness, at least, to continue the present proportional policy of receipts, or rather distribution. In fairness to the city government of Washington, it should be placed in a position where it could keep pace with the remarkable growth of the city in improvements of all kinds, made imperative because of this growth. This means street improvements, such as widening many streets, such as proposed in this bill as to Thirteenth Street NW., between F and I Streets, also the extension of streets, paving many streets now unpaved, the removal of old, out-of-date pavement and replacing it with up-to-date pavement, extension of water and sewer systems, enlargement of park systems, the reclamation of land for park purposes along the river, and hundreds of other matters that could be mentioned

necessary to be done in a growing city, but which can not be done so long as her guardians live in Illinois, Minnesota, New Jersey, Massachusetts, Kansas, and some other States. They are not thinking alone of the city of Washington when getting up an appropriation bill for Washington. They are thinking of the taxpayers back in their districts who help pay this appropriation at the same time they are thinking of the city of Washington. They are constantly comparing their own cities with this one; that is to say, their wants which have been denied.

That is natural, and I can not see where they are to be blamed for so doing. Yet it is not fair to the citizens of Washington. Men charged with making up an appropriation to meet the actual needs of Washington, who come from districts where taxes in their cities are anywhere from $2.50 to $4 per hundred because of these improvements a growing city demands, can not be entirely unbiased when confronted with the fact that the rate of taxation here is only $1.20 per hundred. It is such things as this that are apt to make such men unfair in their judgment as to what is right and just to all concerned.

It would seem there is no question but that the National Government interests, so far as property is concerned, have reached the maximum. Therefore it would seem that it should not be a difficult matter to arrive at about what the National Government should appropriate for its holdings here in the District. Beginning with 1915, when I first came to Congress, the appropriations on the part of the National Government for the District have varied some, but not as much as you might expect.

1915 it was	$6,590,431.58
1916 it was	6,103,615.57
1917 it was	7,059,603.79
1918 it was	7,871,136.99
1919 it was	8,316,221.74
1920 it was	9,456,956.84
1921 it was	8,322,931.07
1922 it was	8,868,778.21
1923 it was	8,660,747.92
1924 it was	8,631,745.20

While this bill proposes to appropriate for the National Government's share $8,973,666.80, which is about $1,800,000 less than allowed by the Budget for the District, you can see for the past eight years our proportion of the total appropriation for the District has been around the $8,000,000 mark. I have no suggestion to offer so far as a form of government for the District is concerned. That is a matter than can or should be worked out, if necessary, by those who are on legislative committees. I do feel, however, like offering a suggestion that a committee composed of Members of both branches of Congress, a committee from the citizens of the city of Washington or District, should be appointed, and see if some kind of a plan could not be effected so that the National Government could be assessed a fixed amount as its proportion in meeting the expenses of the government of the District, to be paid annually, and the balance, whatever it might be, be raised by the District of Columbia, and be expended as its officers may be authorized for the benefit and progress of the city of Washington. This is the only fair and just method to pursue.

Now, Mr. Chairman, regarding a few items that I want to speak of other than the statement that I have already made, there has been considerable criticism in the newspapers recently in regard to the lack of appropriations on the part of this committee that we did not make an appropriation to care for the employment of special counsel for the Utilities Commission to prosecute, or rather to complete, the case that is now pending in the Supreme Court regarding the Potomac Electric Co. I asked the clerk of this committee to ascertain just what had been paid to this special counsel up to date, and he said this man was designated as special counsel for this purpose soon after he ceased to be corporation counsel, and I want to give to the committee at this time a statement of the amount paid. In 1920 this special counsel to the Utilities Commission was paid the sum of $5,000. That was in 1920, for the work of carrying on this lawsuit on the part of the Utilities Commission against the Potomac Electric Co. In 1921 he was paid the sum of $4,000. In 1922 he was paid the sum of $3,000; in 1923 the sum of $1,500; making a total of $13,500 that this special counsel has been paid for this supposed work.

In 1924 the appropriation was cut out and we felt there had been enough paid this special counsel to cut it out in 1925, and as one member of this committee I want to say it will continue to be cut out. I think plenty could be said and probably will be said before this bill is finished concerning this special counsel. He has been paid amply for the services rendered in this matter.

Also there has been a criticism offered relative to the item of trees for park purposes.

Mr. LAZARO. Before the gentleman leaves the other proposition I would like to ask him this question: How much is involved in this suit?

Mr. AYRES. Well, that question I can not answer. I do not know whether the chairman of the subcommitee can answer the question or not—how much is involved in this suit?

Mr. LAZARO. As I remember, according to the newspaper editorial, there is something like $5,000,000 involved. What will become of the suit if there is no special counsel who is well versed in the case? Is it not dangerous to separate the District at this time from this special counsel?

Mr. AYRES. No. I think not; nor does the committee think it is dangerous for this reason: We have a corporation counsel and he has a number of assistants who are provided for in this bill. All of the preliminary work of this suit has been done, and all in the world that is necessary is to keep track of it in the Supreme Court, which I understand has already been done in a way which I do not propose to discuss at this time. But, as I say, practically all of the work has been done; the trial has been had, briefs have been prepared, and the matter has been presented. If the corporation counsel has not already familiarized himself with this particular litigation, he should do so, so that if it should become necessary for any further preparation or for any further presentation of the matter before any of the courts of this District he will be in a position to attend to it, and call some of his assistants in to take his place in some of the matters he is giving his attention at this particular time. It seems to me unnecessary to continue each year to carry an appropriation for special counsel in order that he may follow this particular litigation, litigation which has been pending now for six years.

Mr. LAZARO. What I had in mind was this: If it was necessary at all to employ special counsel to prosecute this suit, is it not logical to believe that he should be continued until the suit is finally disposed of?

Mr. AYRES. I do not know as to that, and I do not care to go into the discussion of that because I do not want to embarrass anyone connected with this suit. I have the idea that will be gone into pretty thoroughly by the gentleman from Texas, who is more familiar with this litigation and the present special counsel than I am and the handling of this suit. Therefore, I do not feel like going into that matter further. I am only saying that I think the expense we have been carrying for some time is not justified under the circumstances.

Now, regarding this item of trees for park purposes. It was reported in one of the papers a few days ago that we had been very stingy with regard to this particular appropriation. I want to call attention to the fact that we have appropriated, or, rather, recommended the appropriation of, the same amount in this bill that was carried in the current appropriation, namely, $55,000, which is ample.

Now, regarding an appropriation to which the chairman of the subcomittee has already called to your attention, namely, an appropriation for school purposes. We have been severely criticized because we have not appropriated more for school purposes. I do not intend to dwell on that, but your attention has been called to the fact that we have failed to appropriate for the securing of new sites for junior high schools, the amount being $600,000. As a matter of fact that $600,000 appropriation for high schools was intended for the purpose of a junior high school to be located within a mile of the Eastern High School which we have at this time, and it was absolutely unnecessary.

I think, gentlemen, that as a whole the subcommittee has been very fair. We have tried out level best to treat all concerned fairly and impartially, at the same time keeping these appropriations within the limits of what we considered reasonable and just for all concerned, the national as well as the District taxpayers.

I thank you. [Applause.] Mr. Chairman, I reserve the balance of my time. How much time did I use?

The CHAIRMAN. The gentleman used 42 minutes.

Mr. AYRES. Mr. Chairman, I yield 30 minutes to the gentleman from Kentucky [Mr. JOHNSON].

The CHAIRMAN. The gentleman from Kentucky is recognized for 30 minutes. [Applause.]

Mr. JOHNSON of Kentucky. Mr. Chairman, it is not my purpose upon this occasion to discuss this bill, for the reason that there is another matter about which I wish to say something and concerning which until now I have been denied the

opportunity. It is the Army appropriation bill to which I now wish to address my remarks.

When the Army appropriation bill came before the House it contained two limitations upon the pay of officers—active and retired. During the consideration of the bill another limitation upon the pay of officers was adopted.

The first of these limitations applied to two officers—one active and one retired—both of whom, Major Cresson and Colonel Hunt, had been found by a properly constituted committee to be unworthy of our country's uniform or gratuity.

Another limitation was placed upon the gratuity granted by Congress to retired officers; the limitation providing that no part of the money appropriated by the bill should be paid to any retired officer who engaged in selling any kind of goods or merchandise to the Government, no matter how honorable or upright the transaction might be.

The other limitation was placed upon the bill by the House. The one to which I now refer is the one which directs that no money appropriated by the bill shall be paid to any officer who participates in recruiting a soldier under 21 years of age without the consent of the parent or guardian.

I wish, briefly, to invite attention to the inconsistent and even paradoxical reasons, or rather, excuses, made by some in opposing one of the limitations and favoring another, although the two were parallel in principle.

For instance, the gentleman from New York [Mr. STENGLE] bitterly opposed the "principle" of withholding salary or gratuity from those who had been found by a committee, appointed by the present Speaker of this House, to have been part of a conspiracy to turn Grover Cleveland Bergdoll loose. Yet he complacently acquiesced in the adoption of the limitation which forbids a retired officer to accept honorable employment. He said he opposed such limitations "on principle."

However, he stood by the "principle" in the latter case and abandoned it in the other, principally because one of the officers at whom the limitation was aimed was the "buddy" of a friend of his.

The gentleman from New Jersey [Mr. BROWNE] discriminated between the two limitations because, as he said, one of the parties had been his personal friend for 30 years.

The gentleman from Illinois [Mr. MCKENZIE] said that the limitation as to Cresson and Hunt "was not an attempt to legislate by limitation but by confiscation."

Only the other day the Secretary of War, while testifying before the Senate committee relative to this very bill, stated that the annuity of two officers had just been withheld under one of the limitations in the bill, not because either had participated in a conspiracy against our country but because they had merely accepted honorable employment from concerns which have business transactions with the Government.

If one of these limitations is "confiscation," the other also must be. Yet the gentleman inveighs against only one of them. How wonderfully strange it is that the discrimination is in favor of the conspirator and against the other to whom even no suspicion of offense detrimental to our country has been laid.

The gentleman from Texas [Mr. WURZBACH], possibly from Eberbach, consents to the limitation which forbids payments to officers who accept the enlistment of those under 21 years without consent of parents or guardian. He also accepts, without murmur, the limitation which forbids the payment of an annuity to the two officers mentioned by Secretary Weeks, at page 234 of the Senate hearings on this bill, but he balks at another limitation which would deny payment to his "schoolboy friends."

The gentleman from Tennessee [Mr. FISHER] said:

> It is such an unusual procedure to have provisions cutting off the pay of officers * * * that it is beyond comprehension.

To the gentleman the proposition to cut off the pay of an officer is "incomprehensible." Yet the gentleman has given his support to the proposition to cut off the pay of officers for less offenses, if offense at all, than conspiracy to aid desertion to the enemy of our country.

The gentleman from Delaware [Mr. BOYCE] said:

> Assuming all that the gentleman from Kentucky has said to be true, the provision in the bill under consideration is unthinkable.

It is to be hoped that the gentleman, while assuming that the charge against Colonel Cresson be true, that he was one of several conspirators who turned Bergdoll loose, did not really mean to say that to withhhold the pay of Colonel Cresson was "unthinkable," while to withhold the pay of another for enlisting a young man under 21 years or to withhold the pay of one who did no more after his retirement from the Army than to accept employment from a business concern that sold Army supplies to the Government was "thinkable."

The gentleman from Nebraska [Mr. SIMMONS] told how Colonel Cresson had appeared before the American Legion in Nebraska and related to the Legion how vigorously he had prosecuted the Bergdolls. No one that I have ever heard of has said that Cresson did not properly prosecute the Bergdolls. The charge against Cresson is that he did not in good faith prosecute Colonel Hunt, who was one of the conspirators who turned Grover Bergdoll loose. It would have been equivalent to suicide had Cresson not properly prosecuted the several Bergdolls.

Regardless of his motives I commend him for prosecuting the Bergdolls, but blame him for making only a pretense toward the prosecuting of Hunt.

Cresson's conduct or attitude is comparable to that of Benedict Arnold while marauding through Virginia after he had become traitor, when upon capturing a young officer in our Army and while deliberating upon what punishment he should inflict upon the young captain, asked:

> What would you do with me if you had taken me prisoner?

The young fellow quickly replied by saying:

> While storming Quebec you received an honorable wound in the leg. Again while forcing the British at Saratoga you were wounded in the same leg. If you were my prisoner, I would bury that crippled leg with the highest of our military honors, but the rest of that damned carcass of yours I would hang on an ignominious scaffold and afterwards throw it to the dogs.

Just here I feel that I should speak of the attitude of two other Virginians toward limitations on appropriation bills. One is the delightfully genial gentleman, Mr. MONTAGUE. The other, Mr. TUCKER, I understand, left a kindergarten class in constitutional law at one of the colleges or universities in Virginia to succeed in this Chamber the lamented and beloved Hal Flood.

The former, Mr. MONTAGUE, while discussing and opposing the limitations aimed at Colonel Cresson, arose in all his splendor and pomp, assumed an imposing attitude and tragically exclaimed:

> What power has this House to convict Major Cresson?

My answer is that it has the same power to "convict" Major Cresson for corruptly conspiring to let Bergdoll escape as it has to "convict" the officer who takes boys under 21 years into the Army. It has as much right to "convict" Cresson for conniving at the acquittal of Hunt, the traitor, as it has to "convict" another retired officer for accepting honorable employment from an honorable business concern having honorable dealings with honorable officers of our Government. Of the former proposition the gentleman complains; of the latter proposition he approves.

Congress has authorized the employment of Colonel Cresson in the Army and has fixed his pay. Congress by the same authority can stop that which it has authorized. Congress giveth and Congress taketh away. It is not necessary to "convict" one of crime in order to stop paying a salary, as in Colonel Cresson's case, or to stop an annual gratuity, as in Colonel Hunt's.

To stop the salary of Cresson or the gratuity of Hunt without "convicting" either of crime is just as logical as it is to stop the pay of an officer who enlists boys under 21 years of age, or to stop the gratuity of a retired officer who engages in business with a firm or corporation that sells to the Government.

And just here I may refer to the remarks of the gentleman from Minnesota [Mr. NEWTON], who spoke of the attempt to take salary from Cresson and gratuity from Hunt "without a trial of any kind." I can not but wonder what kindly spirit moved this gentleman to oppose a limitation which would deprive one class of officers of their pay "without trial of any kind" when an ominous silence overwhelms him when it comes to depriving another class of officers of their pay "without trial of any kind."

But, back to Mr. MONTAGUE's question: "What power has this House to 'convict' Major Cresson?" Already I have given my answer. There is yet another answer: It is the power given by resolution to a committee of this House to investigate and report to the House those who committed the crime of unlawfully liberating Bergdoll. The power to withhold Cresson's pay and Hunt's gratuity lies in Congress and is recommended in the report of that committee, one of whom was a noble Virginian who then occupied a seat in this body. If his lips were not forever closed, the gentleman from Vir-

ginia need only to ask the question of him both as to the power of Congress and the guilt of Cresson and Hunt.

The other gentleman from Virginia [Mr. TUCKER] in repudiating Hal Flood's findings of fact and in defending the traitor to his country's flag, opened his address with the admission: "I know nothing in the world about this case or about this officer." What a pitiful admission that is coming from one who is the successor in this body of him who knew all about it, and over his signature named Cresson as one of those who conspired to turn Bergdoll loose; and who, as one of his last official acts, detailed the circumstances which established the guilt of both Cresson and Hunt.

The predecessor of Mr. TUCKER was a capable, a brave, an honorable, and a just man. He realized a duty when responsibility was placed upon him; he possessed the judgment to discern that duty; he had the courage to discharge it; he was just enough to do no wrong to another; he was patriotic enough to permit no wrong to his country's flag to go unrebuked. By the report made to this House, a report which he helped to write and to which he put his now hallowed name, it was recommended that this man Cresson, so lately defended by Mr. TUCKER, should be stripped of his uniform, and that a patient people might not be further taxed to pay Colonel Hunt an annuity of $3,600.

He, of whom the Old Dominion was so proud, sent a large number of that report to his constituents; the papers of his State carried its condensed findings and recommendations. No doubt those who love country and detest the unpatriotic; no doubt those who are nauseated with the thought of being taxed so that he who conspired against his country's honor may live in affluence, unlike the gentleman who came to his defense, can not join him when he says: "I know nothing about this case or about this officer."

If Hal Flood had been spared, his voice would not have been heard in this Chamber discussing a proposition about which admittedly he knew nothing whatever.

Knowing nothing about the question before the House the gentleman from Virginia [Mr. TUCKER] took for his subject another matter about which he knew no more.

The real question was whether or not Colonel Cresson should, during the ensuing fiscal year, draw salary as an officer in the Army, and whether or not Colonel Hunt, a retired Army officer, should during the next fiscal year be paid a gratuity of $10 a day.

As Mr. TUCKER admittedly knew nothing about the subject, notwithstanding that Hal Flood, his predecessor, was one of the authors of the report that told all about it, undertook to impart information upon subjects about which he knew nothing, made a speech on a section of the Constitution which has to do with "attainder, the corruption of blood," and the right of trial by jury, although neither "attainder" nor the corruption of blood, nor the trial by jury had anything whatever to do with the question as to whether Congress could repeal, in whole or in part, an act which it had passed, that act relating only to the pay of officers. If, as he contended, an officer's pay for services not yet rendered, or the gratuity of a retired officer for a period not yet reached, could not be stopped without "corruption of blood," without the denial of the right to inherit, without the trial by jury, then may I ask why the gentleman's ardor arose in behalf of those whom his distinguished predecessor had found guilty of a crime against our country, and yet remained so placidly willing that the pay of an officer who participated in enlisting a boy under 21 years of age be stopped; or that of one accepting, as I have said, honorable employment from a business concern that has not and probably will not undertake to deal dishonorably with our Government.

In the Army men are not tried as in the Federal or State courts. Only a little while ago 12 or 15 negroes were hanged by Army authorities in Texas without the intervention of a jury. We are told—and no doubt it is true—that during the recent war members of our Army were shot or hanged after court-martial trial only. The Supreme Court of the United States and every other court in the land recognizes this as legal. Everybody in the whole country, with one possible exception, knows that such is the law.

The seismograph recently recorded an earth shock somewhere. At first it was thought to be another shock in far-away Japan, then it was found to be a disturbance near here. Some said it was nothing more than John Marshall turning over in his coffin to catch the new doctrine of applying "attainder and corruption of blood" to the question as to whether or not Congress could, in whole or in part, repeal its own made laws relative to the pay of soldiers, either active or retired. Finally, however, the disturbance was located as a rattle in Hal Flood's shoes.

Then, next, the gentleman from Massachusetts [Mr. ROGERS] appeared with a letter from General Bullard giving a final approval of Major Cresson's prosecution of Colonel Hunt.

This final letter from General Bullard no doubt became necessary to clear up the original statement given out by him, which in its original form was used by Cresson with House Members for the purpose of giving himself a clean bill of health as to his prosecution of Hunt, but which had been garbled and changed by him to the extent of becoming a real forgery, he believing that necessary in order to get an indorsement from the American Legion, which he succeeded at last in doing.

The remarks of the gentleman from Massachusetts [Mr. ROGERS], together with the correspondence referred to by him, suggest a somewhat peculiar situation.

Thereby it is disclosed that General Bullard appointed the court to try Hunt; that he also appointed Cresson to prosecute him; that somebody—unnamed—reported to General Bullard that Cresson was disposed to prosecute Hunt too vigorously; and that General Bullard warned him not to be too zealous in the prosecution.

It is possible that this interference with the case by the highest military authority in that corps area may be one of the two reasons why Cresson did not prosecute, and also one of the two reasons why General Bullard gave the letter acquitting Cresson of a lax prosecution.

It is not far-fetched to believe, from these disclosures, that General Bullard has defended himself no little for having interfered with a judicial proceeding conducted by a court and prosecutor of his own making. If he has done that, and I sincerely hope he has not, it would be but one of the human frailties for him to defend the prompted actions of his creatures.

But another factor entered into the giving of the first statement by General Bullard. I use the word "statement" advisedly instead of the word "letter," for such a "letter" was not written. Instead, a "statement" was written and handed to one in distress, who was appealing to his sympathies and gallantry in manner like unto the words attributed to Ulysses when he said:

> A suppliant bends. O, pity human woe,
> 'Tis this the happy to the unhappy owe.

Mr. Chairman, I yield back the time I did not use.

The CHAIRMAN (Mr. RAMSEYER). The gentleman yields back nine minutes.

Mr. DAVIS of Minnesota. Mr. Chairman, I yield 10 minutes to the gentleman from Michigan [Mr. HUDSON].

Mr. HUDSON. Mr. Chairman and gentlemen of the committee, I ask your indulgence this afternoon not to speak upon the bill before us, but upon House bill 7524, and the other bills commonly known as the beer bloc or beer bills.

Michigan was the first State with a great industrial city in its borders to adopt constitutional prohibition. Michigan adopted prohibition in 1916 by a majority of 68,624 in a total vote of 638,132. At the same election Michigan defeated a proposed constitutional amendment which would have legalized the manufacture and sale of beer and wine by a majority of 122,599, out of a total vote of 635,143. It is an interesting thing to note in passing that at the same election 3,000 voters were more interested in the question of the total abolition of the liquor traffic than they were in any modification of the manufacture and sale thereof.

The state-wide constitutional prohibition amendment went into effect May 1, 1918—the end of the State license year. The liquor forces submitted another amendment to the State constitution which would have legalized the manufacture and sale of 2.75 beer and light wine at the April election of 1919—one year after prohibition had been in effect and one and one-half years after the first vote on prohibition. This proposed constitutional amendment was defeated by a majority of 207,520, in a total vote of 852,726.

Here again is an interesting incident to be noted. At this election there was an increase of the total vote cast of 217,583. The majority against the policy of beer and light wine was increased from 122,599 to 207,520, or nearly 100 per cent. The arguments used throughout these campaigns both in 1916 and 1919 was the same as being used now by the proponents of the modification of the Volstead law, namely, that the electorate in the adopting of the State constitutional amendment wished only to abolish the licensed saloon and the sale of so-called hard liquor. The vote, if not in the first instance, certainly in the

second instance, is a conclusive refutation of such claims. In nine-tenths of the State the law is well enforced and conditions constantly improving. The great metropolis of Detroit presents grave enforcement problems, but even there prohibition has been made a great factor in the city's prosperity. With the determined cooperation of the State executive and the State police powers Detroit's enforcement problem has been greatly reduced.

When the State of Michigan adopted constitutional prohibition in November, 1916, the same taking effect May 1, 1918, there were 3,285 licensed saloons and 62 breweries in the State. Since then the State's population has increased at the rate of more than 30 per cent, and Detroit, our metropolis, at the rate of 113 per cent. Yet here are a few figures of the first years of prohibition in that same metropolis; remember, too, that no great city of the Nation presents more problems for enforcement than the border city of Detroit, with 90 per cent of its population foreign born or of foreign-born parentage.

The number of arrests for drunkenness the last year of saloons in Detroit were 18,488. At the end of three and one-half years the number of arrests for drunkenness had decreased to 6,346, despite the city's growth of over 113 per cent in population.

The sheriffs of the State reported in the last wet year 34,834 confined in county jails; in 1921, 29,552; a decrease of 5,282. Six hundred and six banks in 1917, the last wet year, reported 1,944,936 depositors, with an average of $386.86 per depositor. In 1921, after three and one-half years of prohibition, 690 banks and trust companies reported 2,543,107 depositors, with an average of $589.88 per depositor, an increase of 84 banks, 598,171 depositors, and $203.02 per capita depositor.

The proposition before the committee allowing the manufacture and sale of beer with a 2.75 alcoholic content would be impossible of regulation or enforcement. If the proponents of such a measure contend that the Volstead law can not be enforced, it is surely not within their province to contend that the proposed modification of the Volstead law would be enforceable.

There is a great deal written by the associations against prohibition organizations, which are the strong backers of the beer bills before the Judiciary Committee about the revenue for the Federal Government that might be obtained in passage of such legislation and taxing the output of the breweries. It is such a false sophistry that it scarcely needs to be considered at all. The real answer is that it would be a false revenue, simply a scheme to make the brewers of the Nation its tax collectors. They would create no new product on which a tax is levied, but simply collect it from the public. Instead of reducing taxation it increases it to the masses who must become patrons of drink to enable the brewer to collect the same. No people can prosper on the revenue received from taxing the weaknesses of its people.

The proposal to modify the Volstead law to the extent desired in the proposed legislation would be to admit a degree of intoxicable liquors that would defeat the amendment to the Constitution. This proposed legislation would defeat the Constitution by means of unconstitutional law. The judicial policy of the States from the beginning in handling this question has made that issue very clear. The pronouncement of doctors and chemists and scientists and even the common experience of mankind all reveal the fact that to pass such legislation would mean the defeat and nullification of the eighteenth amendment. If there are any changes to be made in the Volstead law, they should be changes to strengthen and not to weaken it.

It should be as unlawful in law as it is in the marts of trade for the buyer as the seller. There should be a clear determination of section 6 of the Penal Code so as to establish beyond dispute that when A goes to B and says, "Can't you get me one case of liquor by Saturday night," and B gets it from C and delivers it to A, that there has been a conspiracy to defeat the law. It is a situation caused by a certain public difference of opinion in regard to the liquor laws. This situation is real and present, but there is only one way out; if it takes a whole generation we must follow that way. Every man who surrenders, every man who tries to lead in another direction only lengthens the period of corruption and demoralization and helps to weaken our institutions.

Proponents of modification of the national prohibition law to admit manufacture of wines and beer all state that the saloon should not return. In its place they suggest various systems of so-called regulation—all having but one goal, namely, the return of the old-fashioned saloon. We do not even have to speculate as to what the result would be. The Province of Quebec gives a remarkable example of actual conditions under a "temperance" law which provides for government-controlled liquor stores, limited sale, and regulation of alcoholic content. Briefly the law is this: The provincial government controls the manufacture and sale of liquors under a commission. It sells the privilege of manufacture to certain concerns and the retail sale to others who purchase licenses under this vicious political system. Three hundred and seven licensed beer saloons are in Montreal. In addition to these there are 500 grocery stores that sell beer in bottles to families. Investigators report the same old smells, same old maudlin songs, same old quarrelling and wrangling, and the same old drunks as of other liquor days.

Recorder's court shows 12,048 persons came into that court dead drunk in two years—not just maundering drunk, not just shouting drunk, not just singing drunk, not fighting drunk, not staggering drunk, but helplessly dead drunk, lying in a public street or public place.

When the brewers were making their drive for this legislation the promise of the Government was that 2.51 per cent of alcohol would be the limit. It has now been forgotten, and there is no limit to the alcoholic content of beer. The greater part contains from 6 to 8 per cent, and much of it 10 to 12 per cent. Light wine has been forgotten, too, and most of it contains 15 per cent and more of alcohol.

One of the provisions of the new law was that all saloons, hotels, restaurants, and grocery stores should close at 7 o'clock, but the brewers have edged up on that, too, and the friendly liquor commission permits them to stay open until 10 o'clock.

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

Mr. HUDSON. Certainly.

Mr. BLANTON. The gentleman spoke of Michigan having passed on this question definitely and decisively. I wish the gentleman would put in his remarks the facts concerning the big State of Ohio having passed on it in the last election, definitely and decisively, by nearly 189,000 votes.

Mr. HUDSON. Not only once, but, I believe, four times, with increasing majorities every time.

Mr. BLANTON. And also at the last election.

Mr. HUDSON. Yes.

Mr. BLANTON. And when Michigan and Ohio pass on such questions the country ought to sit up and take notice.

Mr. HUDSON. It ought to be conclusive.

A striking recent demonstration of what prohibition can do when properly enforced has been given in Philadelphia. The saloons which have been masquerading as soft-drink parlors have been closed, and the results are seen in the records of the alcoholic wards of the hospitals and in police courts. The Philadelphia North American of March 24 said:

> The most extraordinary result of the aridity is shown by the fact that after 6 o'clock Saturday night not a case of intoxication was treated at the famous "intoxicating ward" of Hahnemann Hospital. So far as hospital records show this has never happened before in the years Hahnemann has been the headquarters for treatment of bad "hooch" cases picked up in the city's toughest section.

On Saturday, March 22, police stations in the two central police districts reported from two to nine drunks taken into custody. Previous to prohibition it has not been uncommon to report between 200 to 300 on a single Saturday night.

In the present crisis the call of patriotism that comes to every voter admits of two intelligent answers. First, "I will observe the law and use all my influence to have the law enforced and obeyed."

Second, "The sacrifice is too great; let the country go to the dogs; I am going to have my liquor." All other answers come from the twisted logic of honest people or self-deception or intentional subterfuge.

The issue of to-day, therefore, has gone beyond prohibition. It is supremacy of law. All personal rights and property rights are left out in the question of the ability of the Government to enforce its mandates. Anything else is anarchy.

In this connection I desire to bring before the Members of the House the pertinent facts contained in a recent communication received personally by me from Dr. Samuel W. Small, a journalist of international fame and a student of economic and moral questions for many years. His findings are so important that I am impelled to insert them in my remarks to-day:

WASHINGTON, D. C., *April 12, 1924.*

Hon. GRANT M. HUDSON, M. C.,
Washington, D. C.

MY DEAR HUDSON: I am constrained to write you on some recent discussions in Congress.

The antiprohibition speech recently fired off in the House of Congress by General SHERWOOD, of the Toledo district, has not been honored with proper attention by us prohibitionists. Though the old war hero delivered it in solemn and heroic style, it yet happens to be

the most unconsciously humorous speech ever made against prohibition on the floor of Congress.

The good old veteran loves to spend his leisure hours in the lobby of Congress Hall Hotel reciting Civil War stories and getting stuffed with the wild romances of the wet lobbyists who hover about him and flatter him as the Ajax of alcoholism. It is no wonder, then that he persuades himself to believe that it was up to him to go out with his battle-ax and demolish the refuge and remnant of the fanatical prohibitionists.

It sounds funny, but that is exactly what he thought he did; and the Asssociation Against the Prohibition Amendment is now sending his speech, under his frank, to many hundreds of thousands of men and women all over the Union. In the opinion of the A. A. P. A.—Association Against the Prohibition Amendment—the Sherwood speech is their own; they supplied its substance and call it "A Thunderbolt of Jove."

SHERWOOD ON THE STAND

General SHERWOOD began by boasting that when 12 years old he signed a temperance pledge and has kept it ever since, which may account for his being alive and active now in his eighty-ninth year.

He said he went through four years of the Civil War, was in over 40 battles, and "never took a drink of whisky in all those four years," which is rich proof that liquor is not a necessary of life and heroic efficiency to a soldier. This adds to Pershing's testimony that the unbeatableness of the American Expeditionary Forces in France was because his army was "not only peerless but beerless!" He then said, "We have the murder and suicide record of the world," but he did not go on and confess that we Americans have held that record for more than a hundred years. It is no new phenomenon brought about by prohibition. What then was the big idea in advertising that century-old fact, unless to falsely charge our murder and suicide record as the result of prohibition?

General SHERWOOD also is horrified that 10,000 more cases of violations of the Volstead Act were discovered by the law enforcers in 1923 than in 1922, which is greatly to the credit of the officers and gratifying to the friends of prohibition enforcement. The more violations prosecuted and punished the fewer there will be to prosecute, perhaps, hereafter. A Volstead law violator in jail looks safer than one at large and busy.

BIG SMUGGLING RECORD

The dear old general is likewise given a pain in his periscope by the reports of whisky smuggling from Nassau and Glasgow and other places, which he says amounted in 1923 to 25,000,000 gallons and cost the American people $550,000,000 of bootleg prices—"wasted money that goes to a foreign country." But General SHERWOOD failed to state that in 1917, before the prohibition amendment was ratified, our American output of hard liquors was 161,012,068 gallons and our total consumption of all kinds of alcoholic beverages was 2,095,535,005 gallons, or over eight times 25,000,000 gallons. Does he claim that domestic production is now supplying the other seven-eighths with moonshine and home-brew hooch? It is ridiculous.

In 1917 our whisky consumption was officially reported as 1.60 gallons per capita; in 1923 the best estimate is 0.21 per capita.

Besides all that "wasted money that goes to a foreign country" really doesn't go there—only about 20 per cent of it gets over there to stay, while 80 per cent goes to our own rum runners, bootleggers, and high-jack robbers on the highways.

If smuggled rum costs us over half a billion now, our unsmuggled rum several years ago, at low American prices, cost us over two and a half billions. Some saving, I'll tell the world, on our "wasted money" account.

THE DETROIT RIVER DELUGE

General SHERWOOD complains that the beer smugglers from Canada import 400,000 bottles of beer across the Detroit River weekly. "That" he says, "represents a cost of $5,000,000 a year to the people of that one city and the small towns within 20 miles of Detroit." Well, Detroit has more than a million people in it and the towns within 20 miles of it have at least 200,000 inhabitants, making 1,200,000 in all; so that 400,000 bottles of beer weekly would give one bottle per week to each of one-third of the total population. Wonderful supply for a mob of thirsty Michiganders, what?

Especially when one recalls the official record that in 1917 Michigan breweries turned out 2,338,521 barrels of high-power beer, 31 gallons to the barrel. Compare that with 20,800,000 bottles per year for 1,200,000 people, each bottle holding only one-fifth of a gallon. And then in 1917, Ohio helped Michigan some out of the buckeye output of 5,458,368 barrels of beer, much of it produced in General SHERWOOD'S own town of Toledo. Instead of the Sherwood figures being dismaying they are wonderfully revealing of the good results of prohibition.

A BLOOMING DETROIT LIAR

General SHERWOOD trots out "a reliable citizen of Detroit," who says, "instead of 1,500 saloons we have anywhere from 3,000 to 10,000 blind pigs, spawning loafers, thieves, and murderers." Would not that be an awful condition if truthfully stated? But is it true?

The realtors who know tell us that Detroit has some 70,000 residences, small dwellings, tenement apartments, and boarding rooms inside the city limits. Let us average the 3,000 to 10,000 figures of "a reliable citizen" at 7,000 "blind pigs," and we come to the amazing conclusion that every tenth dwelling place in Detroit is "spawning loafers, thieves, and murderers," and the only relief in sight is to set up against 1,500 open saloons that formerly turned out only hard workers, honest men, and pacifists.

THE MEDICAL MOLOCH

Another horrible discovery by General SHERWOOD is that last year 50,000 of the 150,000 physicians in America took out books of prescription blanks from the Internal Revenue Bureau, each prescription to be for 1 pint of liquor to suffice each patient for 10 days. The general recites with terror that there were issued 11,268,614 such prescriptions, and he says the doctor charged $2 for each prescription, realizing $22,536,938; and he exclaims, "No wonder there are so many ambitious young men seeking the medical profession."

Consider now that 11,268,614 prescriptions allowed each of 50,000 doctors just 225 prescriptions for 365 days in the year. That left each one of them 140 days when he had no prescription to issue to anyone.

And if the $2 prescription was new velvet added to his income wholly by virtue of prohibition, he got an increase of $450 per year; and that is the temptation that is causing a grand rush of "ambitious young men seeking the medical profession." Why, in two months they could make that much money as carpenters or brickmasons. It is to laugh with contempt when such silly arguments are made to prove the inefficiency of prohibition and the ruin of the morale of the Nation by its operations and its violations.

VICTIMS OF POISON LIQUOR

General SHERWOOD deplores, as we do, that "3,000 persons lost their lives from poison liquor during the past two years." Perhaps most of those persons would have been alive to-day if they had observed the law and let illicit liquors alone. They were the victims of their fellow lawbreakers and not of the Volstead Act.

When Congressman Hobson charged hundreds of thousands of untimely deaths against alcohol, the liquor apostles denounced him bitterly and produced their own figures to prove that not more than 68,000 deaths per annum could be laid to alcoholism through the liquor trade. That can be found in the CONGRESSIONAL RECORD proceeding from the mouths of the opponents of the Hobson national prohibition amendment. But what a contrast now. Three thousand deaths from poison liquor in 1922 and 1923 to 68,000 deaths per year from poison liquor bought in American saloons before prohibition.

OLD PURITAN GEORGIA

Just one thing more, passing by a dozen vulnerable errors in General SHERWOOD'S speech. He jeers at Representative UPSHAW, of Georgia, perhaps the most persistent dry in all the Congress. Of him he says: "He is the reincarnation of the old Puritans of the seventeenth century, who hung Quakers in Connecticut and burned witches in Massachusetts"; and the gallant GALLIVAN and terrible TINKHAM, both of Boston, applauded that slander upon the State that boasts proudly of culture and Coolidge, well knowing, both of them, that no witches were ever burned in Massachusetts.

Besides, Georgia was the first and only American colony that began its life by prohibiting traffic in slaves and rum, and to provide a fine for those who failed to vote in public elections.

General SHERWOOD adds no honor to his long career as soldier and statesman of this Republic when he joins the alien cry against the eighteenth amendment that it is un-American and contrary to the principles of the fathers of the Constitution. He forgets the counsel of Washington, who presided over the convention that framed that instrument, that any changes in it should be sought by the peaceful method of amendment provided in the document itself. Madison, still called the "Father of the Constitution," in the Federalist, No. 40, declares: "The transcendent and precious right of the people to abolish or alter this Government as to them shall seem most likely to effect their safety and happiness, since it is impossible for the people spontaneously and universally to move in concert toward their object, it is therefore essential that such changes be instituted by some informal and unauthorized propositions made by some patriotic and respectable citizen or number of citizens."

James Wilson, a powerful member of the convention of 1787 and afterwards justice of the Supreme Court of the United States, said: "The people may change the Constitution whenever and however they please. This is a right of which no positive institution can deprive them." (Wilson's Works, vol. 3, p. 293.)

Justice Iredell, of the Supreme Court, leader in the North Carolina convention for the ratification of the Constitution, said: "The people * * * may remodel the Government whenever they think proper, not merely because it is oppressively exercised but because they think another form is more conducive to their welfare." (Story's Com., vol. 1, p. 326.)

Judge Story himself refers to the final sovereignty of the people and "their right to change the form of government whenever necessary for their safety and happiness." (Story's Com., vol. 1, p. 198.)

John Marshall, "the great Chief Justice," said: "Surely the question whether they (the people) may resume and modify the powers granted to Government does not remain to be settled in this country." (4 Wheat. 405.)

Justice Patterson, of the Supreme Court, said: "A constitution is the form of government delineated by the mighty hand of the people, is paramount to the will of the legislative, and is liable only to be revoked or altered by those who made it." (2 Dallas, p. 304.)

"Rowle on the Constitution," page 17, quotes Vattell, that "the best constitution which can be framed, with the most anxious deliberation that can be bestowed upon it, may in practice be found imperfect and inadequate to the true interests of society. Alterations and amendments then become desirable. * * * So the people may at any time after or abolish the constitution they have made."

And in the famous Bill of Rights of the Virginia Constitution, extant to this day, it was and is declared "that government is or ought to be instituted for the common benefit, protection, and security of the people, nation, or community. And that when any government shall be found inadequate or contrary to these purposes, a majority of the community hath an indubitable, inalienable, and indefeasible right to reform, alter, or abolish it in such manner as shall be judged most conducive to the public weal."

That may be truthfully called the ancient American principle of popular sovereignty, and it was on that principle that the eighteenth amendment was based and is fixed, we may well believe, for all American ages yet to come. How absolutely false, then, is the raucous outcry of the liquor bellowers that it is a wide departure from our constitutional doctrines and was forced into existence by the un-American and unconstitutional trickery of a minority cabal of Puritan fanatics!

Yours in the battle of righteousness.

SAMUEL SMALL.

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

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

Mr. AYRES. Mr. Chairman, I yield 30 minutes to the gentleman from Texas [Mr. MANSFIELD]. [Applause.]

Mr. BLANTON. Mr. Chairman, I think my colleague should have a better audience, and I make the point of no quorum.

The CHAIRMAN. The gentleman from Texas [Mr. BLANTON] makes the point of order there is no quorum present. The Chair will count.

Mr. BLANTON. Mr. Chairman, now that the Members have come in from the cloakrooms, I withdraw the point.

Mr. MANSFIELD. Mr. Chairman, the bill before us carries an appropriation of $22,434,167, the estimated cost of running the municipal government of the District of Columbia for the coming year, including the cost of its public free schools. It is proposed that 60 per cent of the sum carried in the bill shall be paid by the people of the District and 40 per cent by the taxpayers of the United States.

Since the year 1874 Congress has appropriated money from the Federal Treasury to pay a portion of the cost of maintaining the local government of the District of Columbia. For the first four years of such payments no definite plan was adopted, but the appropriations ranged from 40 to 50 per cent. By the act of June 30, 1878, it became the fixed and definite policy of Congress to annually pay 50 per cent of the cost of the local government. This plan was kept in operation until the year 1922, when the share to be paid by the Federal Government was reduced to 40 per cent, and this latter plan is still in operation.

Under the sharing plan inaugurated in 1874 Congress appropriated to the District for the four years, 1874 to 1877, sums aggregating $10,725,141.39. For the 44 years under the 50-50 plan—1878 to 1921—the appropriations amounted to $178,871,480.58. For the three years under the 40-60 plan—1922 to 1924—the sum of $25,860,375.11 was appropriated. In all, 1874 to 1924—51 years—the direct appropriations to the District from the Treasury of the United States amounted to the enormous sum of $215,456,997.20.

These sums, enormous as they may appear, do not by any means represent the sum total of the appropriations to the District from the Federal Treasury. These are simply the amounts that have been carried in the annual District appropriation bills. In addition to all this, many of the departmental bills carry large sums for the District to which neither the 50-50 nor the 40-60 plans have ever been applied but which have been paid in full out of the Treasury of the United States.

Under the War Department bills so many millions have been expended in the District that it would require an expert in figures to estimate the totals. Much of this, however, was for a national purpose, to which no objection should be raised. I take for granted that it was the duty of the Federal Government to provide the water transportation which has been made available here, though at an enormous cost. It might also be considered its duty to provide the necessary docks, harbors, and turning basins, although Washington is the only city in the country where the Federal Government has paid in full for such facilities.

The reclamation and improvement of the Potomac Park section, including the tidal basin, Speedway, golf and polo grounds, which, with the many miles of stone retaining walls inclosing the entire water front, costing several million dollars, was largely, if not exclusively, for the local benefit. Still we might accept all that as a Federal liability.

The water system of Washington, including the aqueduct from Great Falls, the artificial lakes, reservoirs, and filtration plant, costing many millions, while furnishing water to the Federal buildings, also constitutes the water supply for the entire city and District. The appropriations for this purpose have in most part been carried in the bills of the War Department. The aqueducts alone, costing more than $4,000,000, were paid for in full by the Federal Government. Improvements to the extent of $6,150,000 were authorized in the Army bill of 1922. In all, the Federal Government has paid approximately 90 per cent of the cost of the water system, while its use and purpose have been at least 90 per cent local. So far as I am informed, this is the only city in this country whose water supply has been furnished by the Federal Government.

As early as the year 1841 Congress commenced making provision for the care of the insane, whereby the District was relieved of that burden. At first the patients were kept in Baltimore and the expenses paid by the Federal Government. In 1852 grounds were purchased and the erection of a hospital was commenced. In this institution, now known as St. Elizabeths, the insane of the District were merged with the insane of the Army and Navy. The expenditures for the joint purpose, paid by the Federal Government up to the year 1874, amounted to $2,595,000.

Since 1874 large additions have been made to the hospital, both as to grounds and buildings, the cost of which has run well up into the millions. These appropriations have been carried in the Interior Department bills, to which the 50-50 plan of payment was never applied. They are still being so carried, but in recent years a nominal charge for the District patients has been paid out of the 50-50 and 40-60 funds.

In the year 1866 Congress inaugurated a school-building program for the District, and from that date up to the year 1874 had expended for sites and buildings the sum of $178,588. This was also under the Department of the Interior. Since 1874 the cost of school buildings, as well as the salaries of the teachers, have been paid jointly by the District and Federal Government under the 50-50 and 40-60 plans. The Federal Government has never relieved the respective States of the cost of their free schools. The taxpayers of the District have been peculiarly blessed in this respect.

On May 22, 1878, Hon. John Sherman, Secretary of the Treasury, in response to a resolution of the Senate submitted a statement of appropriations and expenditures from the National Treasury for public and private purposes in the District of Columbia from July 16, 1790, to June 30, 1876. This report was made a public document and was known as Executive Document No. 84, of the Forty-fifth Congress, second session.

By reference to this document it will be seen that Congress made contributions to the District even before the sharing plan inaugurated in 1874; but for the first half century very little if anything was given for strictly municipal purposes. This is conclusive evidence that the founders of our Government never contemplated that the people of the United States would ever be taxed to pay the local expense of the District. It was after the deaths of Washington, Jefferson, and Madison that this system developed. Through the influence of the local lobby the evil has continued to grow and expand. It will doubtless continue to expand until the District is abolished or else diminished in size and segregated from the local inhabitants.

It might be pertinent to compare the tax rates in Washington with those of other cities. My distinguished colleague from Texas [Mr. BLANTON] recently inserted in the RECORD, a statement of the rates of taxes being paid in 46 cities, reasonably comparable with Washington. The lowest rate reported from any of those cities was far greater than the rate in Washington, while some of them were six and seven times as high.

For the purpose of this comparison I will eliminate the great cities of New York, Cleveland, Detroit, Pittsburgh, Philadelphia, Chicago, Boston, and Baltimore. On account of the large population and commercial importance of those great

cities, the claim might be made that the comparison was unfair. I will simply say that the lowest rate paid in any of those cities is more than double the rate paid in Washington, while the average rate for the eight cities named, is $5.16½ on the $100 valuation. In Washington the rate is $1.20.

According to the figures given by my colleague [Mr. BLANTON] as certified to him by the mayors of the respective cities, the rate in San Francisco is $3.47; Portland, Oreg., $4.52; Peoria, $6.58; Houston, $4.29½; Wichita Falls, $5.05; Boise City, $4.52; Duluth, $5.79; Minneapolis, $6.52; Oakland, $4.02; Mobile, $3.40. The average rate for these 10 cities is 4.79\frac{3}{10}$ on the $100.

Mr. BLANTON. Will my colleague yield there?

Mr. MANSFIELD. Yes.

Mr. BLANTON. That is the total tax which those people pay.

Mr. MANSFIELD. Yes.

Mr. BLANTON. Not merely the city tax that the people in those cities pay.

Mr. MANSFIELD. That is what I understand. The gentleman from Texas will also bear in mind that the $1.20 rate for Washington is the total for all purposes.

Mr. BLANTON. Yes; it is the total tax as compared with the others.

Mr. MANSFIELD. Yes.

Members of the Committee on Rivers and Harbors will recall the hearings held by that committee a few weeks ago, when it had under consideration the question of the diversion of water from Lake Michigan into the Des Plains and Mississippi Rivers through the Chicago Sanitary Canal. The question of taxation was incidentally involved in the investigations.

It was shown that the tax rate in Chicago was not uniform but that the city was divided into a number of taxing districts, or taxing towns, as they are called, the rates being different and in some instances varying considerably. The rate in Hyde Park, one of those taxing towns, was shown to be $7.72 on the $100. In another, Evanston, where a 50 per cent valuation was required, it was $15.50, or the equivalent of $7.75 on the $100 if full valuation had been required.

This is but an illustration of what Washingtonians might expect in the way of taxation if they should be required to pay the cost of their municipal government as the people of Chicago and other cities are required to do.

I believe it can be asserted with truth and accuracy that there is not another incorporated city or town in the United States, regardless of size or commercial importance, whose ad valorem tax rate for State, county, district, and municipal purposes is as low as is the tax rate in the city of Washington for like purposes. It can be further asserted with truth and accuracy that there is not another city or town in the United States, regardless of size or importance, whose inhabitants enjoy, in equal proportion with those of the city of Washington, the benefits, blessings, and pleasures afforded through public expenditures.

In addition to the extremely low tax rate which prevails in the District, the charge has been made that the assessed values are also extremely low. The gentleman from Texas [Mr. BLANTON] recently gave a number of instances where large properties were assessed at figures far below real values. The gentleman from Maryland [Mr. ZIHLMAN] replied by giving a few instances where smaller properties had been assessed at full value. Each of these gentlemen may have been correct in the cases referred to, and still the property of the District as a whole may be fairly well assessed.

In official capacities I have had more than 30 years' actual experience in dealing with this question of tax assessments. I know that it is simply impossible to have the law strictly complied with in the matter of tax values. Where full values are required the average of assessments is frequently only about 50 per cent of full value. If the assessor here can succeed in getting the assessments up to that average, I am willing to accord him the credit due for being an able, zealous, and efficient officer. A four-year membership on the District Committee afforded me the opportunity of judging of the ability and resourcefulness of the tax dodgers with whom he must deal. Instead of criticizing him I more frequently have occasion to remember him kindly in my prayers.

This question of taxation was fully discussed before the Joint Committee on Fiscal Relations of the District and Federal Governments in the year 1915. Two distinguished Members of the present Congress, the gentleman from Illinois [Mr. RAINEY] and the gentleman from Wisconsin [Mr. COOPER], were members of that joint commission.

At the hearings then held the Washington representatives ignored altogether the question of comparative taxation as based upon assessed values. They admited that their ad valorem tax rates were low, but claimed that this was not the true test, as there was no way of fairly comparing the assessed values of one city with those of another city. These tax values, it was claimed, were made under varying conditions by men of differing views, of differing judgments, and for differing purposes of taxation.

It was contended that the officers might more nearly approach real values in one city than would those of another city, and that therefore the per capita tax rate would afford a far more accurate test of true comparison. This contention was not without a degree of reason. It also has the indorsement of the Census Bureau and the Department of Commerce. I will read a few extracts from the hearings in 1915, showing the contention of the Washington representatives at that time upon this question.

On page 67, volume 1, of the hearings Mr. Henry B. F. Macfarland, representing the District, spoke as follows:

> In measuring the tax burdens of cities the census authorities approve, as the best standard of measurement, per capita comparisons of actual tax levies and receipts. There is no factor of irresponsible guesswork anywhere in this calculation to develop erroneous and deceptive results. No other method of measurement enables comparisons to be made between cities of widely varying population, differing more or less from each other in respect to their systems of raising revenue, and no other method promises equally accurate and equitable results. In our inquiry that was all we desired. We desired to show the results accurately and equitably. We went to the best authority we could obtain. We secured the best person for the purpose of compiling these facts.

Beginning on page 257 of the same volume will be found statements of Mr. Theodore W. Noyes, editor and owner of the Washington Star:

> What is the accurate standard of measurement of comparative tax burdens? It is not the tax rate modified by the application to it of the reported relation of assessed to true value. The census authorities and common sense and practical experience unite to discredit this standard of maintenance. The approximately accurate standard of measuring comparative tax burdens is the per capita of taxes actually paid in the various cities.
>
> The method of measuring the comparative tax burdens of cities which accepts as accurate the census-reported relations of assessed to true values, and on this assumption declares that the Washingtonian's tax burden is much lighter than that of the residents of the average American city, is based on a false premise and leads to a false conclusion. It is discredited as unreliable by the census authorities and by comparisons of assessments with true values, as ascertained from sale prices in many cities, and is reduced to a logical absurdity when the attempt is made to apply it practically.
>
> What I say under this heading answers further the question that Mr. COOPER put to Mr. Macfarland when he was discussing this matter. And I consider it of extreme importance to convince you, if I can, of the utter unreliability and worthlessness of that standard of measurement which has been used so seriously to our detriment and which has spread the idea in Congress that we are the lightest taxed among American cities. This standard of measurement is discredited as unsound and misleading by the census authorities themselves. Its foundation is confessed to be unreliable by many of the cities and States.

Again on page 259 he says:

> Shall we disregard the real measure of tax burdens, the total and per capita tax levy, commended as accurate by the census authorities, and apply to the tax rate this confessedly grossly misleading factor of calculation? The result will be worthless as a measure of comparative tax burdens.

Still further discussing this question, on page 263 he says:

> In calculating the actual tax burden the assessment alone is of no value, the tax rate alone is of no value, and the application to the tax rate of the unreliable reported relations of assessed to true value to measure comparative tax burdens gives results that are confessedly erroneous.
>
> The only reliable standards of measuring the tax burdens of the various cities are the tax levies or total tax receipts, the dollars actually raised by taxation, and the per capita tax levy or per capita tax receipts which distributes the total tax burden among the persons constituting the taxed community.
>
> Clearly, then, the comparative tax burdens of cities are most accurately measured by comparison of tax levies and tax receipts, in the aggregate and per capita. There is no factor of irresponsible guesswork anywhere in this calculation to develop erroneous and deceptive results. No other method of measurement enables comparisons to be made between cities of widely varying population, differing more or less from each other in respect to their systems of raising revenue, and no other method promises equally accurate and equitable results.

Mr. Noyes and Mr. Macfarland, distinguished Washingtonians, representing the District, quoted from Bulletin No. 126, issued by the Census Bureau, showing that the per capita revenue receipts in the District for the year 1913 were above the average of that year for cities of comparable size and importance. The committee accepted this per capita test as the true basis for comparing the rates of taxation in Washington with those of other cities, and specifically so stated in its report.

I have here a more recent bulletin of the Census Bureau, and from which it will be seen that tax conditions in Washington at this time are very different from what they were claimed to have been in 1913. This bulletin is what I judge to be the latest report issued, showing the financial statistics of all cities in the United States of 30,000 population and over for the year 1922. It was mailed out only a few weeks ago.

Under this report, 261 cities are listed and divided into five groups. Group I contains those with a population of more than 500,000. There are 12 cities in that group. Group II contains those with a population of 300,000 to 500,000, and includes 11 cities. Washington comes under this group. The list of this group is as follows: Milwaukee, Washington, Newark, Cincinnati, Minneapolis, New Orleans, Kansas City, Indianapolis, Seattle, Rochester, and Jersey City.

Excepting Washington, the lowest tax receipts in any of these cities was $44.46 per capita. The highest, $93.85 per capita. The average for the 11 cities was $58.62 per capita. Washington is listed as having per capita revenue receipts of $57.27, which is $1.35 less than the average in Group II. But these figures do not represent the true condition. In arriving at these figures, Washington is listed as having revenue receipts for that year of $25,059,692. This included not only the taxes paid by the people of the District but also the appropriation to the District for that year from the Federal Treasury.

Observing this fact, I wrote to the Director of the Census, calling his attention to it, and requesting to be informed as to the per capita tax receipts, minus the subvention or appropriations made to the District by Congress. I have here his reply, which I will request the Clerk to read.

The Clerk read as follows:

DEPARTMENT OF COMMERCE,
BUREAU OF THE CENSUS,
Washington, March 21, 1924.

Hon. J. J. MANSFIELD,
House of Representatives, Washington, D. C.

MY DEAR MR. MANSFIELD: In reply to your letter of March 17, in which you call attention to the financial statistics of all cities of the United States of 30,000 population and over for the year 1922.

You quote the total of revenue receipts $25,059,692, this being a per capita of $57.27 for the city of Washington for the year ending June 30, 1922, and wish to know the portion of the revenue which comes from the National Government. We report $9,187,793 as a subvention from the Federal Government, and deducting this amount from the total of revenue receipts there is left $15,871,899 revenue receipts, or a per capita of $36.27, derived from the District of Columbia.

The population requested for the cities in Group II is the estimated population as of the middle of the fiscal year reported. For Washington, D. C., it would be January 1, 1922. The estimated population of the 11 cities embraced in Group II for the year 1922 are as follows:

Milwaukee, Wis	477,103
Washington, D. C	437,571
Newark, N. J	431,792
Cincinnati, Ohio	404,865
Minneapolis, Minn	400,970
New Orleans, La	399,616
Kansas City, Mo	338,767
Indianapolis, Ind	335,012
Seattle, Wash	315,685
Rochester, N. Y	311,548
Jersey City, N. J	305,911

Very truly yours,

W. M. STEUART, *Director.*

This bulletin from the Census Bureau discloses further facts of significance. I call attention to pages 4 and 5, showing the per capita tax of the 261 cities embraced in the five groups. In Group I, embracing 12 cities of over 500,000 population, the average per capita tax is $61.33. In Group II, embracing 11 cities of from 300,000 to 500,000, the average per capita tax is $58.62. In Group III, embracing 52 cities of from 100,000 to 300,000, the average per capita tax is $43.37. In Group IV, embracing 79 cities of from 50,000 to 100,000, the average per capita tax is $39.38. In Group V, embracing 107 cities of from 30,000 to 50,000, the average per capita tax is $38.41. The average for the entire list of 261 cities is $51.81 per capita.

Here, gentlemen, are some facts that ought to put this Congress to thinking. Here we have listed in an official bulletin every city in the United States with a population of 30,000 or over, divided into five groups, according to population, and in each and every group the per capita tax rate is higher than it is in the city of Washington. The average rate in the highest group is $25.06 higher than it is in the city of Washington, while the average in the group in which Washington is embraced is $22.25 higher. Even the small towns of from 30,000 to 50,000 have an average per capita tax rate of $2.14 higher than Washington, while the average for all the 261 cities as a whole is $15.54 higher.

Mr. BLANTON. Will my colleague yield?

Mr. MANSFIELD. Certainly.

Mr. BLANTON. A distinguished Senator told me recently that on his home place, in his home State, which he has been trying for some time to sell for $7,000, he pays more taxes on that $7,000 home in his own State than he pays on a residence here in Washington that is worth approximately $25,000.

Mr. MANSFIELD. That is an illustration of the tax conditions as they truly exist.

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

Mr. AYRES. Mr. Chairman, I yield five minutes more to the gentleman from Texas.

Mr. MANSFIELD. This per capita test is the rule which the Washington representatives have demanded shall be applied in comparing their tax burdens with those of other cities. When we apply this test to the taxation of the District we find that the disparity is even greater than that shown by the tax rates upon assessed values. Like Haman, they have erected their own gallows.

But, Mr. Chairman, there is another significant fact disclosed by this bulletin from the Census Bureau. By reference to page 5 we find that every city in the United States, except Washington, has a large indebtedness hanging over its taxpayers. The cities in Group I have an average per capita debt of $121.72; Group II, $95.99; Group III, $72.89; Group IV, $59.76; Group V, $58.19. When we come down to Washington we find that her per capita debt at that time was 36 cents, and that little debt has been practically wiped out since then. If the Federal Government should be as generous to all the other cities in the United States as she has been to Washington and assume and pay off their indebtedness for them, instead of tax reduction we would now be faced with the proposition of practically doubling the Federal taxes of this country.

The act of June 30, 1878, has frequently been referred to in the hearings by the Washington representatives as the "organic act." They seem to look upon it as a sort of "Magna Charta" or charter of liberties. That they should so personify it is not to be wondered at. It was truly the act that liberated them from the payment of taxes.

In 1874 when the Territorial government was abolished the local tax rate was $3 on the $100. Soon after Congress commenced the payment of a portion of the cost of the District government the rate was reduced to $2, then to $1.50, and later to $1.20. One or two more steps will complete the evolution to the millennium of a zero tax, which is the goal they expect to reach, as evidence clearly indicates.

The historian, Bryan, tells us that after the act of 1874 many people in Washington refused to pay any taxes at all, believing that Congress would eventually pay the total cost of the local government at the National Capital. In 1915, when the Joint Committee on Fiscal Relations was conducting its hearings, the contention was seriously made that Congress had no constitutional right or authority to tax the people of the District except for Federal purposes, and that this Federal tax could not exceed that which was laid upon those residing in the several States.

I will read you a few extracts from the statement of one of the gentlemen of Washington who appeared before the committee at that time, Mr. B. M. Seibold. On page 740, volume 1, of the hearings, appears the following colloquy:

Mr. COOPER. Do you claim that under that provision of the Federal Constitution, construed in connection with the deeds of Maryland and Virginia, the Federal Government has no right to tax the people of the District of Columbia except for purely Federal purposes?

Mr. SEIBOLD. That is it, exactly. That is my contention, and I shall prove that later on, disregarding the decisions by the Supreme Court of the United States, by which some claim that the Supreme Court had decided to the contrary. I deny this, and I shall prove that the question has never come before the Supreme Court of the United States, and therefore could never have been decided.

On page 742 this witness quotes from the Constitution the following:

The Congress shall have the power to levy and collect taxes, duties, imports, and excises, to pay the debts, and provide for the common defense and general welfare of the United States; but all duties, imposts, and excises shall be uniform throughout the United States.

Upon this he comments, as follows:

Here we have in plain language the taxing power of Congress and the specific purposes for which it has a right to tax. There is nothing in this clause which gives to Congress the power to tax the inhabitants of this District separately for only local purposes.

Upon page 744 appears the following colloquy:

Mr. COOPER. Will you stop there for a moment? You admit that Congress has the power to tax the people in the District of Columbia, the residents of the District of Columbia, in common with all of the mass of their fellow citizens for Federal purposes?

Mr. SEIBOLD. Yes, sir.

Mr. COOPER. I understand you to contend that to impose an additional tax upon the people of the District of Columbia for purely local purposes would be for Congress to tax them more than it taxes the rest of their fellow citizens?

Mr. SEIBOLD. Yes, sir; and that is what Congress has been doing since 1874.

And on page 745 the following:

Mr. GARD. What is it that you claim are proper exemptions that the Government may not tax for?

Mr. SEIBOLD. For nothing that is for local purposes.

Mr. GARD. What are those purposes? In the city of Washington, what do you call local purposes as distinguished from Federal purposes?

Mr. SEIBOLD. The affairs of a municipal corporation which does not exist, only in name. It is for local purposes, and it is for what Congress illegally to-day levies taxes for, and I shall prove that if the gentleman will give me time.

Mr. GARD. I will give you plenty of time. Your contention is that the levying of taxes to support the expenses of a commission form of government, and the courts, and the things like that, is illegal?

Mr. SEIBOLD. Yes, sir. This District is to be Federal property, just the same as the Treasury Department. In fact, it is a part of the Federal Government; it belongs to the Federal family and should be supported entirely out of the Federal Treasury as any other department. I repeat—the power of Congress to lay and collect taxes has been thoroughly discussed in the constitutional convention, every object for which this power has been granted was carefully gone over by the members of the convention, and not once has it been mentioned that Congress would or shall have the power to tax the inhabitants of the 10-mile square for the upholding of the Federal District.

On page 746, after again referring to the Constitution, Mr. Seibold says:

The power to tax the people of the District, as to be selected as the seat of government, is not expressly given in this clause, and therefore those who help Congress in its fraudulent taxation for selfish reasons claim it is an implied power.

On page 749 this witness further says:

If the intent of the framers of the Constitution had been to give to Congress the power to tax the people of this District for other purposes than stated hereinbefore, it could not have escaped them to provide for such a power. Why did they not do it? Because they had too much common sense to think about such a ridiculous proposition.

This program of paying a portion of the administrative costs of the District out of the United States Treasury, first inaugurated in 1874, was based upon the ground that the Federal Government was the owner of a large estate in the District, which was not subject to taxation. The claim was made that without this property upon the tax roll the District was being deprived of a large amount of revenue to which it was justly entitled.

The District officials demanded that the United States either pay a tax upon the Government-owned property or else pay to the District a subvention in lieu of taxes. Congress gave a willing ear to this demand and complied. The question arose as to what proportionate share the Federal Government should be required to pay. Mr. James L. Shepherd, at the head of the Board of Public Works, demanded that Congress pay one-half the cost of the District government, as he claimed the Government-owned property was equal in value to that of the property privately owned.

This contention by Shepherd was first made in 1873, but after placing a very exorbitant valuation upon the Government property it was still about $33,000,000 under the value of the property privately owned. In 1874, after scheming for another year to justify a higher valuation for the public property, he figured it out. He found that by considering the land in the streets as Federal property and placing a valuation of 30 cents a square foot upon it the value would be raised to $96,000,000, which was approximately the assessed value of the property privately owned at that time.

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

Mr. DAVIS of Minnesota. Mr. Chairman, I think I have four minutes that I have not parceled out, and I will yield the gentleman four additional minutes.

Mr. MANSFIELD. Before the joint committee on fiscal relations in 1915, prominent Washingtonians contended that the Federal Government should still continue to pay a subvention to the District equal to the total taxes paid by the people of the District. Some of their estimates of the public property were rather amusing. For instance, Potomac Park, which the Federal Government, through the War Department, had reclaimed and converted from a death dealing morass into a place of health, beauty, and pleasure, was estimated at a value of $66,000 per acre, or $41,000,000.

Rock Creek Park, consisting of 1,606 acres, was valued at $3,600 030. The Government purchased this property in 1892 for $1,125,215, and previous to its purchase it was assessed to those who owned it at only $133,334. These are illustrations of the methods resorted to for the purpose of securing a continuance of the subvention, or "half and half" policy as they termed it. The value of Rock Creek Park, as estimated for the purpose of the Government subvention in 1915, was 2,700 per cent higher than its assessed value when privately owned.

On page 125, Volume I, of the hearings in 1915, will be found the statement of the estimated values of the Government property upon which they claimed the "half and half" policy should be continued. The District assessment rolls for that year showed a total valuation of $390,098,849, while they claimed that the Government-owned and other exempt property was worth $396,550,898, or approximately $6,000,000 more than the value of the property privately owned.

Mr. WILLIAMSON. Will the gentleman yield?

Mr. MANSFIELD. Certainly.

Mr. WILLIAMSON. Does the gentleman think that the average small home in the city of Washington is under-assessed at the present time?

Mr. MANSFIELD. I do not think it is. The small homes everywhere are usually well assessed as compared with the larger properties.

Mr. WILLIAMSON. You think they are under-assessed at the present time?

Mr. MANSFIELD. The average small home, no, sir.

Mr. WILLIAMSON. I know that out in my section they are assessed at a pretty fair value—at Fourteenth and Farragut Streets.

Mr. MANSFIELD. I will say to the gentleman that small property owners are assessed higher proportionately all over the United States than the big ones.

Mr. WILLIAMSON. As a matter of fact, is it not true that the small property owners are assessed 100 per cent higher than the large property owners upon the actual value of the individual properties?

Mr. MANSFIELD. I agree with the gentleman in that contention.

In this statement it will be found that they included as Government property not only the property owned by the Federal Government, but also property owned by the District of Columbia; also the Soldiers' Home, a private corporation consisting of over 500 acres; also all charitable, benevolent, educational, and religious institutions in Washington. In other words, they would tax the Federal Government for fostering education and encouraging religion at the National Capital.

It is practically impossible for a congressional committee to secure a full, fair, and impartial hearing upon matters pertaining to the affairs of the District. There is at all times a thoroughly equipped lobby here to represent the District, and no one to represent the opposing side. The District has its able lawyers and prominent business men always on the ground and thoroughly familiar with every detail of the situation. No one opposing them has the inclination or the means to employ attorneys to investigate and present the facts and arguments in opposition to the contentions of the District's representatives. I will read from the hearings in 1915 what Senator Works, of California, said about this matter. On pages 1559 and 1560, Volume II of the hearings, appears the following language:

Senator WORKS. Mr. Macfarland, I believe that is one of the misfortunes of this hearing. It has been very badly one-sided. There has been no organized effort to present the other side of the question at all. While there are here and there citizens who have come here upon the invitations of the committee who have freely expressed their views on the subject, that is about the only help the committee have had to arrive at the views of the people here on the other side of that question. I think it results, from what I can learn, a good deal from the

timidity of these people or fear of making themselves unpopular, because they feel these great organizations that you represent are opposing their views, and we have pretty nearly had to drag them in here for the purpose of getting their views on the subject. I can say to you that that is one reason why I participated in the effort to have some of these people come in here who would express themselves freely and who were not organized with one particular thing in view. You may be right about it in saying that it is one-sided because of the people that take the other side of the question.

The District of Columbia was established by act of Congress of July 16, 1790, amended by the act of March 3, 1791. As is well known, the territory was ceded by the States of Maryland and Virginia, respectively, and those States also made large donations in money as a further inducement to have the National Capital located upon the Potomac.

Various forms of government for the District have, from time to time, been prescribed by Congress, none of which, it seems, proved satisfactory to the people. For the first 10 years, by act of Congress, the laws of Maryland and Virginia were kept in operation in the territories respectively ceded by those States. For many years after that period there were three incorporated cities in the District—Washington, Georgetown, and Alexandria—each operating under a separate charter. Rivalries and jealousies soon resulted, and many petitions and memorials were presented to Congress setting forth their respective grievances.

In 1846 the territory south of the Potomac was retroceded to the State of Virginia, after submission of the question to a referendum of the people. The election resulted in favor of retrocession by vote of 763 to 222. Retrocession of the territory north of the Potomac to the State of Maryland has also been frequently agitated. Georgetown, we are told, in the year 1851 would have returned to the State of Maryland but for the economic results that would have obtained. Mr. W. B. Bryan, at page 268, Volume II, of his History of the National Capital, speaks of this matter as follows:

But opinion was divided. Citizens were warned of the burden of taxes which they would be obliged to assume when they leave the District. For, unlike other towns, they were free from State taxation.

That, gentlemen, expresses it in a nutshell. The people of the District of Columbia, unlike other American citizens, are entirely free from the burdens of State and county taxes. They have nothing to pay but their Federal taxes, and a mere pittance of $1.20 on the $100 for municipal purposes. This historian, Mr. Bryan, was himself a Washingtonian and held many important positions here.

To give you the purport of this act of Congress, which not only changed the form of government for the District but assumed the indebtedness of the former régime, I will read you a paragraph from a letter from the Secretary of the Treasury of date March 8, 1924. Among other things, the letter says:

The act of June 20, 1874 (18 Stat. p. 116), abolished the Territorial form of government for the District of Columbia and established a commission form of government, the members of which were appointed by the President. This act continued the sinking fund commission and authorized it to continue the application of the sinking-fund revenues to the payment of the bonded and floating debt. The act also authorized an issue of 50-year bonds in the face amount of $15,000,000, dated August 1, 1874, bearing interest at the rate of 3.65 per cent per annum, payable semiannually. The act pledged the faith of the United States to make the necessary proportional appropriations to cover the interest on the bonds and to provide a sinking fund for their retirement. It was also pledged to levy taxes against the property in the District of Columbia to provide the necessary proportional revenue. The sinking-fund commissioners were authorized to exchange these 3.65 per cent bonds at par for like sums of the indebtedness of the District of Columbia, and a sufficient amount of the bonds were thus utilized by said commissioners to refund the outstanding indebtedness of the District of Columbia.

The act of March 3, 1879 (20 Stat. p. 410), provided the first appropriation for the retirement of the 3.65 per cent bonds, and there is inclosed for your information a statement showing the appropriations provided by Congress since that time for "interest and sinking fund of the District of Columbia," 50 per cent of which was payable from the revenues of the District of Columbia and 50 per cent from the Treasury of the United States.

I have here the statement referred to in the letter showing the payment of the bonded indebtedness of the District, one-half by the people of the United States, amounting in the aggregate to $47,550,774.44. I will insert this statement in the RECORD.

In locating the National Capital, New York, Philadelphia, Baltimore, and other large cities were rejected as being unsuited for such a purpose. Instead, the location selected was in a wilderness, almost without habitation. In the act of Congress there is no reference whatever to a city.

The idea of a Federal district was due to a single historical incident, and without that incident there would not to-day be such an entity as the District of Columbia. When Congress was in session in Philadelphia in 1783, 250 soldiers of the Revolution, who had not received the compensation to which they deemed themselves entitled, mutinied and marched upon the city from Lancaster. They surrounded the State House and made an armed demand upon Congress, then in session. Under conditions existing at that time the State of Pennsylvania and the city of Philadelphia, both of which were appealed to, were powerless to grant protection against the armed and infuriated mutineers.

To this incident alone is due the idea of locating the seat of government in a Federal district, where, as it was contended, the Federal authority would be supreme for the purpose of affording protection against unlawful violence. In those days the rights of a State were evidently more highly regarded than at this time. The idea of the United States Government now appealing to a State or a city to protect Congress from violence would be amusing, to say the least of it.

There being but one reason for the establishment of a Federal district in the first place, and that reason no longer existing, then why further continue in operation this useless and expensive institution? The deliberations of Congress are certainly no longer in danger from soldiers who have not received the consideration due them, as the circumstances conclusively show. Instead of 250 soldiers of the Revolution who felt themselves aggrieved, as was the case in 1783, we now have more than 4,000,000 young men, recently returned from a conflict no less memorable, who have not received as much consideration as has been accorded to speculators and tradesmen who merely suffered financial loss on account of the war. Still, we are not in danger of personal violence, and Congress can hold its sessions with impunity.

This of itself shows conclusively that the single reason which existed for the establishment of a Federal district in the first place does not now exist, and, as based upon that reason solely, the District of Columbia might with propriety be abolished. If there should be serious objection urged to the complete abolishment of the District, then Congress might reasonably consider the question of curtailing its dimensions.

The northern boundary line should in no case extend beyond Pennsylvania Avenue, except to include the necessary public buildings and grounds now in use in the vicinity of the Capitol and White House. The entire southern portion of the city, now an eyesore, should be condemned and converted into a grand and beautiful parkway in which should be located in symmetrical order all the public buildings necessary for housing the governmental activities.

Not only should this new territory be completely and forever divorced from the municipal affairs of the city of Washington, but from private interests as well. Let it be scourged of speculators, tricksters, and tradesmen, as Christ scourged the Temple. The Federal Government should be the sole owner of the property of the District. This "triple alliance," or "dreibund," which has grown up here by which the affairs of the Federal Government have been mingled with the municipal affairs of the District of Columbia, and with the private affairs of realty speculators, and by which the sancity and interests of the Federal Government have been subordinated to both, should be completely and forever dissolved.

The size of the Federal District, in the first place, was a matter upon which Mr. Washington and Mr. Jefferson did not agree. Jefferson's plan was to have a district no larger than necessary to house all the activites of the National Government. He thought that about 1,500 acres would be sufficient for that purpose. Washington thought it should be about four times that large. As finally laid out, it embraced a territory nearly ten and a half times as large as that first contended for by Mr. Washington, and nearly forty-three times as large as Mr. Jefferson thought was necessary.

The District, as originally laid off, embraced 100 square miles. In 1846 approximately one-third of the area was retroceded to the State of Virginia upon the ground, as recited in the act of retrocession, that it was not used or needed for the purposes of the National Capital. Less than one-sixth of the territory in the District as it now exists is owned by the Federal Government, and not more than one-twentieth of it is used for the purposes of the national seat of government. If

it was right and proper to return to the State of Virginia that which was not used or needed, then why withhold from the State of Maryland a large amount of territory likewise not used or needed?

Mr. Chairman, as a Member of Congress, I am not in favor of withholding from the National Capital anything that is necessary for the national use. I am in favor of the expenditure of every cent necessary for that purpose. I believe in the erection of the buildings necessary to that end, and in the beautification and adornment of all the contiguous grounds needed for the public use. I am opposed, however, to the further mingling of the public affairs of the Nation with the private affairs of the inhabitants of the District of Columbia, or, as to that matter, with the private affairs of the people of any other section of the United States. I want the people of the District to be treated by the Federal Government just as all other citizens are treated; no better, no worse.

I want them to be free to tax themselves, just as others are privileged, and to enjoy the exclusive benefits of their taxation, except that for Federal purposes, in which they should be treated in common with others. But I want a divorce from this unholy alliance which now exists.

I want the people of the District to have the privilege of voting and electing their own officers and to be represented in Congress by Representatives of their own selection. They will never be contented or satisfied as long as they are deprived of the ballot, even though they may not then fare so well as now. They feel naturally and make the claim that they have "taxation without representation." Yet an investigation of the facts will show that they have had representation without taxation. [Applause.]

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

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

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

Mr. COLE of Iowa. Mr. Chairman, I am preparing some data on the manufacture of sugar from corn, and when I get it assembled I would like to have unanimous consent to insert it in the RECORD, together with some letters I am receiving on the subject.

The CHAIRMAN (Mr. RAMSEYER). The gentleman from Iowa asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

There was no objection.

Mr. COLE of Iowa. Mr. Speaker and gentlemen of the House, it was once said "Blessed is the man who makes two blades of grass grow where but one grew before." But now twice blessed is the man who finds a market for the surplus blade.

Science applied to the soil has greatly multiplied man's dominion over the earth. Production has been increased amazingly. In a single year the number of hogs offered in the American markets was increased 14,500,000. Has it not made the theories of Malthus obsolete?

We now have surplus products to deal with. Scarcity makes a seller's market, but abundance makes a buyer's market.

But the surplus of products is really a world fiction. It is not so much overproduction as it is underconsumption. There are no surplus foodstuffs in the world to-day. There are more empty stomachs than there are superfluous loaves and fishes. The real problem is one of distribution and of ability on the part of the hungry to pay the costs of production and transportation.

But in America, at least, we seem to have surplus products. We are anxious to find an outlet for them. We would be willing to forego profits on them. Yes; we are willing to sell the surplus products of our farms for the costs of production or even less. We have even talked of "dumping" them somewhere so that they may not distress the home markets.

Foreign trade is an excellent thing. It has been a civilizing influence. The great nations have been trading nations.

But, with our eyes fixed on foreign markets, let us not lose sight of the markets at home. Our home markets are our own. Others can not despoil them. Only we ourselves can spoil them. Is it 90 or 95 per cent of our products that we sell at home?

The American people are the best customers, because they are the best consumers in the world. They have the money with which to buy to gratify their tastes and their desires. They are the superconsumers of the world and the world's best spenders. Take the particular and single item of sugar. The world's production of this staple in 1922 was 20,448,334 tons, according to Willett & Gray's estimates. Of this immense aggregate the American people consumed 5,703,889 tons, or at the rate of 103.2 pounds per capita. The United States, with hardly 6 per cent of the world's population, consumed nearly 30 per cent of the sugar produced.

Of all the sugar we consumed, we produced in the United States proper in 1922–23 only 919,000 tons, of which 244,000 tons was from cane grown in Louisiana and Texas—Texas supplying only a "trace"—and 675,000 tons was made from beets grown in 16 or more States. During 1922 we imported 4,580,000 tons of dutiable sugar, nearly all from Cuba, and 1,209,000 tons of free sugar from our so-called insular possessions—Hawaii, Porto Rico, the Virgin Islands, and the Philippines. Our total imports were 5,788,900 tons, which is in excess of our total consumption, for we exported 918,000 tons in the form of refined sugar and sugar used in manufactured products.

Can we not supply a larger proportion of this excessive sugar consumption out of the labor on our own farms and by the labor in our own factories? That is the question that I want to discuss to-day.

The production of cane sugar can not be increased materially except on our islands. We have neither the soil nor the climate for it within the continental United States. The culture of the beet might be increased enormously, for we have both the soil and the climate for it, but it is necessarily limited by available labor.

There is one other source of sugar, and that is a source unlimited as to either soil or climate, and with ample labor. That source is corn—the maize of the Indians. It is to this subject that I want to devote my time and direct your attention especially.

SUGAR, ITS NATURE AND ITS SOURCES

Sugar is sunshine sweetened and stored. That is what it is, poetically considered. In the processes of nature something taken from the soil is mingled with something taken from the air and, under the magic of the sun, the two are converted into sweet saps from which man makes sugar. The cane among the grass plants, the beet among the root plants, and the maple and the palm among the trees are most rich in the sugar-bearing saps and juices. But sugars are derived from many other sources. In Washington the Bureau of Standards has made fucose from seaweed, raffidose from cottonseed meal, arabinose from dahlias, and manose from ivory nuts. From 6 to 8 per cent of sugar has been realized from cornstalks. The hygienic laboratory of the Public Health Service is now experimenting with a sugar called xylose, which is made from corncobs, which yield from 8 to 10 per cent of this product.

Saccharine matter is found also in the mineral world. The best-known mineral saccharine is a white crystalline substance that is manufactured from the toluene of coal tar. Its chemical formula is different from all vegetable sugars, but it is used as a substitute for sugar and is so used especially by those suffering from diabetes. It is antiseptic, and from three hundred to five hundred times as sweet as cane sugar. It has no food value whatever.

Chemically, all the vegetable sugars are known as carbohydrates. That means that they are composed of carbon, hydrogen, and oxygen, variously combined and constituted. The two most abundant sugars are known as sucrose and dextrose. Sucrose is derived chiefly from cane and beets, while the chief source of dextrose now is corn, or Indian maize.

Sucrose and dextrose have different chemical formulas. The actual difference may be described as that of a single molecule of water, which is present in dextrose and absent in sucrose.

SUGAR CANE, ITS ORIGIN AND SPREAD

It is in Hindu records that we find the earliest references to sugar cane. It is therefore assumed that the plant had its origin in India. It is not mentioned in any of the books of the Old Testament, nor in the Talmud. But the Hebrews were not without sweets. They gathered wild honey from the hollows of trees and the crevices of the rocks, as is still done in Palestine, and their dreams of an earthly paradise pictured a land of milk and honey. In the early Greek writings, the sugar cane is called "the honey-bearing reed of India." References to it are found in Chinese books written 800 years before Christ.

We are told that the soldiers of Alexander the Great carried this "sweet reed" from the Indus to Europe, where the product of the cane was first called saccharum, a word derived from the Sanskrit. The word sugar itself is derived from the Persian shakar.

In both India and China they developed crude ways of pressing out the sap and boiling it. Originally, they may have used

it in the form of sap. What is known as solid sugar is not mentioned until about 500 years before Christ. Its refinement is credited to the Egyptians, who were then an advanced people. Throughout the eastern world it gained great repute, both as a food and as a medicine. But it was so costly that its use was confined largely to the rich.

The Mohammedans carried sugar with their religion over wide areas of the medieval world. The Crusaders carried it to Europe. The Moors added it to the civilization of Spain. In time, Venice became the sugar market of the world. The Venetian traders took it to England, where they exchanged it for wool. In the time of Elizabeth it had become an article of considerable household use in England.

Some writers believe that sugar cane was native in the West Indies, but it is more likely that Columbus and his followers transplanted it to the American islands and to the countries of South America. It found its way to Louisiana in the eighteenth century, but it was not commercially produced there until about 1830. The sugar plant thrived on the islands more than it did in Louisiana, where the season is only eight or nine months in length, while the cane requires about 12 months for full maturity.

The botanical name for sugar cane is saccharum officinarum. It is a giant-stemmed perennial grass, growing to heights of from 8 to 24 feet. The tassel alone is from 2 to 4 feet in length. The plant germinates from the buds which grow on the stem around the joints, but practically little cane is propagated from its seed. The sap from which sugar is made is in the pith. The average sugar content is around 16 per cent, with about 2 per cent more in the form of invert sugar, from which sirup is made. The sugar realized from the cane varies greatly. The average for Louisiana is given as 143 pounds from a ton of cane. It is highest in Hawaii, 245 pounds per ton. In Cuba the average is 229 pounds, and Porto Rico, 221.

THE SUGAR BEET AND ITS DEVELOPMENT

The presence of sweet juices in certain root plants, especially in what is botanically the beta vulgaris, was known among the ancients. Herodotus says that the builders of the pyramids subsisted largely on beets.

But it was not until 1747 that Andreas Marggraf, in Germany, made the discovery that these beet juices could be crystallized into sugar. His discovery seems to have lingered long as a chemical curiosity. But developments followed, and in 1799 the manufacture of sugar from beets was seriously undertaken. The first factory for such purposes was built in Silesia.

The wars of Napoleon gave an impetus to this industry. An embargo was placed on colonial imports. This was intended to cripple England, with whom Napoleon was at war. The embargo closed continental Europe to colonial sugar. What they could not get from overseas they sought in their own soil. In France they established schools to promote beet culture and sugar making. They paid bounties for such sugar. They even made the culture of beets compulsory. In Germany and Austria, as well as in France, the industry was rapidly developed. By scientific culture the sugar content of beets was increased from 6 and 8 per cent to 12 and 18 per cent. The humble beet became the rival of the luxurious cane.

THE SUGAR BEET IN AMERICA

The first attempt to make sugar commercially from beets in the United States was made in 1830. It was not very successful. In 1838 the attempt was renewed at Northampton, Mass., with the help of one Isnard, who had served in this industry under Napoleon. The first real financial success in the making of sugar from beets was attained at Alvarado, Calif., in 1870.

In America soil and climate were both favorable for the growing of beets, but from the first the supply of manual labor required has been more or less lacking. The American machine-using farmer does not take kindly to doing such hand labor. Mr. James Wilson, who in Iowa was known as "Tama Jim," when Secretary of Agriculture, from 1897 to 1913, did more than any other one American to promote and develop this industry. Under his stimulating influence $80,000,000 was invested in the erection of 76 beet-sugar factories. Bounties were paid on beet sugar in the States of Idaho, Kansas, Minnesota, Michigan, Nebraska, and New York, while in Iowa beet-sugar manufacturers were exempted from taxation. These bounties and exemptions, however, have all been abandoned. The protective tariff on sugar has aided this industry, and without this tariff the industry could not exist to-day.

COMPETITION BETWEEN CANE AND BEET SUGAR

For the year 1912–13 the total world production of sugar was 20,308,958 tons of 2,000 pounds. Of this total, 10,397,603 tons were derived from cane and 9,911,355 tons from beets. In percentages, 51.2 from cane and 48.8 from beets. At that time the beet had almost overtaken the cane.

But the World War, which soon followed, interrupted the growing of beets in all the European countries. This gave a new stimulation to cane growing. In 1922–23 the world production of sugar was about the same as in 1912–13, to wit, 20,448,334 tons, of which 14,692,609 tons were derived from cane and only 5,755,725 tons from beets. In percentages this was 71.9 from cane and 28.1 from beets. In 11 years the output of cane sugar had been increased around 50 per cent, and the output of beet sugar had been decreased in like per cent.

In the continental United States there was but a slight increase in cane sugar during the same 11 years, and no material increase can be looked for in the future. Of beet sugar, there were produced in the continental United States in 1912–13, 698,952 tons, and in 1922–23, 689,848 tons, showing a slight decrease in spite of all the inducements and encouragements extended to this industry. The highest production was in the year 1920–21, when it was 1,085,749 tons. From this slow increase we may conclude that we can not look to beet culture as a solution of our sugar needs. However, we are deriving around a million tons of sugar from what we may call the American islands. The exact figures are, for 1922, from Hawaii, 523,040 tons; from Porto Rico, 379,071 tons; and from the Virgin Islands, 6,720 tons. We derive also around 300,000 tons from the Philippine Islands.

Of the total sugar consumed in the United States in 1922, 5,700,000 tons, 42.5 per cent, was of what we call domestic production, including the islands in domestic sense, and 57.5 per cent was derived from foreign countries, the bulk of it from Cuba.

This brings me back to my subject—that is, sugar made from corn. The question involved is, Can we make from corn any considerable part of the sugar that we now import, adding thereby to the development of American industry and to the commercial value of this important product of our farms?

DISCOVERY AND DEVELOPMENT OF CORN SUGAR

The Napoleonic embargo on colonial imports, which led to the founding of the beet-sugar industry, may also have had something to do with the discovery and the development of sugar made from starch.

A Russian chemist named Kirchoff, according to the records, was the first to discover the saccharine substance in starches and to develop processes for converting it into crystalline sugar. For this work he was decorated by the Russian Government in 1812 and given a pension for life. Kirchoff used the starch of the potato, and the product was called potato sugar. Cornstarch was then little known in Europe, if it were known at all.

A few years later a French chemist named Saussure developed a process of making sugar from starch by the use of sulphuric acid as a catalizer. The product of his process, because of its sweetness, was called glucose, from the Greek word glucus, meaning sweet. However, but little progress was made in the manufacture of sugar from potato starch. Commercially it was not successful.

In 1830 a patent was granted to Amable Brozier, of Philadelphia, for a process that was called the saccarification of grains, including especially corn and rice.

In 1848 Thomas Kingsford established at Oswego, N. Y., the first cornstarch factory. His experiments and efforts were so successful that the names of Oswego and Kingsford are still associated with this important American product.

The Civil War in America, like the Napoleonic wars in Europe, created one of those necessities out of which new ideas and developments are born. The internal-revenue taxes on distilled spirits were so high that they interfered with the manufacture of vinegar, in which high wines were used. A Government chemist directed the attention of two manufacturers of Buffalo, N. Y., to the conversion of starch into a sirup that could be used as a basis for vinegar.

In 1880 Dr. Arnold Behr, a noted chemist of that time, took a further step and patented a process for the manufacture of what he called anhydrous sugar from cornstarch, using what was called the centrifugal process for crystallization. Faith in his process and product was expressed in the form of a million-dollar factory which was erected by the Chicago Sugar Refining Co. In spite of the fact that this sugar was 98 per cent pure, but little demand was found for it, one of the reasons being that the process was too expensive.

Doctor Behr may be considered the real founder of the new industry. Mr. A. W. H. Lenders, now vice president of Penick & Ford (Ltd.), Cedar Rapids, Iowa, himself a chemist of note

and a successful manufacturer of corn products, in a personal letter to me says:

With the exception of Doctor Behr, there was no one who had a process for the manufacture of high-grade corn sugar until recently.

Mr. Lenders, let me state, was associated with Doctor Behr in some of his experiments and may be regarded as one of his pupils.

In due time one Charles Ebert developed another new process, called the pressing process, as a substitute for the centrifugal process of Doctor Behr, which cheapened the manufacture of such sugar. I believe that the Ebert product was first called cerelose.

Considerable development in the manufacture of sugar from corn followed these inventions, but no effort was made to refine these sugars. They were what are called 70 and 80 sugars, and were used largely and mostly in making vinegar, also by breweries before these were closed, and in the curing of leathers.

About 1902 a factory at Peoria, Ill., began to make sugar 92 per cent pure dextrose. This product was soon used by bakers, ice-cream makers, and by the manufacturers of various food products and candy. But it had a bitter taste, and in sugar the "taste is the test."

New research work followed. "Doctor Behr's anhydrous sugar," says Mr. Lenders in his letter, "was the product they were aiming at." The research work proved successful, and that in a comparatively short time. The United States Government, through the Bureau of Standards and its various experts, including such men as Mr. F. Bates, Dr. R. F. Jackson, and W. B. Newkirk, rendered valuable assistance. In due time the desired taste was attained and the processes cheapened so that factories could be commercially operated.

The Corn Products Refining Co., one of the largest corporations of its kind, has placed all of its resources back of the development of this new sugar. They are now making several kinds—cerelose, 99.5 per cent pure dextrose on a dry basis, and also a 92 sugar called, I believe, argo. Mr. George K. Burgess, Director of the Bureau of Standards, in a letter to me on this subject, under date of May 6, says:

We have recently had occasion to examine some dextrose manufactured by this process and have found that the purity of the sample submitted was above 99.9 per cent.

This bureau is at present engaged in problems incidental to further refinement of the process, such as an accurate system of color measurement, the details of chemical analysis, identification of impurities, and crystallographic studies.

From first to last the Bureau of Standards has rendered most valuable service to this new industry.

So far only a few manufacturers have undertaken to make this supersugar from corn. "Most of the large corn-products manufacturers," writes Mr. Lenders, who, let me state, has given me much valuable assistance in my consideration of this subject, "including ourselves (that is, Penick & Ford (Ltd.), Cedar Rapids, Iowa), are making the 70 and 80 sugar to-day in large quantities."

THE HISTORY OF AMERICAN CORN

The development of this industry will have an important bearing on what is America's premier agricultural product—that is, corn—and therefore it may be well to consider briefly its history.

In England and continental Europe the word "corn" is applied to the edible seeds of many cereal plants, including wheat, barley, rye, and so forth. In the United States the word is restricted to Indian maize. Here maize is corn and corn is maize.

What the Indians called mahiz and the Spaniards maiz was found growing on the West India Islands in great abundance when Columbus made his discovery. He spoke of vast fields of maize. When Cortez conquered Mexico, he marched through fields of this maize. De Soto found it in Florida and on the banks of the Mississippi. Joliet and Marquette, when they discovered the Iowa country in 1673, found it growing on the banks of the Iowa River, where it still grows in its greatest luxuriance.

The Indians believed that corn was bestowed upon them by some special act of Providence. It was at least providential to them. Black Hawk in his autobiography relates quite seriously that once upon a time when three Indians were out hunting a beautiful woman came down out of the sky. She was hungry. They gave her the best portions of venison. Having eaten, she thanked them and told them to return to the place of their meeting one year later. When they so returned, they found growing there corn, beans, and tobacco, but chief was corn.

The legend of the Winnebagoes was a little different. They believed that when the first woman had been created many suitors came to woo her. Among them was one Mondamin, or Corn, who was so strong that he slew all the other suitors, and through him Corn became the father of all the Indians.

CORN AS AMERICA'S PREMIER CROP

In 1922, according to the Yearbook of the Department of Agriculture (p. 572), 102,428,000 acres were planted to corn in the United States. The yield that year was 2,890,712,000 bushels. (The yield has since been as high as over 3,000,000,000 bushels.) The estimated value of the crop of 1922 was $1,900,287,000. These figures leave no doubt as to the premiership of corn in American agriculture.

Corn is grown in every one of the 48 States of the continental United States. In 1922 the smallest acreage was in Nevada—1,000 acres; the largest was in Iowa—10,123,000 acres. In Iowa there was produced that year 455,535,000 bushels, or almost one-sixth of the entire corn product of the United States. The estimated value of Iowa's corn that year was $255,100,100.

Illinois ranked second in corn in 1922, that State having 8,819,000 acres, yielding 313,074,000 bushels, the estimated value of which was $187,844,000. The third State in corn was Nebraska, with 7,419,000 acres, 182,400,000 bushels, valued at $105,792,000. That year three other States—namely, Missouri, Kansas, and Texas—had corn acreages in excess of 5,000,000. Of the Southern States, outside of Texas, Georgia stood first, with over 4,000,000 acres, and the two Carolinas followed, each with more than 2,000,000 acres.

Iowa's preeminence as a corn State is due to ideal conditions of soil and climate, rainfall, and sunshine for such production.

For 300 miles east and west, from the Mississippi to the Missouri, and for 200 miles north and south, practically every acre is susceptible and responsive to the culture of corn. On these facts and figures is based the popular refrain:

We're from Io-way, Io-way,
That's where the tall corn grows.

But corn in its growth is not restricted to the American States. It is grown in many other lands. The total world production is now in excess of 4,000,000,000 bushels. But three-fourths of all the corn is still grown in the United States.

Among foreign countries, Argentina ranks first in corn production. In 1922 its acreage in that country was in excess of 8,000,000, or about four-fifths of the acreage in Iowa alone. But in that year the product of Argentina was only about one-half of that of Iowa, proving Iowa's superiority in this respect. The exact figures for Argentina were, 1922, acres, 8,090,000, and bushels, 230,423,000.

Of the American corn crop 40 per cent is fed to hogs and converted into pork products, 20 per cent is fed to horses and mules, and 15 per cent to cattle. These three uses account for 75 per cent of all American corn. Ten per cent more is used as human food direct. When all its uses, including beef and pork and mutton and poultry and so on, fed on corn, are taken into consideration corn becomes the principal food product of the American people. It is that by which they chiefly subsist.

Corn is almost wholly a commodity of domestic commerce. Very little is exported—that is, in the form of grain. The average exports for the past 20 years have not exceeded 3 per cent of the total. In only one year since 1900 have the exports exceeded 100,000,000 bushels. Of corn exported, one-half goes to England and a sixth to Germany, and if Canada and Holland are added we have three-fourths of our exports accounted for. Our largest imports of corn were in 1914, when under a favorable tariff, we received 15,821,000 bushels from Argentina for use in the Atlantic seaboard industries.

THE WONDERS IN THE KERNEL OF CORN

Corn, like cane, belongs to the grass family. It grows to an average height of about 10 feet, more or less. It is a semi-tropical plant. It is matured in from 90 to 120 days.

The seed or grain grows on a cob and is incased in husks that overlap it. From the tip of the cob and projecting beyond the husk are many tiny silks, one for each kernel, upon which the fertilizing pollen falls from the tassel which crowns the stalk. The long rows of grain on the cob are always even numbered. From a single grain of seed planted a thousand may be produced, and corn is therefore a thousandfold crop, a wonder in productivity.

At the tip of each kernel there is a little germ which is the new life. Nature has guarded and protected this germ most carefully. It is incased in a bit of oil to protect it against drought and moisture, heat and cold, and their changes. The main substance in the kernel is starch, which is the food upon which the new life subsists until it can put forth roots in the

ground and leaves in the air to sustain itself. It is all a wonder wrought in some fairyland of nature.

THE OIL OF THE CORN

Before proceeding with the development of the starch of the corn into commercial sugar I must make a brief reference to the oil in which the germ is protected. This is a precious oil, and it is now successfully extracted and refined, running about 1½ pounds to the bushel of 56 pounds. It is an article of commerce. In 1922 in excess of 11,000,000 gallons were manufactured.

The oil is of a soft golden coloring. It is used in many manufactured foods. As a salad dressing it has displaced many minor oils and has become a competitor of olive oil. In cooking it has many advantages over all other oils and some over lard and even butter. It has a high burning point, 650°, compared with 425 for lard and 250 for butter. The advantage in this lies in the fact that corn oil can be brought to a high heat without either burning or smoking. When the meat to be fried is immersed in this oil at a high heat, which may be 600°, the pores of the meat are immediately sealed and the natural juices, together with the flavoring and aroma, are retained. In other words, the meats so cooked are not soaked or saturated in grease.

GLUCOSE, MALTOSE, AND DEXTROSE

The starch that is extracted from the corn is converted into a raw sugar by a process of cooking under pressure. Dilute hydrochloric acid is used, which is later neutralized by soda, and the liquors decolorized with carbon. The raw sugar is 90 per cent dextrose and corresponds to the raw cane sugars that are imported and refined in this country. The two processes of refining are said to be absolutely identical.

Maltose sugar is made by a different process. The ground corn or grits are mixed with a certain amount of malted barley. By this process the starches are converted into what are called simpler forms of carbohydrates, namely, dextrins and maltose, and, if the action is carried far enough, into complete maltose.

The present commercial corn sugar is dextrose. The manufacture of maltose has not been deemed commercially successful, but the chemists of the Department of Agriculture are at the present time carrying on experiments, already highly successful, I am told, to perfect and cheapen this maltose sugar. They have reached a result of 33 pounds of sugar from a bushel of 56 pounds of corn.

Of the two corn sugars, maltose has the higher calorific value, practically as high as cane or beet sugar; while dextrose ranks lower in that respect. In the element of sweetness the corn sugars are deficient compared with both cane and beet sugar. Dextrose at its best is about three-fourths as sweet as sucrose—that is, cane sugar—and it may run lower—three-fifths. The food values of all these sugars are about the same. As a preservative the corn sugars are probably 30 per cent more effective than either cane or beet sugar. Of all the sugars dextrose is probably most easy of digestion and assimilation.

DEXTROSE CALLED IDEAL SUGAR

The chemical formulas of sucrose and dextrose differ slightly. They are elementally the same, but in different combinations. The difference has been described by one as that of a single molecule of water. In the processes of human digestion, I am told, this molecule of water must be added to the sucrose. That is, the sucrose must be converted into the dextrose, which is called blood sugar, and as such is ready to be absorbed and assimilated in the human system. On the processes of digestion, Dr. M. C. White, Assistant Surgeon General United States Public Health Service, writes me as follows:

The starch ordinarily consumed with the diet is split during digestion in the gastro-intestinal canal into glucose, and is absorbed by the blood in this form. After being carried by the blood to the organs of the body it is burned to carbon dioxide and water. Part of the absorbed glucose is stored in the muscle and liver as a complex carbohydrate called glycogen. On the basis of our present knowledge there is no reason to assume that sugar (glucose) made from corn is digested and utilized by the body in any different way than glucose derived from other sources.

Dr. M. S. Fine, director of the research department of the Postum Cereal Co., Battle Creek, Mich., a recognized authority on food products, writes me as follows:

Both maltose and dextrose are valuable sugars. Maltose is often tolerated by sensitive gastrointestinal tracts when cane sugar and other forms of carbohydrates are not so well tolerated.

Dextrose one might almost consider as the ideal sugar. It requires no digestion whatever in the gastrointestinal tract. It is absorbed into the circulation as such, and it is precisely in the form of dextrose that sugar circulates in the blood normally. In other words, dextrose is immediately available.

Dextrose, like maltose, has recently found much favor in connection with the feeding of babies. * * *

There is, as you probably know, a prejudice against the use of dextrose, or, as it is more commonly known, glucose. The prejudice arose, no doubt, because this material was at one time used as an adulterant.

AS A FOOD FOR CHILDREN

Children are said to require more heat units than adults. This is due to their activities and to a more rapid radiation of heat from their bodies. They therefore both crave and need sweets. They find these first in milk. Two quarts of milk contain 3 ounces of milk sugar. In using cane sugar, or sucrose, the amount must not exceed the capacity of the child to convert it into dextrose. But corn sugar is taken in the form of dextrose, and is therefore said to be less harmful. On this subject I will insert herewith in full a letter written by Dr. McKim Marriott, a recognized pediatric, which is the science of the hygienic care of children:

Hon. CYRENUS COLE,
House of Representatives, Washington, D. C.

DEAR SIR: This is in reply to your letter of May 10, relative to the use of corn as a source of sugar.

I have, for a number of years past, been using and advocating the use of corn sirup in the feeding of infants. Corn sirup is prepared from cornstarch by hydrolysis and consists mostly of dextrin, maltose, and glucose. I have found this form of sugar to be the most suitable for infant feeding. It is digested better than cane sugar or milk sugar and does not lead to diarrhea. It is by far the safest form of sugar to give a bottle-fed baby. Corn sirup is an economical food as well. It is much cheaper and certainly as good, or better, than many of the advertised dextrin and malt sugars used in infant feeding, such as Mellin's Food, etc. As a food for older children corn sirup has a considerable advantage over cane sugar because it is more easily digested and is not as sweet, and can, therefore, be taken in larger amounts.

In the St. Louis Children's Hospital and in the Children's Dispensary of Washington University practically no other form of sugar is used in the feeding of infants, and since the adoption of this policy the mortality rate among babies has been lowered markedly.

Trusting that this is the desired information and that you will not hesitate to call upon me if you wish any further particulars, I am,

Sincerely yours,

MCKIM MARRIOTT, M. D.,
Physician in Chief St. Louis Children's Hospital,
Dean and Professor of Pediatrics,
Washington University School of Medicine.

From another source I learn that when children—and the same is true of adults—eat too much candy made from the sucrose sugars—cane and beet—it distresses them, due to the fact that there are not enough of the molecules of water and of the saliva acids to convert this sucrose into dextrose in the processes of digestion. The mass lies unacted upon awaiting the necessary secretions for the processes of digestion, or fermentations set up, adding to the distress.

In the case of the dextrose sugars—corn—no such distress ensues, for this sugar is already in the form in which it must be to be taken up by the system. The processes to which the stomach and the associated organs are subjected in the use of cane and beet sugar are performed in the laboratories in the case of corn sugar. On this, however, I express no expert opinion, merely repeating what has been told me by those who pretend to know more about such matters.

THE CALORIFIC AND FOOD VALUES COMPARED

As to the calorific value of corn sugar compared with other sugar, I have a statement from Mr. A. C. Browne, who wrote to me as Acting Chief of the Bureau of Chemistry, of the Department of Agriculture, under date of May 7, as follows:

The calorific value of cane sugar—that is, the heat units formed by the complete combustion of a unit quantity of sugar—is known to be 3,955.2 calories per gram of sugar. In the case of maltose sugar the calorific value is 3,949.3 calories per gram. In the case of dextrose the calorific value is 3,742.6 calories per gram.

In this respect, as I have already said, maltose sugar is practically on a par with cane sugar. Dextrose sugar would seem to suffer in comparison with both maltose and sucrose; but, as a matter of fact, I am assured upon good authority this is not really so, for "while its actual calorific value is somewhat less than cane sugar the human system expends considerably less energy in its digestion, so that the final result

is about the same." In the case of sucrose the 200 calories by which it exceeds dextrose are fully consumed in the processes of converting the sucrose into dextrose, into which it must be converted before digestion and assimilation can proceed.

As to the nutritive and food values of these sugars, so far as I have been able to learn, they do not vary greatly. All the authorities that I have consulted seem to place corn sugar on as high a plane as either cane or beet sugar as food. Mr. A. C. Browne, of the Bureau of Chemistry, from whom I have already quoted, in the same letter says on this subject:

All evidence points to the fact that in the case of normal individuals these sugars are all digested completely in the human body and have approximately the same nutritive value, weight for weight.

THE UTILITY OF DEXTROSE SUGAR

The process of converting cornstarch into sugar has been described as "practically identical with the digestion of starch in the human body * * *. In the factory hydrochloric acid corresponds to the enzyme in the human saliva." Dextrose has been styled predigested starch, a sugar that is "taken up in the blood stream and is known as blood sugar." Because of ease in digestion and of assimilation a very high value has been placed on this sugar by dieticians and by experts in such matters.

Dr. Cyrus Edson, at one time president of the board of health of New York, has left a record of his opinion that on a diet of corn sirup a man can perform more muscular work than under any other single diet.

Dr. Harry Gideon Wells, at one time dean of medical work in the University of Chicago, in a hearing before the Illinois State Food Standards Commission, gave like testimony. Speaking of corn sirup, and other sirups and sugars, he was asked if he would prefer glucose, "as far as digestion is concerned." He answered:

Yes; for the purpose of feeding a child or an adult, for that matter. If you had to limit your carbohydrates to cane sugar or glucose, you would find a person would get along much better on commercial glucose than on sugar (cane), because he would get sick of the amount of sweetness that he would get with cane sugar as the sole source of carbohydrate foods. That is why we eat bread, starch, and such things instead of cane sugar.

Dr. John C. Olson, professor of analytical chemistry, Polytechhnical Institute, Brooklyn, N. Y., has said:

When starch is rendered soluble it passes into other sugars which are less sweet, such as dextrose and maltose. They are fully as nourishing as cane sugar and pass into the blood more quickly, because cane sugar must first be broken up into the two simpler sugars called dextrose and levulose.

Dr. Henry C. Sherman, of Columbia University, speaking on the same subject, has said that "from frequent free use of sugar it occurs repeatedly some injury to the stomach must be anticipated." He ascribed this to certain fermentations which are apt to result from the use of the highly sweetened cane and beet sugars and to the "distinct abstraction of water from the mucous membrane" which occurs in the processes of converting sucrose sugar into dextrose sugar when it is taken into the human system.

THE DEFICIENCY IN SWEETNESS

One of the somewhat adverse facts that corn sugar will have to contend with is its admitted deficiency in sweetness. Compared with the best cane sugar it is ranked from 60 to 75 per cent in this respect. The sugar consumers of America are accustomed to the sweeter sugars. They have an abnormal taste for them, just as Americans have had an abnormal taste for the stronger alcoholic liquors.

This deficiency in corn sugar, however, is all in the taste and is without bearing on the food value of the sugar. If sweetness were the test, then the saccharine substance which is derived from coal tar would be the best sugar in the world. In sweetness it has from three to five hundred times the strength of cane sugar. But this mineral sugar has no food value whatever. It is sweet to the taste, but it is neither digested nor assimilated.

But in any event in such matters the "taste is the test," and to satisfy the taste all that is necessary is to use more for given purposes of corn sugar than of cane sugar, and as its manufacture is cheaper this will be no real handicap.

THE COST OF MANUFACTURING CORN SUGAR

The ultimate cost of manufacturing corn sugar has not yet been wholly determined. That will depend on quantity of output, and also upon the development of processes that are still new. In a general way it is stated that dextrose can be manufactured for as much as a cent and a half less per pound than beet sugar, which now competes successfully with cane sugar.

I submitted this question to the bureau of the Department of Agriculture which is now perfecting maltose sugar. The reply is that it is hard to answer, for "the final cost could only be determined by actual operation on a large scale." A tentative estimate of the cost of production is around 3 cents per pound or less for pure maltose sugar based on corn around 70 cents a bushel, the present market price. In this process 33 pounds of sugar are realized from a bushel of 56 pounds of corn. There is also left the oil from the corn and, theoretically, from 15 to 20 pounds of dry material or by-product which can be used in stock foods.

THE PRESERVATIVE VALUE OF CORN SUGAR

Sugar as a preservative is used in canning fruits and certain vegetables and in condensing milk. It is also used in preserves and jellies.

As a preservative the sweetness in sugar is not a factor. Corn sugar with a lower saccharine content has a higher preserving potency than cane sugar. This higher efficiency is placed over 30 per cent. On this subject the following statement is apropos and I am told authoritative:

It is well known that the preserving power of sugar solutions depends largely upon the osmotic pressure of the solutions. Statistical information shows that the osmotic pressure of 15.2 per cent of dextrose solution is equal to the osmotic pressure of 24.3 per cent sucrose solution, and from this it is logical to conclude that, when applied to the same material and the same organism, a 15.2 per cent dextrose solution will have the same preserving value of a 24.3 cane-sugar solution.

According to this statement, the preserving efficiency of corn sugar will make it a desired article in such processes, which account for a large part of the consumption of sugar. It would be especially useful in preserving such fruits as have naturally a high sweetness.

At the present time, under official rulings, where corn sugar is used in manufactured products, the fact must be stated on the labels, which is said to operate as a discrimination.

THE ALLEGED DISCRIMINATIONS UNDER FOOD ACT

The labeling referred to has led to some differences and disputes between manufacturers and the Department of Agriculture, which interprets the food and drugs act. In its rulings the department has, of course, no desire to discriminate against corn sugar. On the contrary, it is anxious to promote the manufacture and use of such sugar, and, as already stated, it is now carrying on experiments to perfect the processes for making maltose sugar from corn. This is in consonance with the purposes for which the Department of Agriculture was created; that is, the promotion of agriculture.

The manufacturers complain that the labels required when corn sugar is used in prepared foods operate as a prejudice. The very fact that the designation "corn sugar" is required, they say, in the minds of many implies an inferiority, or at least a substitution. They argue that competitors call attention to such labelings to arouse the prejudices of would-be purchasers.

This alleged discrimination on the part of the Department of Agriculture in the interpretation of the food and drugs act arises from a definition of sugar laid down many years ago, and which is still adhered to. This definition is as follows:

Sugar is the product chemically known as sucrose (saccharose), chiefly obtained from sugar cane, sugar beets, sorghum, maple, and palm.

Under this definition, sugar made from corn is not sugar per se, for it is dextrose and not sucrose. The modern dictionaries give a more comprehensive definition of sugar. The Standard Dictionary says:

Sugar is "any of many sweets or sweetish carbohydrates which are ketonic or aldehydic derivatives of the higher alcohols * * * formerly divided into the glucose group and the saccharose group."

The use of the word "formerly" in this definition may imply that they are not now so divided. But the Department of Agriculture officially still insists on such a division, and that is why it requires special designation on labels when corn sugar is used. Secretary Wallace, in a letter on this matter, says:

The question of whether or not the law requires products ordinarily sweetened with sucrose to bear a declaration of dextrose, or so-called corn sugar, when this substance has supplanted sucrose, is not one involving the department's authority to promulgate food standards. It rests solely upon the fundamental requirements of the Federal food and drugs act, which define a food product as adulterated if any substance has been substituted wholly or in part for the article, and misbranded

if it bear any statement, design, or device that is false, misleading, or deceptive in any particular.

Dextrose has an entirely definite, different identity from sucrose, and this difference in identity is reflected in the lower sweetening power and lower solubility of the first-named product.

He says also that usage determines the designation on the labels. In preparing commercial food products, such as jam, for instance, sucrose or cane sugar has so long been used that the purchasers have a right to expect, and do expect, that it has been used, unless a statement is made to the contrary.

As to sweetness, to which reference is made by the Secretary, that difference is not material, for it is true that "the taste is the test," and when a sugar of lower saccharine content is used, all that is necessary is to add enough more to meet the required taste. Such additions of corn sugar in prepared foods would at the same time mean additions to the total food values of the product.

Corn sugar is so wholesome that it might well be capitalized on the labels of manufactured food products. Instead of printing the fact that corn sugar is one of the ingredients in the form of an apology, or even as an explanation, why not print it as a label of superiority, a badge of purity, of healthfulness, and of nutritiousness? May it not be possible that the labels officially required may be converted into advantageous advertisements? If corn sugar is what the chemists and dieticians whom I have quoted have found it to be, why not emphasize its superiority on every label? Secretary Wallace suggests the same thought in the letter from which I have already quoted, as follows:

Frankly, I do not believe that the present requirements * * * will work any unnecessary hardship on industries manufacturing and employing dextrose or decrease its possible use to any material extent. * * * The employment of a label conveying exact information to the consumer concerning the identity of the article creates public confidence in the article, if it has merit that is decidedly advantageous. * * * I am sure no one really interested in the increased production of dextrose will concede that this substance does not possess the merit necessary to justify its increased consumption.

Let me renew to you the department's assurances of its interest in the increased consumption of products of corn, which will insure to producers of corn a more equitable return. I am convinced, however, that the marketing of corn products on the basis of their merit alone and with full knowledge of the public of their identity is the only certain way of accomplishing this object and making such increased consumption of any enduring character.

The Secretary may be right. Corn sugar must be sold on its merits, and I believe it has merits on which it can be sold. All it needs is publicity. Advertising is the magic wand that will put it across, to use a commercial phrase. The skill and the potency of the advertiser are the things desired. There is in this sugar itself the inherent quality that can not be overstated. Make the labels now required the hallmarks of that quality in food products.

THE MANUFACTURER'S VIEW OF THIS DISCRIMINATION

Having set forth the views of the Secretary of Agriculture on this alleged discrimination in the labeling of corn sugar, I will reprint herewith a letter which I have received from Mr. Moffett, whose efforts to promote this sugar are entitled to the praise of all corn growers and sugar consumers, dealing in part with these discriminations. He is vice president of the Corn Products Refining Co.

The letter, aside from setting forth these views, is worth printing for the information it gives, in reply to a series of inquiries submitted by me, on the processes of making this new sugar, its uses, merits, and so forth. The letter in full is as follows:

Hon. CYRENUS COLE,
House of Representatives, Washington, D. C.

DEAR SIR: Referring to yours of the 23d, I will try to answer your questions in the order that you have asked them.

First. The preserving power of any sugar depends on the osmotic pressure of the solution. The recognized authorities show that a solution of corn sugar containing 15 per cent has the same osmotic pressure as a cane-sugar solution containing 25 per cent of sugar. As a practical demonstration this has only been established so far absolutely in milk-condensing experiments carried on at Grove City, Pa., in cooperation with the Bureau of Animal Industry, Department of Agriculture.

The fruit-canning experiments have been carried on, using the same amount of corn sugar as is customary with cane sugar. In the case of the fruit it was considered superior to ordinary fruit canned with cane sugar, inasmuch as there was more of a fruit flavor and less of plain sweetness than usual. In a report made by the California Packing Corporation they say as follows: "Unfortunately we can not use this material in our products because we would have to mark on the package that they contained," etc.

The Beacon Chocolate Co., of North Tonawanda, N. Y., advise that in the manufacture of chocolate coatings this sugar is very desirable, but they can not use it because a regulation of the Department of Agriculture requires that if anything except cane sugar is used it must be marked on the package. This is ridiculous. I would call your attention to the fact that chocolate coatings are used in the manufacture of confectionery, and in confectionery there are no standards that call for specific naming of any sugar; corn sugar, corn sirup, cane sugar, or any other kind of sugar can be used at will, providing it is wholesome.

Second. In canning processes deficiency in sweetness is not a factor to be considered since the amount of sugar used for preserving is generally accepted to be much in excess of what is really required so far as the taste is concerned. This is particularly exemplified in canned fruits, which are so sweet that the fruit flavor is obscured, and as for condensed milk, you no doubt have the same opinion as nearly everyone, that it is so sweet it is sickening.

Third. The principal use of corn sugar in manufacturing ice cream is to give body and texture and in order to reduce the sweetness, which is too great under the ordinary formula. In the baking trade corn sugar is used as yeast food. In general corn sugar sells at a price in relation to cane sugar, so that the cost per unit of sweetening is the same. The cost per unit of food value is about 25 per cent less in the case of corn sugar.

Fourth. The success of the use of this sugar by ice-cream makers and bakers is absolutely established. These trades are now using about 400,000 bags a year, and this volume is steadily growing. There is no use of it by the canners as yet. They are afraid to use it on account of the present regulations.

Fifth. We have no desire to sell corn sugar as anything except corn sugar when it is sold to the consumer straight. The consumer in that case is perfectly able to determine for himself the value of the sugar; but we do consider that it is an unwarranted discrimination that where this sugar is used as an ingredient in the manufacture of such articles as jams, jellies, preserves, condensed milk, chocolate, etc., the regulations require that it be specifically named, inasmuch as it is admittedly a perfectly wholesome product, possibly better from this standpoint than cane sugar. No manufacturer is going to use it as an ingredient if he thinks it deteriorates the quality of his goods, but the mere fact that he has to put a notation on the label appears to him that he is being forced to warn the buyer that his goods are not standard, and the buyer will think the same way, too, for unless there is something wrong, why is this warning necessary?

Advertising is perfectly all right, and we are doing this and going ahead with it, but educating 100,000,000 people is some job and will require years. Can anyone give any good reason why this handicap and discrimination is put on a perfectly wholesome, legitimate, American agricultural product? The more natural thing to expect from our Government would be cooperation in exploiting such a product instead of obstruction.

Sixth. With reference to the percentage of sweetness, unfortunately there are no instruments for determining sweetness. The tests are entirely comparative. I have had made many tests, the results of which indicate to me that this corn sugar is approximately 75 per cent as sweet as cane sugar. It is fair to say that every individual will get a different ratio, but I think we can demonstrate to everyone's satisfaction that on the average 75 per cent is about correct.

Seventh. This industry is growing right along, principally in increasing the quantity sold to the ice-cream and bakery trade. We are at present starting the marketing of this sugar direct to the consumer in central Illinois and in certain parts of Iowa. The actual consumption of this sugar is running at the rate of approximately 50,000,000 pounds per annum, a part of which this company consumes in the manufacture of other products—table sirups.

I wrote you some time ago that our capacity was approximately 400,000 pounds a day. On account of certain technical improvements in the method of operating the process, with our present equipment we can probably produce 600,000 pounds daily, or 200,000,000 pounds a year.

Eighth. Powdered cane sugar is pulverized and a small amount of cornstarch is added to prevent the sugar from caking. Pulverized corn sugar is an extraordinarily good substitute for powdered cane sugar. The addition of cornstarch to corn sugar in order to prevent it caking is not necessary.

If there are any other questions that I can answer, please let me hear from you.

G. M. MOFFETT.

We who are deeply interested in the development of this new sugar industry, because we are interested in the men who grow corn; hope and trust that the manufacturers and the authorities may soon iron out these differences. No discriminations that interfere with such a desirable industry should be continued. The one sugar is as wholesome as the other, and they may, therefore, be used interchangeably, it would seem, without

either harm or deception. Whether sucrose or dextrose, sugar is sugar, just as "pigs is pigs."

Or perhaps a "Hell and Maria" Dawes commission may be called into being to work out the differences that are, I believe, more imaginary than real. Or the food and drugs act may be amended to suit the new conditions. There is an industry at issue, and markets for the farmers of America who grow corn on 100,000,000 acres.

PRESENT AND PROSPECTIVE PRODUCTION

No statistics are available as to the manufacture of corn sugar. A bulletin issued by the Department of Commerce states that in 1921, 152,055,736 pounds of grape sugar were produced. The grape sugar of commerce is largely derived from corn.

The Corn Products Refining Co. has been pioneering in the manufacture of corn sugar. It now has in operation a plant at Argo, Ill., that is turning out 300,000 pounds a day.

I have just received word that Penick & Ford (Ltd.), operating in Cedar Rapids, Iowa, my home city, has let a contract for the first unit of a large plant, to consist of six units, for the manufacture and refining of corn sugar. They have deemed the matter of time so important and so urgent that under the contract the factory must be completed by the 1st of August.

I am proud of the fact that the second factory for this new industry is to be located in my home city, Cedar Rapids, Iowa, which is one of the cereal centers of the country. Fifty years ago two Scotchmen, George Douglas and John Stuart, started in that city, then a village, the manufacture of oatmeal in the "Scotch way." They have left as a monument to themselves a factory that converts, per day, 100,000 bushels of oats into products fitted for human food. Quaker Oats are sold around the world. Agents go to all lands and to the remote islands of the seven seas hunting markets in which to dispose of the surplus products of the farmers of the Middle West. I want, in this connection, to pay a tribute of respect to men of such vision, men who build factories and create markets, and who are the greatest benefactors of their fellow men. The Penick & Ford plant is one of the offspring of Quaker Oats.

It was George B. Douglas and Walter D. Douglas, sons of the pioneer Douglas, who founded the starch industry in Cedar Rapids, out of which the Penick & Ford plant was evolved. Because two men pioneered in "the Scotch way" in Cedar Rapids, 50,000,000 bushels of cereals are now converted into food products in that city annually, wholesome human foods made out of oats and corn and wheat and barley and rice.

Mr. G. M. Moffett, vice president of the Corn Products Refining Co., writing to me under date of April 25, says that his company "holds itself ready to supply whatever plant equipment and capital is necessary to develop this product to its utmost." As to the outlook, he says:

> From an economic standpoint it appears that there is every reason to believe that this product can and will develop a very large market, and very possibly one of such a size that the consumption of corn in its manufacture will be perhaps the greatest single factor in the disposal of the surplus corn produced by this country.
>
> The working out of all the details was a matter of years of experimentation, with the result that two years ago we put into operation a small but practical plant, and subsequently, in September, 1923, a large plant for the manufacture of this product. This plant has a capacity of over 300,000 pounds of sugar daily, and is uniformly and economically producing this sugar. From a manufacturing standpoint, there is no limit to the amount of this sugar that can be produced, it being entirely a question of how much can be sold. By this process of manufacture, we produce approximately 25 pounds of pure corn sugar from a bushel of corn.

THE POSSIBLE MARKET FOR CORN SUGAR

There are now consumed in the United States 5,700,000 tons of sugar per year. Reduced to pounds this is 11,400,000,000. Sugar consumption is still growing, and that much more rapidly than population. Sugar is an American habit and diet.

This sugar reduced to bushels of corn, counting 25 pounds of sugar in a bushel, stands 456,000,000 bushels. That was almost exactly the whole corn crop of Iowa of 1922, the product of 10,000,000 acres. This corn, if loaded into standard railroad cars, would make a train of cars reaching from San Francisco to New York. I reduce these figures to such terms so that you may visualize America's consumption of sugar, and with it the possibilities of sugar made from corn.

Of course, I know as you know, that we are not going to make all the sugar we consume out of corn. That is not what we desire to do. It would not even be desirable. We have an expanding beet-sugar industry and we want to promote its larger expansion.

In California and in Colorado, and other States as far east as Iowa and Michigan, we have soils admirably adapted to the culture of the sugar beet. The only retarding element is that of the labor required, and in this the new immigration law will become an important factor. We want to continue the manufacture of beet sugar, and we shall always have a large demand for sugar made from cane because of its saccharine content. In many uses there will never be a substitute for cane sugar. But the field is so large that we may well seek in it a place for this newer sugar. To find and fill that possible market will be a great achievement not only for the farmers but for all the people.

Of the sugar we consume, including what we export in manufactured products, we now produce 919,000 tons within the continental United States, two-thirds of it from beets. Another almost equal amount, 931,000 tons, is termed "domestic" because derived from islands under the American flag—Hawaii, Porto Rico, and the Virgin Islands. And we also draw large quantities—over 300,000 tons—from the Philippine Islands, from which our flag will ultimately be withdrawn.

But the bulk of all our sugar is at the present time derived from Cuba under the terms of a favorable reciprocity treaty, negotiated in 1903, granting a 20 per cent reduction of the full sugar tariffs. The amount so derived is largely in excess of 4,000,000 tons.

Let us do a little assumptive computing. If we transferred to corn sugar one-fourth of our total consumption, it would require 114,000,000 bushels of corn; or if one-fourth of the sugar that we now import from Cuba were transferred to corn as a source, it would provide a market for more than 80,000,000 bushels of corn.

Surely such a consumption of corn sugar is not an impossible and certainly not a preposterous assumption. On the contrary, it is very reasonable, considering the merits of this new sugar, its wholesomeness, and its nutritiousness as food.

And let me emphasize the patriotic appeal there is in this new sugar. It is an American, an all-American product. Is not the corn produced by American labor on American farms, and is not the sugar from it produced by American labor in American factories? Shall anyone say that it contains no patriotic appeal to the American consumers of sugar?

There is also a self-interest—call it a selfish economic interest—in the development of this new industry. A well-developed corn-sugar output will operate to hold down sugar prices for all time. With such competition it will never again be possible, either through artificial manipulations or natural causes, to increase sugar prices as in the past. We still have within our financial and household memories 20 and almost 30 cent sugar. With an abundant source at our own command, with factories competing for the market, no such absurd conditions could ever arise again.

Taking all these things into consideration, I can come to no other conclusion than that there is a bright future for this new industry. To me it looks like the dawn of another new industrial era. It spells progress, too.

But the way is not wholly cleared as yet. There are inertias and prejudices to overcome. The cane-sugar interests are well intrenched in business and the use of cane sugar is deeply ingrained in the people. Campaigns of education must be carried on. Promotive advertising is presented with great opportunities in this field.

PRESENT AND POSSIBLE USES

The superrefined corn sugar is just now making its bid for public favor. But corn sugar in its cruder form has already come into general use. At the present time it is used in bakeries and in ice-cream factories and for condensing milk. In the manufacture of food products well over a million tons of sugar are now used per annum, and, in the opinion of an expert, "in a very large percentage of these uses corn sugar can displace cane and beet to advantage." Speaking of maltose sugar, the experts of the Department of Agriculture say that "in confectionery it is, for some purposes, preferable to cane sugar, and for that reason might command a price slightly in excess" of what is indicated as the ratio price between cane and corn sugar, a price based on comparative saccharine contents. Speaking of the household use of sugar, Mr. Moffett, in his letter, says:

> At the moment we are sanguine that we shall make considerable headway, with only the usual difficulties coincident with marketing a new and unknown product. Of course, the primary use in the household for sugar is for sweetening solely, and while this sugar is less sweet than cane or beet sugar, the price at which it can sell is sufficiently less to offset this, so that the consumer will receive equivalent sweetening power and more food values for a given amount of money.

For sweetening tea and coffee corn sugar is less desirable than cane or beet sugar, but in the so-called soft drinks it can be and is being used advantageously. For the sweetening of

fruits on the table, such as oranges and grapefruit, it is very desirable. Wherever so-called powdered sugar is used corn sugar can be substituted very properly. In powdered sugar raw cornstarch is added, while in corn sugar this raw starch has been reduced to dextrose, to which the stomach must reduce both the cane sugar and the raw starch composing the powdered sugar.

It may also be possible to make blended sugar, using cane or beet sugar to supply desired sweetness and corn sugar for nutritiousness. Such blends would not be adulterations, or even substitutions, but dietetic combinations. In sirup we already have such blending of corn and cane, blendings that are at once pleasing to the eye and to the taste of even the epicures.

AND NOW, IN CONCLUSION

As an Iowa Member of the Congress, conscious of the needs of agriculture, and seeking to promote the health and the welfare of all the American people, I have found pleasure in the study of the possibilities of this new product. It is with that pleasure, and I hope also with profit, that I present my conclusions to my colleagues in this House, and through them, to the American people.

I have sought diligently for that market which we covet for that additional blade of grass—and corn is only a glorified form of grass—that the husbandman is now bringing forth from the soil through the practices of scientific farming.

To find and to develop such a new market for an old product is worth while. It is worth doing more than is the enactment of another new law. We already have laws too many for doing impossible things in impossible ways, and laws that too often only lay new burdens on one class for the benefit of another class. The finding of markets is more than the making of laws.

When we get this new industry under way, as I believe we shall get it under way, the tribute which the late Gov. Richard J. Oglesby, of Illinois, paid to corn at a banquet in Springfield in 1894 will have a newer meaning. Let me quote the vital paragraph of that historic and literary address:

> Aye, the corn, the royal corn, within whose yellow heart there is of health and strength for all the nations. The corn triumphant, that with the aid of man hath made victorious processions across the tufted plain and laid foundation for the social excellence that is and is to be. This glorious plant transmuted by the alchemy of God sustains the warrior in battle, the poet in song, and strengthens everywhere the thousand arms that work the purposes of life.

In the form of sugar may this "royal corn," which was contemporaneous with America when Columbus reached its shores, and which is contemporaneous still, sweeten alike the labors of the farmers of the Corn Belt and the tables of all the people, the tables of plenty in a prosperous land.

Mr. AYRES. Mr. Chairman, I yield 15 minutes to the gentleman from Texas [Mr. BLANTON].

Mr. DAVIS of Minnesota. Mr. Chairman, I also yield the gentleman from Texas 15 minutes.

The CHAIRMAN. The gentleman from Texas is recognized for 30 minutes.

Mr. BLANTON. Mr. Chairman, on our Appropriations Committee there are 35 distinguished Members of Congress. With bills providing revenue for the various departments of the Government it was necessary, of course, that this committee should be divided up into subcommittees to consider and frame the various supply bills. I want to specially commend the subcommittee that has had in charge this bill involving $24,000,000 now before the Committee of the Whole. As one Member of Congress I want to commend the chairman of the subcommittee, the gentleman from Minnesota [Mr. DAVIS], and also the gentleman from Kansas [Mr. AYRES], the ranking minority member. I think they have performed a laborious, patriotic service.

You know it is rather a thankless job to frame any bill that affects the people of the District of Columbia. If you do not give them all that they ask for, they curse you privately; they have their mouthpieces—the newspapers—which curse you publicly, and they once in a while sit in the gallery of the House and hiss you. To do your duty you must be impervious to all these influences. You have got to stand like the Rock of Gibraltar and perform your duty, which is under arduous, trying circumstances.

I think it was unfair and uncalled-for criticism that the Washington Times last Saturday alleged against this subcommittee. They criticized the committee because it did not employ special counsel for the Utilities Commission. Congress provides the corporation counsel here, and we already had an attorney to take care of all the public business for the District and the Government and all of the legal business of the Utility Commission. But the newspapers wanted one particular individual to be employed as special counsel. They wanted him to do the business that some other man was paid for doing. The newspapers insist that this committee should continue to employ a certain, particular gentleman and pay him $5,000 per annum. I do not know the gentleman; I do not know that I ever saw him; I have nothing in the world against him, but I know why this committee did not employ him. If the newspapers that have so unjustly criticized the committee would go down to some regular attendant at the sessions of the Supreme Court and get him to relate what happened to their favorite when he was attempting to argue a case before the Supreme Court, it would be unnecessary to say anything further on the subject.

But, Mr. Chairman, I want to take up my time in the consideration and discussion of another subject that is to come before this House shortly, and which is one of the most important subjects, in my judgment, that this House has considered since I have been in Congress, for seven years.

On the 15th day of April our friend the distinguished and able gentleman from Kentucky [Mr. BARKLEY] discussed what is now known as the Barkley bill before the House, although in his opening remarks he showed that it is not his bill. He claims no pride of authorship in it. It was prepared by representatives of certain railroad employees. He merely introduced it for them.

Mr. SPROUL of Illinois. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. SPROUL of Illinois. I would like to ask the gentleman from Texas if he would not like to have a quorum present.

Mr. BLANTON. No; let us not waste the time.

Mr. SPROUL of Illinois. I do not think it is a waste of time.

Mr. BLANTON. I am seeking primarily to get these remarks into the RECORD. There are 40,000 copies of this RECORD that will go into the various States of this Union to-morrow.

Mr. SPROUL of Illinois. But I am afraid the Members will not read the RECORD.

Mr. BLANTON. That is true; many will not. But some will; and I want to say to my colleague that the people of the United States in the 48 States of this Union are now reading the CONGRESSIONAL RECORD like they never read it before, because they are vitally interested in what we do here, and when our people at home find out what is going on in Congress, whether we read the RECORD or not, we will hear from them.

We are reliably informed that this bill of 35 pages of printed matter was prepared by one class of people in the United States. We are reliably informed that it was specially prepared by representatives of the railroad employees. We may presume, therefore, if we knew nothing more about it, that it specially represents their interest; that it represents their views as they may be antagonistic to the views of all other classes of people that live in this country.

When the distinguished gentleman from Kentucky [Mr. BARKLEY] was discussing the bill he said that to prevent the bill from being a partisan measure, on the same day he introduced it in the House, it was also introduced in the Senate by a Republican. He being a Democrat and it being introduced in the Senate by a Republican was to keep it from being partisan. His idea of a partisan measure therefore seemed to be confined to a political standpoint. He thought if a Republican could introduce it in the Senate and a Democrat in the House, there would be no partisanship about it. Well, there are several kinds of partisanship. Partisanship is not confined merely to politics. There could be a partisanship that would favor one class over another. And there is such partisanship in this bill to a superlative degree. While the distinguished gentleman from Kentucky was speaking he kindly yielded to me. I then said to him that he had intimated that the ideal situation on the settlement of disputes between railroad employers and employees was for them to sit across the table, the railroad employers on one side and the railroad employees on the other, with no other parties present, and for them to settle it in that way. I then asked him what about the other very important and very vitally affected third party to the transaction, the public, the 110,000,000 people of the United States, who had a just right to be at that settlement table, and what was going to be done in respect to them. I asked him why they too should not be at that council table, when their interests above all others are mostly involved, because they are the ones for whose benefit all railroads are operated, and who pay the traffic tolls that are inaugurated and fixed by the Interstate Commerce Commission. They are the ones who pay the bills. The gentleman from Kentucky said "I will discuss that a little later." But he devoted only one short sentence to a discussion of the public's rights. I want to show you what his discussion

was. I have looked through his entire speech for a reference to the public, and find just one line, and here is what he says:

There are some here who may think that the public only has an interest.

He stopped there and said nothing else. That is as far as he went in his argument concerning the rights and interests of the American people, and that is just as far as the 35 printed pages of his Barkley bill go with reference to the interests and rights of the 110,000,000 American people.

Let me show you just what this Barkley bill does, which 150 of you colleagues have taken from a committee of Congress, and which you are going to force on the floor of this House next week for passage without due consideration by any committee. I feel sure that not over 25 of you have read it. Do you remember that petition which a member of the Republican steering committee, Mr. DARROW, brought in here, which covered that stand there, from 350,000 actual dirt farmers scattered all over the United States, telling you that they did not want you to create any more boards; telling you that they did not want you to create any more commissions; telling you that they did not want you to raise any more salaries or expenses of Government; telling you that they demanded that the expenses of the Government should be reduced? Do you remember that petition? It will pay us to remember it. Keep that in mind when you consider what this Barkley bill does, which was specially drawn up by the representatives of only one class of employees in the United States—certain employees of railroads, and for their especial benefit. It creates an adjustment board No. 1, to consist of 14 members, 7 railroad employers and 7 railroad employees. There is no public interest represented, no place whatever is made for the public, although it is most concerned; there is no looking after and providing for the interests of the general public at that round-table session. It is only a two-sided table, with the railroad employees on one side and the railroad employers on the other, and both willing to let the general public pay the bill. Each one of those 14 members of that adjustment board No. 1 is to receive a salary of $7,000, aggregating $98,000 alone for that one board. They are given a secretary at $4,000 a year, and they are given the right to employ just as many employees, including private secretaries, clerks, stenographers, and janitors, and messengers for each, as they want, and they are further given the authority to fix their salaries at whatever sum they deem expedient.

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

Mr. BLANTON. In a few moments, if the gentleman from New York will kindly excuse me. I prefer not to yield until I state these facts consecutively. The bill also provides that these 14 members of this adjustment board No. 1 shall have a central office at Chicago, but that they may sit anywhere in the United States they desire. They may junket into every one of the 48 States. They can divide themselves up and sit anywhere over this big Nation at your expense and at mine.

Then there is also provided an adjustment board No. 2, likewise with 14 members, 7 from the railroad employers and 7 from the railroad employees. The public has been given no representation at all; the public has no representation whatever at this second two-sided counsel table or in its settlements. Each one of these 14 members of adjustment board No. 2 is to receive a salary of $7,000 a year, or an aggregate of $98,000. A secretary is provided for them also, at $4,000, and they, too, can employ just as many employees, including secretaries, clerks, stenographers, janitors, and messengers, as they want and fix their salaries at will without any limitation whatever as to salary or number. They, too, can sit anywhere in the United States that they want to and junket regularly into every one of the 48 States at will.

Then we have provided in this bill an adjustment board No. 3, composed of six members, three railroad employers and three railroad employees. Again the public has no representation. The public has no look in; the public has not a right to say a word about their deliberations or settlements although it will pay the bill. Each one of these members of adjustment board No. 3 is to receive a salary of $7,000 per year, or an aggregate of $42,000. They are also supplied with a secretary, at $4,000 a year, and may employ all private secretaries, clerks, stenographers, janitors, and messengers they want at salaries they fix, and they can sit anywhere in the United States and junket regularly into all of the 48 States of the Union at public expense. We have to pay the bill out of the tax money in the Treasury that we levy upon the already tax-burdened people of our country.

Then there is provided in this Barkley bill an adjustment board No. 4, to be composed of six members, three railroad employers and three railroad employees, with the American public again given no representation whatever. The public is given no voice in the settlements, yet it will pay the bill. Each one of these members of adjustment board No. 4 is to receive a salary of $7,000 per year, or an aggregate of $42,000. They are given a secretary at $4,000 a year and they, too, are given all of the employees, including private secretaries, clerks, stenographers, janitors, and messengers, they want at salaries fixed by them. There is no limitation as to salary and no limitation as to kind or class or number of employees. It is within their discretion alone, and they, too, can sit anywhere in the United States that they desire and junket regularly into all of the 48 States at will, at the expense of the taxpayers of the country.

Do they stop there? Do you know how many members of boards that already makes? That already makes 40 high-salaried members of these various boards, and their salaries alone amount to $280,000 per annum, not counting the salaries of the army of their employees and their expenses. Do you not know that every one of these 40 commissioners will have to have a private secretary? That means 40 private secretaries; and don't you know that when they are not restricted as to fixing salaries they will pay them at least $5,000 a year each, which will amount to $200,000 more?

Then each one of these 40 commissioners of these four adjustment boards will have to have a clerk or two and a stenographer or two, and a messenger or two, and a janitor or two to sit outside of their front door. I say to you that before you get through, under the provisions of this bill, you will be putting at least 500 new, high-salaried employees on the pay roll of this Government, with a pay roll ranging up to several million dollars.

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

Mr. BLANTON. In a few moments. I regret I can not now yield. That is not all. The Barkley bill then provides for a board of mediation and conciliation to consist of five members. Their salary is fixed at $12,000 a year each, or $4,500 more than a United States Senator receives, which is $60,000 per year for this board, and ultimately to hold office for seven years. It is provided that this board shall have authority "to employ and fix the compensation of such attorneys, assistants, special experts, clerks, and other employees" as they deem necessary, without any limitation whatever by Congress, either as to number of employees or the amounts of their salaries. You will have another Shipping Board situation, with an army of high-salaried, worthless employees. You will have another Department of Justice situation, with an army of high-priced attorneys and worthless employees on the pay roll that even they, themselves, can not count and keep up with.

After you appoint them all, what has been accomplished? Absolutely nothing! I was rather interested in the speech of the gentleman from Kentucky [Mr. BARKLEY]. He is a very distinguished Member of this House. He is an able man, and when he speaks on this floor he speaks with authority. When he speaks his audience is interested in what he says. He is a man of eloquence, when he attempts eloquence, necessary to convince his audience. He is a man of high standing in his own State, but I say to him concerning this bill he has introduced for one class of employees only, that if he would carefully study this bill he would not force it to be torn away from that distinguished committee that should give it consideration before it comes on the floor of this House, no matter how many railroad employees there are demanding its passage. I gathered from what he said that we were going to have a workable means of adjustment that would force a final settlement, that would force a settlement upon all these men, employers and employees, with the public safeguarded; but when I looked through this bill and gave it careful study I found it was simply a makeshift, a sham, something that is as useless and worthless and decisionless, far more so than even the present board which we have. There is no improvement whatever.

It does not prevent strikes. On the contrary, just as many strikes as ever are possible under it. And in providing them these five boards, 40 of whom draw $7,000, and 5 of whom draw $12,000 each per year, we are granting to these railroad employees about ten times as many ways and means of forcing their will upon the railroads, which means forcing their will upon the public, for the public eventually and ultimately pays the full bill every time. When there is a raise in salary, it is always passed on to the public. When there is an added expense put on the railroads, it is always passed on to the public. It is the public, the 110,000,000 American people who have to pay the bill.

FOUR ADJUSTMENT BOARDS ABSOLUTELY WORTHLESS

When controversies are submitted to any of these four adjustments boards, and they decide the issue, there is no way whatever to enforce the decision against the employees. It is possible that it could be enforced against the railroads. But it is very clear that the employees are given the privilege of disregarding and disobeying it at will. So what is the use of having these four boards of 40 members, each drawing $7,000 per year, and each having a horde of high-salaried employees, and each authorized to incur huge expenses against the Government each year, when a decision made by any of them is absolutely worthless in that it is not enforceable against any employee? It is buncombe, pure and simple.

But when any of these four boards fail to decide a controversy submitted to them, which in ninety-nine cases out of every hundred they would do, as no board composed equally of railroad employees and railroad employers would ever agree, unless they could pass the burden of the agreement on to the public, the bill provides that in such cases such board would so notify the parties. And that is an end of action by such four boards of 40 members. A notice is sent to the parties that the board has failed to decide the issue.

AND THEN THE FIFTH BOARD FUNCTIONS

When the notice is given that the adjustment board has failed to decide the controversy, then the parties submit the matter to the Board of Mediation and Conciliation, and through all of its gyrations provided for in the bill, in the end there is no way whatever to force any employee to abide by any decision. He is allowed to disregard and disobey any decision at will. No penalty whatever is placed on him.

AMPLE MEANS OF ESCAPE PROVIDED

And throughout the bill, where means of arbitration are provided, whenever the employees become dissatisfied with the deciding arbiter, they are given many ways to have him sidetracked before final decision is made.

COURT APPEALS PROVIDED ARE FARCICAL

And the provisions in the bill providing for appeals to courts are futile and worthless, as the only thing the court decides is whether a decree is upheld or not, and when upheld the decree is not worth anything, as it can not compel any employee to abide by it, and employees will disregard and disobey it at will, as there is no penalty provided.

ATTEMPT TO CONTROL INTRASTATE AFFAIRS

In line 24 on page 2 and line 1 on page 3 the expression "or between points in the same State" is used in defining what "commerce" as controlled by this bill means, and such term clearly embraces intrastate railroads. And this would specially affect practically every short-line railroad in the United States.

WOULD MAKE RAILROADS HELPLESS UNDER STRIKE

In subdivision (2) on page 3 the following language is used:

It shall be deemed a violation of the obligations herein imposed upon carriers for any carrier or its officers or agents to interfere with or attempt to influence or control, directly or indirectly, the organization of employees, or participate in the functioning thereof, or the designation of employees.

And so forth.

The above could be construed to prevent railroads from attempting to run their trains with other employees during strikes, and would make railroads absolutely helpless whenever a strike occurred. This would allow employees to force their will upon railroads, and thus force the public in the end to bear the burden and expenses of all forced settlements.

EACH AND ALL OF THE 40 MEMBERS GIVEN UNUSUAL POWERS

Subdivision (f) on page 12 has the following provisions:

(f) When necessary to the efficient administration of the functions vested in any adjustment board created by this act, the board or any member thereof shall at any time, for the purpose of examination, require the production of, or have access to and the right to copy any book, account, record, paper, correspondence, or memoranda relating to any matter which the board is authorized to consider or investigate. Any person who upon demand refuses any member of any adjustment board such right of access or copying, or hinders, obstructs, or resists him in the exercise of such right, shall upon conviction thereof be liable to a penalty of $500 for such offense. Each day during any part of which such offense continues shall constitute a separate offense.

There will be 20 representatives of railroad employees on these four adjustment boards, and any one of them, and every one of them, is given the right to force every railroad and every railroad officer to turn over to them upon demand every book, account, record, paper, correspondence, or memoranda that any one of said 20 members might be seized with some insane desire to see, and would provoke endless worry, expense, dissatisfaction, annoyance, and trouble, all of which ultimately is visited upon the suffering public, which has to pay the bill and all expenses.

PRESENT PAY FIXED AS MINIMUM

Under section 6 the present pay to employees is fixed as the minimum, and can not be changed except by decision of the board provided for in this bill. And note that subdivision (B) of section 6 provides the following:

(B) Any attempted change of rates of pay, rules, or working conditions by the carrier without notice, or prior to final action as heretofore provided, shall be void, and the offender shall be liable in damages to each and every party aggrieved to the amount of double any loss occasioned by such unlawful action. Such damages shall be recoverable by appropriate proceedings in the United States district court for the district wherein the offense was committed, which proceeding may be brought by individuals or by representatives of classes of individuals aggrieved.

You will note that a penalty is fixed by the bill, should the carrier attempt to change the rates of pay, rules, or working conditions, but no such penalty is fixed on the employees, who may attempt any changes they desire, when, where, and how they desire, with no penalty against them whatever. We did not have to be told that this bill was specially drawn by representatives of certain railroad employees. Even a casual reading of it would reveal who drew it.

ARBITRATION ONLY BY AGREEMENT

Section 7 provides that there shall be arbitration only by agreement. As stated the other day by the distinguished gentleman from Maine [Mr. HERSEY], parties now can arbitrate by agreement without all these expensive 45 commissioners drawing salaries from $7,000 to $12,000 each. We do not have to have these expensive boards to make parties arbitrate "by agreement." They can do that now. What we need is a board to make them arbitrate, whether they want to or not, when the rights and interests of 110,000,000 people are vitally involved. And note the following proviso in section 7:

Provided, however, That the failure or refusal of either party to submit a controversy to arbitration shall not be construed as a violation of any legal obligation imposed upon such party by the terms of this act or otherwise.

The above clause alone ought to condemn this bill as a makeshift, a sham, and absolutely worthless.

MORE ADDITIONAL EMPLOYEES

In addition to the army of employees already mentioned as provided for in this bill, note that the following subdivision (7) of section 7 provides more employees and lets the board fix the salaries:

(7) The board may employ such assistants as it deems necessary and proper in carrying on the arbitration proceedings and fix the compensation of such employees. Whenever practicable, the board shall be supplied with suitable quarters in any Federal building located at its place of meeting or at any place where the board may conduct its proceedings or deliberations.

INDICATION OF WHAT THIS BILL WILL COST

In violation of the rules of the House, this bill attempts to make an appropriation. That is subject to a point of order. Just to cover the time between when the bill becomes a law and June 30, 1924, this bill appropriates $500,000 as an initial appropriation, which indicates what it is to cost hereafter.

In the first place, you can not force these men to arbitrate unless they want to. It is a voluntary matter with them. It is a matter that they can do or not do, according to their own preference. And then, after they submit to arbitration, and a decision is rendered, and all the appeals are gone through that they are given a right to resort to at great expense to the public, before the decision becomes final, the decision is not worth anything after it is rendered, as it carries with it no penalty.

Listen to this last paragraph. Let me read to you the last paragraph, which absolutely makes it a nullity. It says:

Nothing in this act shall be construed to require an individual employee or subordinate official to render labor or service without his consent, nor shall anything in this act be construed to make the quitting of his labor or service by an individual employee or subordinate official an illegal act, nor shall any court of the United States or of any State issue any process to compel the performance of any employee or subordinate official of such labor or service without his consent.

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

Mr. BLANTON. In just a few moments. And that is the kind of a measure now offered the country, when it effects nothing but added expenses. We are to provide five boards of 45 members, drawing salaries from $7,000 to $12,000 each, and given unlimited authority to employ all the employees they want and pay them all the salaries they want and go to all the expense they want, and have their vouchers paid on their own signatures, without acts of Congress; and then it is all worthless after we provide it. The decision is absolutely worthless.

And this is the bill that 150 of our colleagues have recently taken away from a regular committee of this House by signing a petition to make it in order without consideration by a regular committee, and they are to bring it upon the floor of this House for early passage next week and railroad it through the House. Are you going to be a party to the transaction? Are your already tax-burdened people at home in favor of it when they now have to pay more in freight charges frequently to carry their products to market than they receive, and they thereby lose a whole year's work. Are you going to pass it just because certain railroad employees demand it? The infamous Adamson law was thus passed, and many men have been ashamed of it ever since.

Mr. WILLIAMSON. Mr. Chairman, will the gentleman yield there for a moment?

Mr. BLANTON. In just a few moments. I must present some facts first. If you will read this bill from beginning to end, there may be a few men in the House who will vote for it; that is, if they vote their own sentiments. But I doubt if there will be many unless some outside influence would actuate them.

I have no feeling against railroad employees. I have no bias for a railroad employer. One of the best friends I have got on earth, a man with whom I fish and hunt every time I get away from Congress, a man with whom I have been fishing and camping out, sleeping on the ground and looking up at the blue sky together for 30 years, is a railroad conductor.

I have not a dollar's worth of corporate stock to my name. I never have owned a dollar's worth of corporate stock in my lifetime. I am 51 years of age, and I have no connection with any corporation in the United States. I have never been on the pay roll of any corporation in my life, and during the time I was actively engaged in practice before the courts I believe I tried as many cases as any man in this House in the courthouse, and I have always represented the individual against the corporation. My whole feeling has been for the individual, not the corporations. But I have a feeling and an instinct in my breast that you can not take out, and that is an instinct for the whole people of my country, not for any one class as against any other.

This is a fine bill for the railroad employees. This is a fine bill, I will say to the able gentleman from Kentucky [Mr. BARKLEY], for the railroad employers. What do they care what increases they have to pay if they can pass them on to the public? Why, the history of these matters is that your Interstate Commerce Commission is not going to permit any of the railroads in this land to do business at a loss. It is not going to do it. Whenever you increase wages you can just bet your head that the Interstate Commerce Commission is going to grant a corresponding raise for the railroads in freight tariffs, or enough to enable them to make a living investment on their money. That is certain, and you know it as well as I do. They are not going to be permitted to do business at a loss; and every time there is a raise in wages there is going to be a corresponding raise in freight rates, to be visited on the agriculturists of this country more than anybody else. Why, a farmer or a stockman is helpless unless he can get his products to market.

If he can not get his products to market, his whole year's work has been done for nothing and he is absolutely at the mercy of the railroad carriers. And whenever you pass a bill that increases a freight rate you put that burden upon the neck of the farmers and the stockmen of this country. I am thinking of them when I am passing upon a bill of this character.

The railroad men sit on one side of the table; the employees on the other. The railroad men know they are not going to lose, for the public will pay.

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

Mr. BLANTON. To the author of the bill I have to yield. It would not be courteous to do otherwise.

Mr. BARKLEY. I want to call the gentleman's attention to the fact that on these four boards where men sit on both sides of the table they do not deal with wages at all. They deal only with disputes that arise out on the road.

Mr. BLANTON. The Board of Mediation and Conciliation deal with that, do they not?

Mr. BARKLEY. Yes; and that is made up altogether of those drawn from the public, and there is no representative of the roads or the men on this board.

Mr. BLANTON. But section 6 makes present wages permanent as a minimum. Let me tell you this: If you want to have any kind of a board to settle disputes, you should have one that can settle them and put their decisions into force and effect, decisions which will have the power of a court behind them, with penalties provided. I will vote with my friend if he will give each one of these boards the right to decide questions and enforce their decisions.

Mr. BARKLEY. Would you enforce them by criminal prosecutions?

Mr. BLANTON. I would enforce them by forcing those men to keep a contract and do right by the public.

Mr. BARKLEY. How would you do it—by putting them in jail if they did not keep their contracts?

Mr. BLANTON. No; here is what I would do. Do you know what this bill does?

Mr. BARKLEY. What would the gentleman do? The gentleman said he would tell us what he would do.

Mr. BLANTON. I would make them keep their contracts.

Mr. BARKLEY. How would you do it?

Mr. BLANTON. Whenever a man does not keep his contract I would give the railroad the right to kick him out and put somebody else in his place, destroy his seniority, and let the roads of the country say they would not have him any more; that he had not performed his contract and they would not keep him.

Mr. BARKLEY. They have that right already.

Mr. BLANTON. I can not agree with my colleague. Employees quit work, make all sorts of demands, attempt to prevent railroads from operating, attempt to prevent other men from taking their jobs, resort to assaults, intimidations, threats, and even murder to prevent railroads from operating, and then when they finally settle, they force the railroads to take them back with full seniority restored.

By reason of the public interest in transportation and the Government's interest in same, I would force railroads and all of their employees to arbitrate all differences, and I would prevent all strikes by law, and I would give the public a right to sit at the council table and take part in the settlement of all differences, and I would make the decision binding and effective on all parties. If the gentleman from Kentucky and the 150 men who have signed this petition taking this bill away from its jurisdictional committee would propose constructive legislation like that, I would support it, and they would render signal service to their country.

But I have taken up too much time already. But I felt that some Member should make this speech and present these facts to the country. Putting these remarks in the RECORD does not cost anything extra, except the cheap paper it is printed on, as all of the Government employees in the Printing Office are paid regular salaries anyway, and they had just as well be printing these remarks as any others.

I am one of the economists of the House. I would not do one thing that would cause extra expense to the Government, except in hoping to save greater expense.

Yesterday I printed numerous pages of facts connected with the Rent Commission bill that was passed. If the Government printers had not been engaged in printing this matter, they would have been engaged in printing matter less important, for every line that I put in the RECORD will be considered by the Supreme Court of the United States as pertinent, vital, controlling evidence showing that no war emergency now exists authorizing a Rent Commission, and the Supreme Court will hold that such law is unconstitutional and will knock out this worthless Rent Commission and thereby save the Government and the people of the United States and the tenants of Washington several hundred thousand dollars each year.

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

Mr. AYRES. Mr. Chairman, I yield 30 minutes to the gentleman from North Carolina [Mr. ABERNETHY].

The CHAIRMAN. The gentleman from Kansas will please give heed. The timekeeper advises the Chair that the gentleman from Kansas has 21 minutes remaining.

Mr. AYRES. There must be some mistake about that. The gentleman from Minnesota [Mr. DAVIS] yielded me 20 minutes.

Mr. DAVIS of Minnesota. I yielded 20 minutes of my time to the gentleman from Kansas [Mr. AYRES].

The CHAIRMAN. You did or do now?

Mr. DAVIS of Minnesota. I did.

Mr. AYRES. Which would make me remaining 41 minutes.

The CHAIRMAN. The gentleman yields how much time to the gentleman from North Carolina?

Mr. AYRES. I yield 30 minutes to the gentleman from North Carolina.

Mr. CHINDBLOM. Mr. Chairman, how much time is left for general debate?

The CHAIRMAN. Fifty-seven minutes. The gentleman from North Carolina [Mr. ABERNETHY] is recognized for 30 minutes.

Mr. ABERNETHY. Mr. Chairman and gentlemen of the House, it will not be amiss, under the privilege granted under general debate during the consideration of the present bill, to speak to the country about the great State of North Carolina, which I, in part, have the honor to represent, of its history, its glories, and its material progress among the galaxy of States.

When Amadas and Barlowe hove in sight of the North Carolina coast in 1584 and took possession of the land in the right of the Queen, to be delivered over to Sir Walter Raleigh, then was the birthday and the birthplace of our great Anglo-Saxon empire. It was the beginning of a new order of things in the world. Another and hardier race was springing into existence which was to people the New World from the Atlantic to the Pacific and was to perpetuate and carry forward the torch of freedom and liberty and to found a Government upon a lasting and permanent basis to be the greatest of all the world.

Upon the sacred soil of North Carolina the first white child of America was born, around whose departed spirit was woven the beautiful Indian legend that took the form of a beautiful white fawn of more than natural beauty, which at times could be seen lingering around the place of its birth, and at other times could be seen standing on the edge of the ocean gazing over the waters as longing to cross over to the home of its forefathers; and according to another Indian legend was killed with an enchanted arrow by a young chief who loved Virginia Dare during her life, believing if he shot the fawn with the magic arrow the animal would be changed back into the lovely form of his lost Virginia.

Notwithstanding the unsuccessful attempts of Sir Walter Raleigh to colonize the territory which is now comprised within North Carolina, the history of which attempts are so well known, the lure of its richness caused others to attempt its colonization. Charles I of England first granted a charter to Sir Robert Heath, of the southern part of Virginia, latitude 31° to 36°, under the name and in honor of the King, as Carolina. But Heath did nothing under the charter, and a renewal was granted in 1663 to eight lords proprietors two years afterwards with an enlargement of the territory, the first permanent settlement being called the county of Albemarle. The proprietory government under the eight proprietors lasted until 1728, when seven of them sold their interest to the Crown. Lord Carteret, afterwards Earl of Granville, turned over the right of government to the Crown, but retained his one-eighth interest in the land, and in 1774 he received a grant for about half of North Carolina next to the Virginia line.

The history of the early settlers of North Carolina is one of great dangers, sacrifices, and hardships. The cruel Indian wars of 1711 and following, when so many of the early settlers were massacred; the horrible story of how John Lawson, surveyor general, who was tortured by having his naked body filled with fine splinters and burned, are but some of the many things which can be related as illustrative of that period of time. These colonists were considered by some as being turbulent in character, but their real grievances were the cause for such a reputation. They had wisdom to discern their rights and could take care of the attacks made upon them. Our population took a most formal part in resisting the arbitrary aggressions of England. The first pitched battle of the Revolution was at Alamance on May 12, 1771; and at New Bern on August 25, 1774, the legislature openly defied the royal governor; and on May 20, 1775, the patriots of Mecklenburg met in convention and declared the independence of the Colonies; and at Moores Creek Bridge the Tory Highlanders were crushed in February, 1776; and on April 25, 1776, North Carolina, first of all the Colonies, empowered her delegates to the Continental Congress to vote for independence.

The Battles of Kings Mountain and Guilford Court House are written in emblazoned glory upon the pages of history. The part played by North Carolina in the Revolution was second to none of the original thirteen Colonies.

The steady increase and population of our State after the Revolution was phenominal. This remarkable growth was only arrested by the Civil War. We were backward in adopting secession, but when we finally decided to enter the conflict our State with a military population of 115,369, yet furnished 125,000 Confederate soldiers, and the impartial historian has so written of our deeds in the great war that we can proudly boast that we were "first at Bethel, fartherest at Gettysburg and Chickamauga, and last at Appomattox."

The ravages of the internecine conflict left our fair land despoiled and in gloom. The story of this terrible situation has so often been told that a repetition now would serve no useful purpose. But Phœnixlike, our State arose from the ashes of direful and dreadful desolation and with a cheerful courage began the rebuilding of the new North Carolina, having to overthrow the reconstruction government forced upon her in order that she might in an unfettered and untrammeled manner take her place along with her sister States in the making of the new South.

Has she kept the pace? Has she been laggard in the onward march of progress? I declare to you that she has not only kept the pace but she has rushed forward in leaps and bounds until to-day she stands at the forefront among the States of the Union.

North Carolina from east to west is 503¼ miles, with an average breadth of 100 miles, with an area embracing 52,286 square miles, of which 48,666 is land and 3,620 is water, and with a population of 2,559,123 at the present time. It has its mountains the equal of the Alps of Switzerland, its western boundary containing mountains constituting a part of the great Appalachian chain which attains its greatest height, the highest peak east of the Rocky Mountains, with the towering Mount Mitchell.

The topography of our State may be pictured as a declivity sloping down from an altitude of nearly 7,000 feet from the Smoky Mountains to the Piedmont Plateau, to the coastal plain, and to the Atlantic Ocean.

No better climate can be found anywhere. We are on the same parallel of latitude as the Mediterranean. As has been said of our State, "All the climates of Italy from the Palermo to Milan and Venice are represented."

The natural resources of North Carolina compare favorably with any other State in the Union. We have a soil so diversified and so composed in connection with such favorable climatic conditions as to offer the greatest agricultural possibilities.

North Carolina in 1923 retained fourth rank in the United States in crop values. The total value of the principal national 22 crops being $375,710,000, and the total value of all the crops raised in North Carolina for 1923 was $431,500,000. The rank of the State's crops in 1909 as compared with other States was twenty-first in crop value, and in 1922 and 1923 it ranked fourth in crop values as compared with other States of the principal national 22 crops.

We find that in 1923 the average accrued value of crops in North Carolina was $59 per acre, and that in 1922 it was $48.60 per acre. In comparison with this showing we find the Middle Western States averaging in 1922 as follows, according to their national rank in the value of their 22 principal crops: Texas, $27.50; Illinois, $20.15; Ohio, $23.60; Missouri, $18.50; North Carolina, $48.60.

North Carolina has the largest hosiery mills in the world.

North Carolina has the largest denim mill in the United States.

North Carolina has the largest towel mill in the world at Kannapolis.

North Carolina has the largest damask mills in the United States.

North Carolina has the largest aluminum plant in the world at Badin.

North Carolina has the largest underwear factory in America.

North Carolina has the largest pulp mill in the United States.

North Carolina has more mills that dye and finish their own products than any other southern State.

North Carolina leads the world in the manufacture of tobacco.

North Carolina has a total of more than 6,000 factories.

These factories give employment to 158,000 workers, whose total annual wages amount to more than $127,000,000.

North Carolina has $669,000,000 invested in manufacturing establishments.

North Carolina leads every southern State in the number of wage and salary earners.

Again, she leads the Southern States in values added to the raw materials after process of manufacture: North Carolina,

$417,000,000; Texas, $296,000,000; Virginia, $269,000,000; and Georgia, $263,000,000.

North Carolina has the second largest hydroelectric power development in the world.

North Carolina consumes one-fourth of all the tobacco used in manufacture in the entire United States.

North Carolina pays one-fourth of all the tobacco taxes of the Union.

In 1921 North Carolina paid the Government $80,000,000 tobacco tax, more than any other State in the Union. New York, the next State, paid only $45,000,000.

North Carolina manufactures more cigarettes than any other State in the Union.

Mr. BLANTON. Will the gentleman yield?

Mr. ABERNETHY. Certainly.

Mr. BLANTON. Is that why the gentleman was so assiduous in getting his amendment passed to the bill we had in here not long ago?

Mr. ABERNETHY. That was one of the reasons, because I knew it would be very detrimental to our tobacco farmers to increase the tax on cigarettes $1 a thousand.

Mr. BLANTON. I knew the gentleman had a good reason, but what are the women going to say about it?

Mr. ABERNETHY. Women do not mind the taking of taxes off of the farmers; they do not object to that at all. I thank the gentleman for the interruption.

One North Carolina city manufactures more tobacco than any other city in the world.

North Carolina leads the South in the number of furniture factories; in the capital invested; the number of operatives employed; the variety of products, and the value of the annual output.

North Carolina has more cotton mills than any State in the Union. We are second in the value of cotton manufactures.

Only one other city in the United States manufactures more furniture than does one of our North Carolina cities.

North Carolina ranks fifth in the value of agricultural counties in the Union.

The North Carolina tobacco was of more value last year than any other State.

North Carolina ranks third in the production of sorghum, peanuts, and sweet potatoes in the United States.

North Carolina has grown more corn to the acre than any other State in the Union.

North Carolina leads the Union in the number of debt-free homes.

North Carolina ranks first in the value and quantity of mica produced, mining 15 per cent of all mica mined in America.

North Carolina ranks first in the value and quality of millstones produced in the United States.

The talc mined in North Carolina demands the highest price per ton of any mined in the United States.

Western North Carolina is world famed as a tourist and health resort. Our unequaled year-around climate; our healthy balsam-laden mountain air; our pure crystal water; the beauty and grandeur of our mountain peaks, help make this section foremost of any other in America as a playground for pleasure and health-seeking tourists. North Carolina is a great place for sportsmen. Such famous sportsmen as Rex Beach, Irvin Cobb, Bud Fisher, and others look upon eastern North Carolina as the greatest hunting ground in America. Eastern North Carolina has famous seashore resorts, and the health resort and playgrounds at Pinehurst and Southern Pines are known all over the country.

The forests of North Carolina are incomparable. Nineteen million six hundred thousand acres and 43,000,000,000 feet of timber. There are more varieties of trees than in any other State in the Union.

The commercial value of the fisheries as estimated by the North Carolina Fisheries Commission is something over $4,000,000 per year. Of this amount $677,775 was due to shellfish, such as oysters, clams, scallops, and so forth.

There are 50,758 miles of public roads in North Carolina. We are well to the forefront on the good roads movement. In 1921 the State appropriated $50,000,000 for good roads, and supplemented this amount in 1923 with $15,000,000 more. No other Southern State can compare with us in this matter. We are to-day building more than 6,000 miles of hard surface and dependable roads.

When I speak of the mineral wealth of North Carolina I feel sure very few appreciate it fully. It is not generally known that we have in North Carolina 184 different varieties of native minerals. Practically every known mineral in the United States and some not found elsewhere can be found in North Carolina. Our mineral production has amounted to many millions yearly.

We possibly have more inland waterways than any other State in the Union and the Federal Government has recognized their value by spending millions of dollars upon them for their improvement and development.

As far as can be ascertained there is at the present time water power development in North Carolina of approximately 450,000 horsepower. Of this amount 80,000 horsepower is transmitted for use outside the State; 113,000 horsepower is used chiefly by the producer locally, leaving approximately 257,000 horsepower available for general industrial and public use. This output of water power in North Carolina has increased about 40 per cent from 1919 to 1922. There is probably an equal amount of power produced by steam plants. The demand for power is rapidly increasing and North Carolina should furnish a considerable percentage of this future demand, and it can if the streams are investigated so as to determine the most efficient method of developing their power, and then develop it in accordance with this method.

While several of the larger water powers in North Carolina have already been developed there still remains large available undeveloped powers. The maximum potential water power of North Carolina is estimated at 875,000 horsepower, and the maximum power with storage at 2,000,000 horsepower. (This interesting data was furnished me by Col. Joseph Hyde Pratt, former State Geologist of North Carolina.)

Mr. BLANTON. Will the gentleman yield?

Mr. ABERNETHY. Gladly.

Mr. BLANTON. I notice the gentleman refrains from mentioning one subject.

Mr. ABERNETHY. What is that?

Mr. BLANTON. Have you no bathing beach beauties in North Carolina?

Mr. ABERNETHY. The prettiest in the world! I thought I was dealing with statistics and not with the things which beautify the earth. But we have some very beautiful women in North Carolina.

Mr. BLANTON. Those are the most important statistics any State has.

Mr. ABERNETHY. We do not call them statistics in North Carolina; we call them by a different name. We call them bathing beauties. I thank the gentleman again for the interruption, as he brought out something I had overlooked, although I did not intend to overlook it.

North Carolina and South Carolina have far outstripped all the other States of the southeastern group in the development of hydroelectric power, according to 1923 figures compiled for industry. In these two States the total development is 911,400—North Carolina 458,400 and South Carolina 453,000. The total for the remaining eight States, including Georgia, Alabama, Tennessee, Virginia, Kentucky, West Virginia, Florida, and Mississippi, is 1,007,900. Thus it is shown that the electricity developed by water power in the Carolinas almost equals the combined output of the eight other States. Conservative estimates give the potential horsepower of the two Carolinas as 1,552,000—North Carolina 875,000 and South Carolina 677,000. Of the States east of the Mississippi, North Carolina is led only by New York in hydroelectric development. Unprecedented industrial growth is largely responsible for this remarkable development and use of electric power in the two States, according to a statement by the North and South Carolina Public Utility Information Bureau. Expansion of industry has reached such proportions as to attract comment from authoritative sources throughout the United States. In its latest issue the Textile World says:

> The first impression the visitor gets en route from Danville, Va., to Atlanta, Ga., is that the South is on a constructive spree. Particularly in North Carolina is this evident. Every hundred yards or so one sees a new mill or a new school or a new bridge. Mr. Thorndike Saville, of the University of North Carolina and hydraulic engineer of the North Carolina geological and economic survey, in his review of the water-power situation in the State, says:
>
> "A sudden metamorphosis has occurred in North Carolina within the past decade, by which the State has moved from twenty-third to fifteenth place in the value of its industries and from nineteenth to about fourth in the value of crops, as well as becoming the greatest industrial State in the South. Accompanying this has come a tremendous demand for power to meet the needs of

our growing water-power business. Even so, there is a dearth of power in the State to-day and the hydroelectric industry is bound to be greatly extended within the next decade."

Mr. Saville estimates that power demands for the year 1930 will be approximately 1,000,000 horsepower in North Carolina alone.

How much time have I remaining, Mr. Chairman?

The CHAIRMAN (Mr. GRAHAM of Illinois). The gentleman has eight minutes remaining.

Mr. ABERNETHY. With the permission of the committee I will insert in the RECORD some very interesting statistics furnished me by the Income Tax Unit through the courtesy of Hon. D. H. Blair, Commissioner of Internal Revenue.

The CHAIRMAN. The gentleman from North Carolina asks unanimous consent to revise and extend his remarks in the RECORD. Is there objection? [After a pause.] The Chair hears none.

The data referred to follow:

DATA SHOWING THE ECONOMIC POSITION OF THE STATE OF NORTH CAROLINA IN RELATION TO THE STATES AND TERRITORIES OF THE UNITED STATES, AND ITS POSITION IN RELATION TO THE SOUTHERN STATES.

For the purposes of this memorandum the Southern States comprise the following: North Carolina, South Carolina, Georgia, Florida, Alabama, Mississippi, Louisiana, Arkansas, Tennessee, and Virginia. By the United States is meant all the States, including the District of Columbia, and where so stated the Territories of Hawaii and Alaska.

ESTIMATED WEALTH

The Department of Commerce has compiled figures on the estimated wealth of 23 States, showing the estimated wealth for 1922 as compared with 1912. Of these 23 States the per cent of increase in the wealth of North Carolina (175.7) was the highest. The estimated tion of North Carolina in relation to the other Southern States shows that in regard to the total wealth its rank was fifth in 1912 and first in 1922, as shown by the following detailed figures:

Estimated wealth for the Southern States

Southern States	1912	1922	Increase	Per cent of increase	Rank, Southern States		
					Total wealth 1912	Total wealth 1922	Per cent of increase
North Carolina	$1,647,781,000	$4,543,110,000	$2,895,329,000	175.7	5	1	1
South Carolina	1,235,541,000	2,404,845,000	1,169,304,000	94.6	6	7	4
Georgia	2,117,410,000	3,896,759,000	1,779,349,000	84.0	1	3	5
Florida	921,796,000	2,423,602,000	1,501,806,000	162.9	8	6	2
Alabama	1,977,218,000	3,002,043,000	1,024,825,000	51.8	2	5	8
Mississippi	1,204,267,000	2,177,795,000	973,528,000	80.8	7	8	6
Louisiana	1,957,074,000	3,416,860,000	1,459,786,000	74.6	3	4	7
Arkansas	(1)	(1)					
Tennessee	1,844,630,000	4,228,253,000	2,383,623,000	129.2	4	2	3
Virginia	(1)	(1)					

[1] Not available.

Estimated wealth for the United States—States for which data are available

States	1912	1922	Increase	Per cent of increase	Rank for the United States [1]		
					Total wealth 1912	Total wealth 1922	Per cent of increase
Alabama	$1,977,218,000	$3,002,043,000	$1,024,825,000	51.8	14	17	20
Alaska	(2)	(2)					
Arizona	(2)	(2)					
Arkansas	(2)	(2)					
California	(2)	(2)					
Colorado	(2)	(2)					
Connecticut	2,346,118,000	5,281,559,000	2,933,441,000	125.1	11	10	4
Delaware	304,012,000	629,430,000	325,418,000	107.0	23	23	6
District of Columbia	(2)	(2)					
Florida	921,796,000	2,423,602,000	1,501,806,000	162.9	20	18	2
Georgia	2,117,410,000	3,896,759,000	1,779,349,000	84.0	13	14	12
Hawaii	(2)	(2)					
Idaho	(2)	(2)					
Illinois	15,294,979,000	22,232,794,000	6,937,815,000	45.4	2	2	22
Indiana	5,301,506,000	8,829,726,000	3,528,220,000	66.6	7	7	18
Iowa	(2)	(2)					
Kansas	4,543,785,000	6,263,058,000	1,719,273,000	37.8	8	9	23
Kentucky	2,235,353,000	3,582,727,000	1,347,374,000	60.3	12	15	19
Louisiana	1,957,074,000	3,416,860,000	1,459,786,000	74.6	15	16	16
Maine	(2)	(2)					
Maryland	(2)	(2)					
Massachusetts	6,279,266,000	12,980,839,000	6,701,573,000	106.7	4	4	7
Michigan	(2)	(2)					
Minnesota	(2)	(2)					
Mississippi	1,204,267,000	2,177,795,000	973,528,000	80.8	19	20	14
Missouri	5,634,808,000	9,981,409,000	4,346,601,000	77.1	6	6	15
Montana	(2)	(2)					
Nebraska	(2)	(2)					
Nevada	(2)	(2)					
New Hampshire	649,881,000	1,374,135,000	724,254,000	111.4	21	21	5
New Jersey	5,956,414,000	11,794,101,000	5,837,687,000	98.0	5	5	9
New Mexico	(2)	(2)					
New York	25,031,447,000	36,986,638,000	11,955,191,000	47.8	1	1	21
North Carolina	1,647,781,000	4,543,110,000	2,895,329,000	175.7	17	12	1
North Dakota	(2)	(2)					
Ohio	9,011,026,000	18,473,316,000	9,462,290,000	105.0	3	3	8
Oklahoma	(2)	(2)					
Oregon	(2)	(2)					
Pennsylvania	(2)	(2)					
Rhode Island	(2)	(2)					
South Carolina	1,235,541,000	2,404,845,000	1,169,304,000	94.6	18	19	10
Tennessee	1,844,630,000	4,228,253,000	2,383,623,000	129.2	16	13	3
Texas	(2)	(2)					
Utah	(2)	(2)					
Vermont	498,318,000	840,076,000	341,758,000	68.6	22	22	17
Virginia	(2)	(2)					
Washington	(2)	(2)					
West Virginia	2,404,346,000	4,677,919,000	2,273,573,000	94.6	10	11	11
Wisconsin	4,277,569,000	7,866,081,000	3,588,512,000	83.9	9	8	13
Wyoming	(2)	(2)					

[1] Rank of the 23 States for which data are available.

[2] Not available.

The position of North Carolina as a manufacturing State is based on the census figures for 1919. These more nearly reflect the magnitude of the industrial activities of that State and of the United States than the 1921 figures, which latter represent conditions at the trough of the industrial depression, and if taken as the basis would be misleading both as a measure of the magnitude or the economic trend of the manufacturing industry of the United States. Detailed figures for the Southern States are given below:

Manufactures for 1919, Southern States

Southern States	Number of establishments	Rank		Number of wage earners	Rank		Value of products	Rank	
		For United States	For Southern States		For United States	For Southern States		For United States	For Southern States
North Carolina	5,999	13	1	157,659	13	1	$943,808,000	15	1
South Carolina	2,004	36	10	79,450	28	7	381,453,000	32	7
Georgia	4,803	20	3	123,441	17	2	693,237,000	21	2
Florida	2,582	32	8	74,415	29	8	213,327,000	35	8
Alabama	3,654	23	5	107,159	21	4	492,731,000	26	6
Mississippi	2,455	34	9	57,560	33	9	197,747,000	37	10
Louisiana	2,617	31	7	98,265	22	5	676,190,000	22	3
Arkansas	3,123	25	6	49,954	34	10	200,313,000	36	9
Tennessee	4,589	21	4	95,167	23	6	556,253,000	25	5
Virginia	5,603	16	2	119,352	18	3	643,512,000	23	4

As a taxpayer to the Federal Government, the State of North Carolina stands sixth highest of the total States and Territories in the amount of internal revenue taxes paid for the calendar year ended December 31, 1923. The total internal revenue taxes paid by North Carolina to the Federal Government in that year amounted to $153,576,801, which was more than $11,000,000 in excess of the aggregate paid by the following 24 States and Territories: Oklahoma, Florida, District of Columbia, Nebraska, Maine, Oregon, Delaware, Alabama, South Carolina, Arkansas, New Hampshire, Hawaii, Mississippi, Utah, Vermont, Montana, Idaho, South Dakota, Wyoming, Arizona, North Dakota, New Mexico, Nevada, and Alaska.

In relation to the Southern States, North Carolina was not only first in rank but actually paid more by $13,397,190 than all the remaining Southern States put together, as shown by the following:

Federal internal revenue taxes, calendar year ended December 31, 1923

Southern States	Income and profits taxes	Total internal revenue taxes, including income and profits taxes	Rank as to total internal revenue taxes		Aggregate collections by groups
			For the United States	For the Southern States	
North Carolina	$19,309,566	$153,576,801	6	1	$153,576,801
South Carolina	6,393,606	7,654,137	36	8	
Georgia	13,066,664	18,069,266	24	5	
Florida	7,077,931	14,507,386	29	6	
Alabama	7,036,854	8,446,852	35	7	
Mississippi	3,568,405	4,400,000	40	10	
Louisiana	12,183,580	18,807,414	22	3	
Arkansas	5,444,003	6,443,666	37	9	
Tennessee	11,894,501	18,393,124	23	4	
Virginia	15,786,931	43,457,766	12	2	140,179,611

Federal internal revenue taxes, calendar year ended December 31, 1923, by States and Territories tabulated in the order of magnitude

States and Territories	Total internal revenue taxes including income and profits taxes	Rank as to total internal revenue taxes	Aggregate collections by groups	States and Territories	Total internal revenue taxes including income and profits taxes	Rank as to total internal revenue taxes	Aggregate collections by groups
New York	$711,231,341	1		Oklahoma	$15,247,439	28	
Pennsylvania	261,004,978	2		Florida	14,507,386	29	
Illinois	232,800,024	3		District of Columbia	[1] 11,250,000	30	
Michigan	199,007,914	4		Nebraska	10,995,796	31	
Ohio	155,811,479	5		Maine	10,717,920	32	
North Carolina	153,576,801	6		Oregon	10,618,261	33	
Massachusetts	147,467,492	7		Delaware	9,405,034	34	
California	123,351,325	8		Alabama	8,446,852	35	
New Jersey	113,870,844	9		South Carolina	7,654,137	36	
Missouri	68,764,229	10		Arkansas	6,443,666	37	
Indiana	46,471,166	11		New Hampshire	5,286,653	38	
Virginia	43,457,766	12		Hawaii	5,103,828	39	
Wisconsin	40,265,411	13	$123,032,087	Mississippi	4,400,000	40	
Maryland	[1] 39,308,910	14		Utah	4,276,602	41	
Connecticut	37,678,661	15		Vermont	3,331,421	42	
Texas	35,260,398	16		Montana	3,301,419	43	
Minnesota	29,900,089	17	153,965,857	Idaho	2,193,152	44	
Kentucky	27,356,693	18		South Dakota	2,093,241	45	
Kansas	23,270,016	19		Wyoming	1,986,859	46	
Rhode Island	21,654,206	20		Arizona	1,880,694	47	
West Virginia	19,034,432	21		North Dakota	1,384,614	48	
Louisiana	18,807,414	22		New Mexico	1,087,079	49	
Tennessee	18,393,124	23		Nevada	716,069	50	
Georgia	18,069,266	24	147,490,848	Alaska	[1] 190,000	51	142,521,122
Iowa	17,560,700	25					
Colorado	17,115,186	26		Total	2,780,367,507		
Washington	[1] 16,856,520	27					

[1] Approximated.

The latest available figures of the United States Department of Agriculture as to the value of farm products, by States, are its estimates for the calendar year 1922. These figures show North Carolina as first for the Southern States in the total value of farm products for that year and fourteenth for the whole United States. Detailed figures showing separately the value of crops and animal products for the Southern States and for the entire United States are given below:

Estimated value of farm products, by States, for 1922, United States Department of Agriculture

	Crops	Rank		Animal products	Rank		Total	Rank	
		For United States	For Southern States		For United States	For Southern States		For United States	For Southern States
SOUTHERN STATES									
North Carolina	$361,000,000	5	1	$67,100,000	21	3	$428,100,000	14	1
South Carolina	171,500,000	26	8	33,200,000	37	8	204,700,000	26	8
Georgia	223,700,000	23	6	65,300,000	22	4	289,000,000	22	5
Florida	74,000,000	33	10	13,500,000	45	10	87,500,000	36	10
Alabama	242,900,000	16	3	51,600,000	29	6	294,500,000	21	4
Mississippi	238,600,000	17	4	49,300,000	30	7	287,900,000	23	6
Louisiana	146,700,000	27	9	22,200,000	42	9	168,900,000	29	9
Arkansas	245,700,000	15	2	60,200,000	25	5	305,900,000	19	3
Tennessee	229,100,000	21	5	131,600,000	16	1	360,700,000	17	2
Virginia	180,800,000	25	7	93,000,000	18	2	273,800,000	25	7
THE UNITED STATES									
Alabama	$242,900,000	16		$51,600,000	29		$294,500,000	21	
Arizona	28,400,000	42		14,900,000	44		43,300,000	44	
Arkansas	245,700,000	15		60,200,000	25		305,900,000	19	
California	441,400,000	4		148,400,000	14		589,800,000	5	
Colorado	111,700,000	29		84,500,000	20		196,200,000	28	
Connecticut	38,500,000	40		23,800,000	41		62,300,000	40	
Delaware	15,500,000	46		7,100,000	47		22,600,000	46	
District of Columbia	1,100,000	49		200,000	49		1,300,000	49	
Florida	74,000,000	33		13,500,000	45		87,500,000	36	
Georgia	223,700,000	23		65,300,000	22		289,000,000	22	
Idaho	77,600,000	32		45,600,000	31		123,200,000	32	
Illinois	442,100,000	3		361,200,000	2		803,300,000	3	
Indiana	238,200,000	19		234,200,000	9		472,400,000	13	
Iowa	479,300,000	2		476,700,000	1		956,000,000	2	
Kansas	305,300,000	6		251,500,000	7		556,800,000	8	
Kentucky	231,200,000	20		127,900,000	17		359,100,000	18	
Louisiana	146,700,000	27		22,200,000	42		168,900,000	29	
Maine	41,200,000	39		36,200,000	35		77,400,000	39	
Maryland	68,100,000	35		36,600,000	34		104,700,000	34	
Massachusetts	46,500,000	37		38,700,000	33		85,200,000	37	
Michigan	225,700,000	22		161,600,000	13		387,300,000	15	
Minnesota	300,100,000	7		188,100,000	12		488,200,000	11	
Mississippi	238,600,000	17		49,300,000	30		287,900,000	23	
Missouri	291,100,000	10		325,900,000	3		617,000,000	4	
Montana	92,500,000	31		61,300,000	24		153,800,000	31	
Nebraska	273,900,000	12		228,000,000	10		501,900,000	10	
Nevada	11,300,000	47		10,700,000	46		22,000,000	47	
New Hampshire	20,400,000	44		19,400,000	43		39,800,000	45	
New Jersey	58,800,000	36		34,800,000	36		93,600,000	35	
New Mexico	19,100,000	45		29,600,000	39		48,700,000	43	
New York	291,800,000	9		256,700,000	6		548,500,000	9	
North Carolina	361,000,000	5		67,100,000	21		428,100,000	14	
North Dakota	238,400,000	18		57,000,000	27		295,400,000	20	
Ohio	296,200,000	8		272,700,000	5		568,900,000	6	
Oklahoma	251,600,000	14		133,100,000	15		384,700,000	16	
Oregon	93,600,000	30		61,800,000	23		155,400,000	30	
Pennsylvania	266,300,000	13		213,400,000	11		479,700,000	12	
Rhode Island	3,900,000	48		5,800,000	48		9,700,000	48	
South Carolina	171,500,000	26		33,200,000	37		204,700,000	26	
South Dakota	191,200,000	24		86,100,000	19		277,300,000	24	
Tennessee	229,100,000	21		131,600,000	16		360,700,000	17	
Texas	755,000,000	1		246,500,000	8		1,001,500,000	1	
Utah	34,800,000	41		25,400,000	40		60,200,000	41	
Vermont	44,200,000	38		38,800,000	32		83,000,000	38	
Virginia	180,800,000	25		93,000,000	18		273,800,000	25	
Washington	142,200,000	28		58,800,000	26		201,000,000	27	
West Virginia	69,900,000	34		52,700,000	28		122,600,000	33	
Wisconsin	283,800,000	11		273,900,000	4		557,700,000	7	
Wyoming	25,100,000	43		32,600,000	38		57,700,000	42	
Total	8,961,000,000			5,349,200,000			14,310,200,000		

Comparative data of the value of farm products for the year 1919 with 1909, published by the Bureau of the Census, show that North Carolina was second for the whole United States in the per cent of increase in the gross value of its farm products for 1919, as compared with 1909, and first for the Southern States. Its increase in the value of its farm products for that decade was 248.4 per cent.

Value of farm products for Southern States, 1909 and 1919

Southern States	1909	Rank		1919	Rank		Per cent of increase	Rank	
		For United States	For Southern States		For United States	For Southern States		For United States	For Southern States
North Carolina	$176,261,942	21	3	$614,084,854	16	2	248.4	2	1
South Carolina	156,350,420	24	6	489,979,710	20	4	213.4	8	2
Georgia	257,351,095	13	1	638,430,053	15	1	148.1	20	7
Florida	43,689,425	39	10	101,204,046	38	10	131.6	31	9
Alabama	170,939,250	23	5	383,178,279	25	8	124.2	35	10
Mississippi	172,702,838	22	4	407,499,799	24	7	136.0	29	8
Louisiana	90,401,857	28	9	237,628,052	29	9	162.9	16	5
Arkansas	153,834,875	25	7	424,486,802	22	6	175.9	14	4
Tennessee	192,931,905	19	2	492,407,214	19	3	155.2	18	6
Virginia	150,872,046	26	8	425,199,212	21	5	181.8	13	3

The value of farm property (land, buildings, implements and machinery, and livestock) for North Carolina in 1920 is given by the Bureau of the Census as $1,250,166,995 as compared with $537,716,210 in 1910, showing an increase of 132.5 per cent. This percentage of increase was third largest for the Southern States and eighth largest for the United States.

Value of farm property, 1910 and 1920

Southern States	1909	Rank		1920	Rank		Per cent of increase	Rank	
		For United States	For Southern States		For United States	For Southern States		For United States	For Southern States
North Carolina	$537,716,210	23	4	$1,250,166,995	21	3	132.5	8	3
South Carolina	392,128,314	28	7	953,064,742	27	6	143.0	4	1
Georgia	580,546,381	22	3	1,356,685,196	19	1	133.7	7	2
Florida	143,183,183	43	10	330,301,717	36	10	130.7	10	5
Alabama	370,138,429	29	8	690,848,720	31	8	86.6	25	10
Mississippi	426,314,634	26	5	964,751,855	26	5	126.3	12	6
Louisiana	301,220,988	33	9	589,826,679	32	9	95.8	21	8
Arkansas	400,089,303	27	6	924,395,483	28	7	131.0	9	4
Tennessee	612,520,836	21	2	1,251,964,585	20	2	104.4	16	7
Virginia	625,065,383	20	1	1,196,555,772	22	4	91.4	23	9

The number of farms in North Carolina in 1920 was 269,763, the State ranking fifth for the United States and third for the Southern States. The number of acres in farms in 1920 was 20,021,736, which as relating to the Southern States was only exceeded by Georgia with 25,441,061. Detailed figures for the Southern States are given below:

Number of farms and acreage, 1920, Southern States

Southern States	Number of farms	Rank		Land in farms by acres	Rank	
		For United States	For Southern States		For United States	For Southern States
North Carolina	269,763	5	3	20,021,736	21	2
South Carolina	192,693	17	7	12,426,675	31	8
Georgia	310,732	2	1	25,441,061	13	1
Florida	54,005	32	10	6,046,691	36	10
Alabama	256,099	8	4	19,576,856	22	3
Mississippi	272,101	3	2	18,196,979	26	6
Louisiana	135,463	23	9	10,019,822	33	9
Arkansas	232,604	11	6	17,456,750	28	7
Tennessee	252,774	9	5	19,510,856	23	4
Virginia	186,242	20	8	18,561,112	25	5

The farm population of North Carolina in 1920 was 1,501,227, which represented 58.7 per cent of the total population of the State. The number of farm population was second highest for all the Southern States, and as to the percentage of farm population to total population North Carolina was fourth highest.

Farm population, 1920, Southern States

Southern States	Number of farm population	Rank		Per cent of farm population to total	Rank	
		For United States	For Southern States		For United States	For Southern States
North Carolina	1,501,227	3	2	58.7	5	4
South Carolina	1,074,693	12	7	63.8	3	3
Georgia	1,685,213	2	1	58.2	6	5
Florida	281,893	30	10	29.1	29	10
Alabama	1,335,885	4	3	56.9	8	6
Mississippi	1,270,482	7	5	71	1	1
Louisiana	786,050	22	9	43.7	17	9
Arkansas	1,147,049	9	6	65.5	2	2
Tennessee	1,271,708	6	4	54.4	9	7
Virginia	1,064,417	13	8	46.1	14	8

The total population of North Carolina by the census of 1920 was 2,559,123. Its foreign-born population was only 7,272. This State had the least foreign-born population with the exception of South Carolina of any State in the Union, and in the per cent of foreign born to total population, it had the lowest, only three-tenths of 1 per cent; having a smaller percentage even than South Carolina, in which the per cent of foreign born to total population was four-tenths of 1 per cent.

Population of the Southern States, census 1920, showing proportion of foreign-born to total

Southern States	Total	Rank		Foreign-born population	Rank		Per cent of foreign born to total population	Rank [1]	
		For United States	For Southern States		For United States	For Southern States		For United States	For Southern States
North Carolina	2,559,123	14	2	7,272	2	2	0.3	1	1
South Carolina	1,683,724	26	9	6,582	1	1	.4	2	2
Georgia	2,895,832	12	1	16,564	7	6	.6	4	4
Florida	968,470	32	10	53,864	19	10	5.6	15	10
Alabama	2,348,174	18	3	18,027	8	7	.8	7	7
Mississippi	1,790,618	23	7	8,408	3	3	.5	3	3
Louisiana	1,798,509	22	6	46,427	18	9	2.6	11	9
Arkansas	1,752,204	25	8	14,137	4	4	.8	6	6
Tennessee	2,337,885	19	4	15,648	5	5	.7	5	5
Virginia	2,309,187	20	5	31,705	14	8	1.4	9	8

[1] Rank as to lowest.

Mr. ABERNETHY. Very interesting data have been furnished me by the courtesy of the Secretary of Commerce, Hon. Herbert Hoover, and Hon. W. M. Steuart, Director of the Census, and by Mr. Emmet, of that department, as follows:

North Carolina, which at the last census (1920) was outranked in population by 13 States, was outranked by only 10 States in respect of numerical contribution to the increase in the population of the United States between 1910 and 1920. That is to say, although 13 States exceeded North Carolina in population, only 10 contributed a greater number toward the total increase in population during the decade. North Carolina's rate of increase for the period 1910–1920 was 16 per cent, a rate somewhat higher than that for the United States as a whole, which was 14.9 per cent. But it must be remembered that North Carolina's growth was due almost entirely to natural increase, whereas the growth of the United States as a whole resulted in considerable measure from immigration. The birth rate of North Carolina for the year 1922—30.2 per 1,000 population—was greater than that shown for any other State from which the Census Bureau collects data as to births. Data were collected in 1922 from 28 States and the District of Columbia, whose total population constituted about three-fifths of the total for the United States. The average birth rate for the 28 States from which data were collected was 22.7, a rate only three-fourths as large as that for North Carolina. The death rate for North Carolina—11.5 per 1,000 population—was slightly below the average for the registration area—11.8.

North Carolina can take especial pride in the knowledge that it still leads all other States in the purity of its native stock. Of its 1,783,779 white inhabitants in 1920, no fewer than 1,778,680 were born in the United States, and of this number 1,765,203 were born of parents who were native to the United States. Of its total white population, 99.6 per cent were born in the United States and 99 per cent were born

of parents who were native to the United States. Of the total white population of the United States, only 85.5 per cent were native and only 61.6 per cent were native of native parents. North Carolina's nearest competitors in this respect are South Carolina, Tennessee, and Mississippi. In each of these States the native whites constitute more than 99 per cent, and the native whites of native parents more than 96 per cent of the total white population.

In the value of tobacco grown North Carolina leads all other States. According to the last decennial census, it grew tobacco to the value of $151,288,264 in 1919. Its nearest competitor, Kentucky, reported $116,414,639, and no other State reported as much as $50,000,000.

Although in 1919 South Carolina, Georgia, Mississippi, Arkansas, Oklahoma, and Texas all reported greater cotton production than North Carolina, the statistics of cotton ginned from the crop of 1923 show North Carolina as second only to Texas, and if the comparison took into account the difference in area North Carolina would outrank even that State, for with an area of less than one-fifth as great as that of Texas, it produced one-fourth as much cotton.

In school attendance for 1920 North Carolina ranked ninth for the United States and first for the Southern States.

School attendance, Southern States, 1920

Southern States	Total	Rank		Per cent of total population	Rank	
		For United States	For Southern States		For United States	For Southern States
North Carolina	626,981	9	1	24.50	4	2
South Carolina	427,962	23	7	25.42	2	1
Georgia	624,776	10	2	21.57	18	7
Florida	196,979	33	10	20.34	26	9
Alabama	527,595	16	4	22.47	14	6
Mississippi	437,365	22	6	24.43	5	3
Louisiana	356,690	26	9	19.83	31	10
Arkansas	410,853	24	8	23.45	8	4
Tennessee	528,993	15	3	22.62	12	5
Virginia	495,674	20	5	21.47	19	8

In the following table there is summarized the population, industrial and vital statistics relating to North Carolina, and the State is compared with the United States and its rank among the other States:

Subject	Census year	Number or amount	Per cent of United States total	Rank among States
Population	1920	2,559,123	2.4	14
Agriculture:				
Total value of farm crops	1919	$503,229,313	3.4	12
Total value of livestock products	1919	$35,860,056	1.3	21
Tobacco	1919	$151,288,264	34.0	1
Cotton and cottonseed	1919	$177,974,734	7.6	6
Cotton ginned	1923	1,028,998	10.3	2
Manufactures:				
Total value of products	1921	$665,117,738	1.5	15
Number of wage earners	1921	135,833	2.0	13
Cotton manufactures:				
Total value of products	1921	$190,989,590	14.4	2
Wage earners	1921	66,316	15.6	2
Lumber industry:				
Total value of products	1921	$37,795,655	2.5	15
Wage earners	1921	17,807	3.7	11
Births:				
Number	1922	79,920		
Rate per 1,000 population	1922	30.2		
Deaths:				
Number	1922	30,446		
Rate per 1,000 population	1922	11.5		

Mr. ABERNETHY. In cotton manufactures North Carolina leads all other States except Massachusetts. This State led all other Southern States in spinning spindles in place on January 1, 1924, the State of Massachusetts alone having more spindles in place on this date. It is worthy of note also that on that date the active spindle hours were the greatest for any Southern State, being exceeded in this activity by Massachusetts only. On this date, a total of 1,642,000,000 active spindle hours were reported for spindles in place in Massachusetts against 1,363,000,000 active spindle hours in North Carolina.

The American Exchange National Bank, of New York, in its monthly letter in January, 1924, had the following to say about North Carolina cotton mills:

During the 20 years from 1899 to 1919 the value of the product of North Carolina cotton mills increased from $28,373,000 to $318,368,181, and the value added by manufacture increased from $10,986,000 to $131,588,466. The number of workers employed increased 123 per cent, and the capital employed increased 712 per cent.

The Department of Commerce of February 8, 1924, had this to say about the State of North Carolina:

The Department of Commerce announces for the State of North Carolina, its preliminary estimate of the value, December 31, 1922, of the principal forms of wealth, the total amounting to $4,543,110,000, as compared with $1,647,781,000 in 1912, an increase of 175.7 per cent. Per capita values increased from $724 to $1,703, or 135.2 per cent.

All classes of property increased in value from 1912 to 1922. The estimated value of taxed real property and improvements increased from $337,960,000 to $2,209,432,000, or 246.3 per cent; exempt real property from $62,340,000 to $161,933,000, or 159.8 per cent; livestock from $85,068,000 to $103,397,000, or 21.5 per cent; farm implements and machinery from $20,315,000 to $33,853,000, or 66.6 per cent; manufacturing machinery, tools, and implements from $85,120,000, to $238,327,000, or 180 per cent; and railroads and their equipment from $204,606,000 to $251,694,000, or 23 per cent. Privately owned transportation and transmission enterprises, other than railroads, increased in value from $44,411,000 to $81,257,000, or 83 per cent; and stocks of goods, vehicles other than motor, furniture, and clothing from $507,961,000 to $1,359,438,000, or 174.7 per cent. No comparison is possible for the value of motor vehicles, which was estimated in 1922 at $67,779,000, because no separate estimate was made in 1912.

Hon. C. A. Webb, of the city of Asheville, N. C., recently in making a speech on North Carolina had this to say:

If all the chewing tobacco manufactured in one year in North Carolina were made into one big, succulent plug, and a man standing on the top of Mount Mitchell bit a chew from its thick corner, his voracious chin would drop so far that it would break the back of a somnolent shark at the profoundest bottom of the Gulf of Mexico, while his anticipative mustache, standing out like the quills of a fretful porcupine, would make the silk-clad ankles of the flappers on New Jersey's northernmost verandas shrinkingly suspect the sting and bite of a new and unconquerable mosquito.

[Applause.]

If all the towels made in one year in North Carolina were fastened together fringe to fringe into one great towel, the man who dried his feet with one end of it on the rocky coast of the Straits of Magellan would, with an agitated elbow, overturn a pearl fisher's sampan in the calm, warm waters of the Indian Ocean, and find himself wiping his surprised and distant face with the other end of it on top of the highest peak of Greenland's frosty, famous, and far-flung mountains.

If all the stockings woven in one year in North Carolina were made into one big stocking, its imperishable foot would hold all the toys Santa Claus has brought down the chimneys of America since the ride of Paul Revere; its leg would contain all the dear, dim dreams of romance that sweetly thronged the corridors of men's brains in the time of the long provocative skirt, and its soft and silken top would reach up into the heavenly vault where Venus, tiring of her flirtations with the militant Mars, would with discriminatory fingers and appreciative thumb form flattering judgment of its filmy and caressing texture and its deathless, undarned durability.

[Applause.]

If the North Carolina apple could be grown all over the world with its original and irresistible flavor, it would be substituted by the Latin-Americans for their garlic and by the Mongolians for their rice, and by the Ethiopians for their watermelons; its brown and bubbling cider would be the world's champagne, dirt cheap at a thousand dollars a quart, and doctors would prescribe its pungent, powerful, and puissant brandy as the elixir of life, the fountain of youth, a substitute for a futile and antiquated pharmacopœia, and a sudden, sure, and sweeping destroyer of the dumps, death, and disease.

If all the cigarettes manufactured in North Carolina in one year were rolled into one great, long cigarette, a young sport leaning nonchalantly against the South Pole would light it with the everlasting fire in the tail of Halley's swift and restless comet, use the starry dipper as its ash tray, blow smoke rings which, unbroken by all the hurricanes which lash the seven seas, would hide the circles around Saturn for a thousand years, and with the immeasurable inferno of its stub blot out and usurp the glowing fame and place of the hitherto quenchless morning star.

[Applause.]

If all the tables manufactured in one year in North Carolina were made into one great table, and if that table were covered with one vast tablecloth consisting of all the tablecloths woven in one year in North Carolina, there would be a banquet board under which could be hidden, piled one on top of the other, all the festal tables under which men have thrust their feet from the days of the round table of King Arthur to the time of the fiasco of the Genoa conference.

Representing as I do such a great State, I feel sure that my colleagues will forgive me for trespassing upon their valuable time. [Applause.]

Mr. BLANTON. Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the RECORD on the Barkley bill.

The CHAIRMAN. The gentleman from Texas asks unanimous consent to revise and extend his remarks in the RECORD on the Barkley bill. Is there objection? [After a pause.] The Chair hears none.

Mr. AYRES. Mr. Chairman, how much time have I remaining?

The CHAIRMAN. Twelve minutes.

Mr. DAVIS of Minnesota. Mr. Chairman, I yield 15 minutes to the gentleman from Louisiana [Mr. O'CONNOR].

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

Mr. O'CONNOR of Louisiana. Mr. Chairman and gentlemen of the committee, I wish to thank the gentleman from Minnesota [Mr. DAVIS] for his kindness in granting me the 15 minutes he has allotted to me.

I appreciate it very much. I did not think I had any call on him, and he has extended the courtesy in such a splendid and gracious manner that I feel I am obliged to extend my thanks to him for having done so.

I want to talk about the Mississippi River, gentlemen of the committee. As a matter of fact, I propose during the balance of this session, whenever I get the opportunity and the time is appropriate, as clearly as I can, to bring a situation to the attention of this country which, in my judgment, is one of the most pressing situations that ever confronted the United States in all their history.

From the sunrise of Roman history the shores of the Mediterranean Sea have been occupied and populated by splendid people. Not far from the shores of the Mediterranean is the great volcano Vesuvius, and not a great distance from Vesuvius is Etna. One of the singular things about these great volcanoes, which every now and then, if I may use centuries as "now and then," send out their lava to devastate the lands around them and to bring the people into terror, is the fact that after each eruption the people, saddened, tear-stained, broken apparently in spirit, will come back and attempt to uncover their lands and again till the soil that was tilled by their ancestors.

It is one of the pathetic traits of human nature, and we on this side of the ocean are inclined to marvel at that instinct of humanity to drag itself back, after the tragedies of human existence, to its cradle, and begin life all over again, and yet down in the southern reaches of the Mississippi River we find a people living behind enormous levees and embankments, levees and embankments which scare the visitor from the North when he first sees them dwelling light-heartedly under the same if not more terribly menacing condition. A visitor can not understand why on earth a people should live behind these great mud structures that are their only defense against the roaring waters of the Mississippi, and notwithstanding crevasses, and crevasses which sometimes create a roar that would make the thundering of Niagara Falls seem a whisper—but notwithstanding these crevasses, these terrible inundations, these devastations, the people will always come back and get behind the banks of the old Mississippi River; and during most of the months when there is no fear, when there is no panic, when there is no agony, when there is no stress, most of them love to think of the old river as a grand old friend, as a splendid means by which all of the song in their heart is expressed. You know the old lines:

I am tired of striving in the crowded haunts of men,
Heart weary of building and spoiling and spoiling and building again;
And I long for the dear old river, where I dreamed my youth away,
For a dreamer lives forever and a toiler dies in a day.

[Applause.]

Mr. BLANTON. Will the gentleman yield?

Mr. O'CONNOR of Louisiana. Yes.

Mr. BLANTON. I notice that the gentleman from time to time quotes many little verses for us and I want to tell him that a lady who lives over 2,000 miles away visited in Washington not long ago and called my attention to a little poem that the gentleman quoted and said she would like to meet him, but I did not get an opportunity to bring her to see the gentleman.

Mr. O'CONNOR of Louisiana. Born and reared in the grand old State of Louisiana, adjoining the Lone Star State of Texas, I am glad to have such a message conveyed to me and to tell the gentleman from the State of the single star I long for the pleasure of that day when I will bow before the gracious lady to whom he refers.

But we are at a time when in all probability the magnificent song that river inspires will be temporarily stilled in the soul suspense of the days and nights of strain and watching attending the May rise. The old river has a song when rolling on to the Gulf serenely and tranquilly. Abraham Lincoln, standing on the wharf immediately over the banks of the Mississippi at New Orleans, said on a moonlight night that he heard its song. You know he went to New Orleans twice, once as a worker on a raft and subsequently as the owner of a raft. In those days it looked as if New Orleans were destined to be the greatest city in all the world's history and would have been had it not been for the invention of the locomotive, the first one of which was placed on the Baltimore & Ohio tracks in 1828. That changed the destiny of the Mississippi Valley, for if all of its commerce had been brought to the Gulf of Mexico by water craft instead of over the Alleghenies by rail, unquestionably New Orleans would have surpassed any city that the world has ever seen.

But back to our story, as Kipling says. Lincoln said he could hear the songs sung by every raindrop that fell from the heavens between the peak of the Rocky Mountains and the peak of the Allegheny Mountains, and he could hear the gurgling and bursting joy of every spring that sprung up throughout that great valley, because through tributaries, through affluent streams and the majestic connecting rivers like the mighty Ohio and sweeping Missouri, the grand old Father of Waters carries every drop that falls from the clouds and every jet that comes from mother earth pass the city of New Orleans. [Applause.]

It was a wonderful thought for even the Great Emancipator with his poetic and dream soul. It must have been an inspiring sight to him in those nights when he stood as a lad under the starlit skies on the banks of this great stream years and years ago, and, my friends, is it not a wonderful thing also to conjure that this lowly and humble lad, standing in front of his raft on the Mississippi River became one of the greatest figures in all the world's history—a flight that human imagination can hardly follow—from the poor boy on the banks of the Mississippi to the great Executive of this Nation.

But we are at a time when the river does not inspire song. We are nearing the end of April. You know the ice and the snows are beginning to melt in the far north. The song is leaving the river for us who live in the bottoms. The rushing waters are becoming a mighty roar, and restless and uneasy will be our nights for weeks to come. Gentlemen of this House, listen. A brave people—your own in blood, flesh, and bone—ask your attention to a national problem that threatens the very existence of your kinsmen along the lower Mississippi. Listen! Levees, embankments, mud walls, however great and strong, alone can not protect us against unspeakable disaster, for the farther and farther down into the Gulf of Mexico the river runs the less and less able does the soil become to support the superstructure put upon it. As we approach the Gulf, Mother Earth along the big river shows less and less resistance and gradually falls into the embrace of the waters that wash it from the moment they leave their far-off Itasca home and goal until they joyfully mingle with their blue kinsmen of the Gulf as it swirls on its way to the eternal sea.

You must have a subsoil; you must have a foundation upon which to erect the superstructure. We can not go any higher with our levees. My friends, let me endeavor to bring home to you the facts concerning the flood menace of the Mississippi. With that end in view I am going to ask the privilege of incorporating two papers in these remarks in hopes they will attract the attention of the engineering profession throughout the country to the tremendous problem that is comprehended in that part of the United States which lies between the Alleghenies and the Rocky Mountains. I hope that they will contribute their views to that subject and write me, because it means much to us, because we have got to have relief and we are not getting it. These letters I will have put in digested form and submit to the Committee on Flood Control. My friends, the engineers assure us that the embankments, being standardized, will protect us; yet I have seen crevasses—which mean breaks in the river banks—where fish would drown, turned over and over by the force of the water, their gills forced open.

Down in New Orleans lives a gentleman by the name of Peter Lawton. He has reached the age and rendered such splendid service to our people that they are glad to look upon him not only as an individual but as an institution.

I hope that I will live long enough to render such service to my people and that I will reach that enviable position. Not long since he took part as a witness in a celebrated case that forms a part of the legal history of the country to-day. During his testimony he said that the crest of the Mississippi River

had risen in front of New Orleans since the Battle of New Orleans was fought 19 feet and 6 inches. In other words, our high-water mark is approximately 20 feet higher to-day than the high-water mark of 1815. Gentlemen, when you realize that the city of New Orleans is about on a level with the Gulf of Mexico and a little higher than the Mississippi River at its lowest, you can understand what 19 feet and 6 inches of rise in the waters of the Mississippi River means during the period mentioned. Should that rise continue proportionately even, the end is inevitable.

Gentlemen, the principal things I want to get into this address—and I ask unanimous consent to extend my remarks in the RECORD—are the two great papers written by magnificent men down there—men who love their city because it is their own and scorn to give aught other reason why—men who have labored for it unceasingly without hope of reward or fear of punishment. But before closing my own remarks in connection with this reference to hope of reward or fear of punishment I am going to ask my friend from Virginia, Mr. TUCKER, to look into this story and the origin of it. To my good friend from Kansas, Judge LITTLE, I also direct a similar request. I understand the phrase has a wonderfully inspiring history behind it. I am going to ask the engineers of this country who may do me the honor to read this preliminary address, and the thoughtful papers made part of it, to send me their opinions on the control of the Mississippi in order that I may submit them in a digest form to the Flood Control Committee. I know that I can ask these engineers to submit their views, because they are of a noble profession and have always responded when the occasion required it.

True to my habit I am going to tell you a story. I have searched libraries and many great papers, and failed to find anyone who was able to tell me the origin of the beautiful story which, I think, carries the point that I have in mind splendidly, and that is to pay a deserved tribute to all of our great professions. They have always responded to the call of duty when any part of the country sounded the bugle.

Years ago, when I was a law student in Tulane University, in the city of New Orleans, a celebrated law professor in that famous university tried to bring home to us the value of an oath taken in a judicial proceeding. He said:

> You take it without hope of reward or fear of punishment, and you testify to the truth, the whole truth, and nothing but the truth.

Then ruminatively, as if he were trying to think, when he had read or heard it himself, he said:

> In all probability the origin of that phraseology may be found in the beautiful story of the vestal virgin who walked on the walls of an ancient city carrying in one hand a pail of water and in the other a torch, chanting and singing, "With the torch I will burn the heavens, and with the pail of water I will extinguish the fires of hell, so that God may be loved for himself alone without hope of reward or fear of punishment."

I always thought it was a beautiful story and conveyed a sentiment that would adorn any story most felicitously and pleasingly, but I have never been able to ascertain whence it came. The nearest approach to it I ever got, and that was a sort of false light, came one night when I was addressing a labor organization in New Orleans in the labor hall. I told this story of the vestal, and I called for inspiration as to its origin. A young man walked over to me and he said, "I think you will find the information you are looking for in the chapter on the vestal virgins, by Gibbons, in the Decline and Fall of the Roman Empire." I looked it over several times, but never did find it.

That is the thought I had in mind, that by printing these papers as a part of my speech, calling attention to the tremendous menace the Mississippi River is.

I might, to repeat, be successful in securing opinions that may prove of great value in working out a solution of the problem of the lower valley. My fellow citizens, before reading the two great papers below, stand in front of a map of the United States, look at the vast space covered by the Mississippi Valley. Then look at the streak down its middle, the Father of Waters; then connect with its tributaries. Speculate for a moment upon this drainage system and the rapidity of that drainage in view of the clearing of the wilderness, the disappearance of the forests, the building of great cities along the banks of connecting streams. Then think of the rainfall over that vast area, then read—

STATEMENT SUBMITTED BY JOHN KLORER, CITY ENGINEER, NEW ORLEANS, LA.

APRIL 27, 1923.

To His Excellency WARREN G. HARDING,
President of the United States, Washington, D. C.

MR. PRESIDENT: May I be permitted to say, by way of introduction, that the views I hold on the Mississippi River flood problem are opinions formed after 20 years' experience in the construction and maintenance of the levee system in Louisiana? Twelve of those years were in the United States engineer service as junior engineer in the fourth Mississippi River district, and eight years were in the service of the State as a member of the Board of State Engineers of Louisiana.

As far as the lower part of the Mississippi Valley is concerned, I wish to state, with all seriousness, the problem of adequate flood protection is as far removed from satisfactory solution to-day as it was 20 years ago.

Flood protection by means of levees alone is a justifiable procedure only if the end of levee raising is in sight. Such is not the case on the lower Mississippi River. The president of the Mississippi River Commission, at a public hearing before the Flood Control Committee last December, stated that no man could tell how much higher than the 1922 flood height the river would go to pass a stated flood discharge that was reasonably probable and which unquestionably should be provided against.

There is every reason to believe that if the Mississippi River Commission persists in its policy of reclaiming areas now being used as flood-retarding basins, without providing increased facilities on the lower river for removing the extra amount of water thus sent to the lower river, the present grades for levees will be insufficient, and will have to be superseded by higher grades before many years.

The city of New Orleans, with its half a billion dollars of assessed values behind the levees, can not become reconciled to a policy of progressively increasing levee grades. The levee crowns in front of the city constitute paved roadways from 50 to 100 feet wide, that serve the docks over which $500,000,000 of domestic and foreign commerce is annually handled. The levee crown and slopes in places are occupied with railroad tracks, also serving this water front, and many of the rail connections between the levee and the street elevations are at the present time at limiting grades and curvatures for practical railroad operation. There will have to be expended by the Board of Port Commissioners of New Orleans Harbor—which is an agency of the State of Louisiana—approximately $4,000,000 to reconstruct low wharves and docks to conform to the present grade.

The people of New Orleans are agreeable to the plan of completing all the levee protection in front of the city to the present approved grade of the Mississippi River Commission, but we want levee raising to stop then. We want to see a change of policy from the present policy of giving protection against flood heights that are created artificially, and we want to see some effort made to give us flood relief rather than flood protection.

The flood problem of the lower valley is simply a problem of safely conducting to the sea the drainage run-off that originates in the vast territory to the north of us; but the Mississippi River Commission is intent on taking all of that run-off by the longest and most circuitous route to the sea, notwithstanding the fact that nature has provided a topographical condition just below New Orleans favorable to spilling the excess water into the Gulf through a short route of 5 miles, as against the present route of 100 miles.

A committee of engineers working in the interest of better flood protection for the city of New Orleans has recommended a spillway as a flood-reducing device, but the Mississippi River Commission objects, and prefers higher levees to take care of the higher floods, which it classes as "tried methods wholly feasible and much cheaper."

The main objection of the Mississippi River Commission to the spillway is the cost of the structure, which in its judgment is incommensurate with the flood relief that will be obtained. The weighing of the cost of enlarging the existing levee line to take care of 4 feet additional flood height, as against the cost of a structure designed to accomplish a reduction of flood height of 4 feet, while interesting as an academic proposition does not meet the issue fairly. There is the human element to be considered, and the human element should be of first importance in the instance when nearly a half million of people have their homes on ground elevations of from 10 to 20 feet below present flood heights.

We people of New Orleans and of the lower river believe we are being sacrificed on the altar of consistency, and we are asking your kind offices to help us in our predicament. We would like to see the flood problem on the lower Mississippi studied and solved in the comprehensive manner that the flood problem was solved in your own State by the Miami Conservancy District. We would like to see the Mississippi River Commission take counsel with eminent hydraulic engineers, such as, for example, Mr. John R. Freeman, of Providence, R. I., Mr. C. E. Grunsky, of San Francisco, or Mr. Daniel W. Mead, of

Madison, Wis., in the consideration of a flood problem that is of vital interest to a community of 400,000 persons, to see if some means can not be found to lessen the hazard by reducing flood heights to such a stage that breaks in the levee can be closed should crevasses occur, and not be permitted to run unchecked for months until the river falls below the bank-full stage, as is the case now.

On account of lack of time to discuss this matter at greater length I should like to leave with you Mr. President, a copy of a paper that I had the honor of reading before the spring meeting of the American Society of Civil Engineers, which was held in New Orleans last week, and which attempts to give a brief statement of the flood problem on the lower Mississippi River. I believe that the contents, supplemented by what you have heard to-day, will give you a fairly good idea of the situation that confronts us.

ADDRESS DELIVERED AT THE CONFERENCE HELD AT NEW ORLEANS SEPTEMBER 17, 1923, AND ATTENDED BY VARIOUS LEVEE BOARDS, THE BOARD OF STATE ENGINEERS, THE SAFE RIVER COMMITTEE OF ONE HUNDRED, AND OTHER PARTIES INTERESTED IN FLOOD CONTROL OF THE LOWER MISSISSIPPI

(By John Klorer, chairman Subcommittee of Engineers, Safe River Committee of One Hundred)

* * * * * * *

There is little that is new that can be added to the previous presentations made of the merits of a spillway as a flood relief device. It is by no means a simple task to prove a proposition that is elemental or axiomatic, and the proposition of lowering the flood heights by taking some of the water out of the river is an axiomatic proposition. The old school of Mississippi River engineers will admit that you can reduce flood levels on the Ohio River by taking some of the water out of it, or on the Allegheny or on many other rivers, but the Mississippi River, they explain, is different in that the Mississippi River is a sedimentary stream flowing in a bed of its own formation. It has been so long held up to us as being in a class by itself and not amenable to the laws of physics and hydraulics, that the majority of us were accustomed to accept unquestionably statements concerning the river's characteristics that were as amazing as they were paradoxical.

In the consideration of the various problems presented by the Mississippi River the cold calculating reasoning powers of the engineer seemed at times to yield to a realization or a fear that he was not dealing alone with a physical force in the shape of water in motion, but was dealing as well with a personality that was governed by moods and whims and notions. On one occasion that I remember distinctly one of the old school of Mississippi River engineers described the river as being almost organic in its behavior, as being the nearest approach of inanimate matter to a living organism that he knew of. It had to be coaxed and coddled, and any regulation of its behavior should be applied gently, very gently. If any lateral opening were introduced to remove surplus water, the river would choke itself.

According to the old school of Mississippi engineers, this sedimentary stream flowing in a bed of its own formation was so responsive to any additional burden placed upon it that you could go so far as to deprive it of a natural outlet like the Atchafalaya that took off 30 per cent of the total river discharge, and it would adjust itself to carry this extra amount of water without raising the flood heights appreciably in the lower river.

It matters not that levee grades have had to be repeatedly raised to take care of increased flood volume, and in some instances to take care of an equal flood volume, the doctrine that the river will automatically adjust itself to carry increased flood volume still persists unshaken as an article of faith with the old school. With this sort of attitude toward the problem and with deep-rooted opinions like these prevailing among the levee authorities, it is not surprising that the proposition to lower flood heights by means of a spillway should encounter opposition.

The advocacy of a spillway by the Safe River Committee of One Hundred is based on one assumption—the correctness or incorrectness of which is left to the individual judgment of those that have given some thought to the subject.

The safe river committee assumes that the record-breaking flood of 1922 is not the highest flood that will visit the lower river; not the highest flood by 3 or 4 feet. It does not base this assumption on the probability that some of these days, all the tributaries will be in flood simultaneously, which statement is often referred to as a possibility and then brushed aside as being so remotely probable as not to merit consideration.

The safe river committee believes that higher flood elevations are certain in the future even with floods of no greater volume than some of those of the past. The facts that form the basis for such an opinion are these:

First. There has been an impairment in the discharge capacity of the lower river, indisputably proven by the fact that less water now passes down the river each second or each hour during flood stages than passed in former years at the same gauge readings.

Second. The further reclamation of areas now subject to overflow and serving as detention reservoirs can not possibly have any other effect on future flood heights than the raising of these heights to greater elevations than those that obtained in the past for floods of the same volume. In an official statement prepared by Capt. Edw. N. Chisholm, Corps of Engineers, United States Army, and secretary of the Mississippi River Commission, and published in the Engineering News-Record, January 18, 1923, the admission is made that "the increased height of the flood line below the mouth of White River can be attributed only to the closure of the gap between the Arkansas River levees and the Mississippi River levees at Cypress Creek." The closure of the gap, completed in 1921, withdrew from the available reservor capacity of the river approximately 687 square miles of territory previously flooded in the southern part of Arkansas and the northern part of Louisiana.

There is a similar flood-water reservoir on the east side of the river at the lower end of the lower Yazoo levee district, immediately north of Vicksburg, and which is approximately 1,000 square miles in extent during great floods. This area is flooded through an unleveed gap of about 20 miles, known as Brunswick Gap, and the closure of this gap has been undertaken with construction now in progress. Can any expectation other than higher flood levels be counted on following the elimination of this reservoir?

Third. Greater flood heights than past records are also clearly indicated by an analysis of the flood volumes of the 1912 high water. The amount of flood water that was passing the latitude of Red River Landing in 1912 was slightly over 2,300,000 cubic feet per second. The distribution of this quantity was as follows: Approximately 1,500,000 cubic feet per second went down the Mississippi River; approximately 400,000 cubic feet per second went down the Atchafalaya; approximately 250,000 cubic feet per second went through Torras Crevasse into the Atchafalaya Basin, and approximately 150,000 cubic feet per second through the Moreauville Crevasse (see Report Chief of Engineers U. S. Army for 1912, p. 3700). The total of 2,300,000 cubic feet per second is further corroborated by the discharge measurements taken at Columbus, Ky.—21 miles below Cairo—and at Helena and Arkansas City, all of which recorded over 2,000,000 cubic feet per second, and to which quantity there should be added proper allowance for tributaries south of these points. Had there been no crevasse at Moreauville and at Torras, the Atchafalaya River and the reservoir at the lower end of the fifth Louisiana levee district would have taken possibly 600,000 cubic feet per second and the Mississippi River at Red River landing would have been discharging 1,700,000 cubic feet per second instead of 1,499,000 cubic feet per second. Making liberal allowances for the reservoir effect of that part of the river below Red River landing and assuming that there had been no Hymelia crevasse, it is within the range of reasonable deduction to conclude that the discharge at Carrollton would have been approximately 1,500,000 cubic feet per second, instead of 1,350,000.

The discharge of 1,500,000 cubic feet per second at Carrollton is what the safe river committee believes should be used as a minimum in determining the estimated flood heights in front of this city. To have passed 1,500,000 cubic feet per second during the 1912 high water the gage-discharge relation indicates that the river would have read 24 feet on the Carrollton gage, instead of 20.7, and to have passed that same amount during the 1922 flood the gage-discharge relation for that year indicates that the Carrollton gage would have read slightly over 25 feet, instead of 21.3, which was the highest reading, the day before the Poydras crevasse occurred.

The question accordingly presents itself: How shall we meet this certainty of future increases in flood heights? Shall we meet it by raising the levee grades again, or shall we resort to some flood-reducing device that will keep future floods from reaching higher elevations?

This community has spent and is spending millions on our river front in a type of levee that serves as a protection against floods and that must also serve the needs of commerce. The crown of this levee varies from 50 to 100 feet in width and is occupied with freight sheds, through which pass high-class modern roadways. The floors of these sheds are of reinforced concrete and rest directly on the crown of the levee. Raising the low levees under these sheds and placing thereon the necessary rat-proof concrete floor and the high-class roadway pavement costs approximately $200 per linear foot of shed, or $1,000,000 per mile. It is apparent at a glance that this type of levee does not easily lend itself to future increases in grade.

The safe river committee believes that the levees should be built to the existing Mississippi River Commission grade, but the necessary flood protection beyond what is thus afforded must be obtained by some other means. It believes the levee system has reached and passed the practical limit of height to which a levee system should be built. When levees are so high that a crevasse in the levee line from any cause whatsoever can not be closed, regardless of money and men available, the practical limit of levees has been reached.

Following the Poydras crevasse in 1922, the engineering committee of the safe river committee made a study of the practicability of a spillway being used to reduce flood heights on the lower river and

reported favorably thereon. The report of the engineering committee demonstrated that the Poydras crevasse had a lowering effect of 2.7 feet on the Canal Street gauge, if allowance be made for the additional estimated height of seven-tenths that the river would have reached had there been no crevasse. The report of the committee also demonstrated that the effect of the crevasse was felt as far up the river as Donaldsonville and as far down the river as Fort Jackson.

At the request of the Safe River Committee of One Hundred an engineering brief was presented to the Mississippi River Commission inviting attention to the continued smaller discharge for the same gauge readings at New Orleans; and that judging by the river's performance in that respect it was not reasonable to expect that future great floods, such as should be provided for, could be passed between the levees at the elevation assumed by the commission, and that consequently the approved grades were too low. The difficulty of building levees to higher grades was touched upon and many cases of subsiding levees referred to, indicating that the limit of the supporting power of the soil upon which levees were built was being reached by levees built to the present grade.

A spillway was recommended, to be located about 6 miles below the lower limits of the city, discharging into Lake Borgne, an arm of the Gulf and only 5 miles distant. It was to be 6,600 feet wide, with a crest elevation placed about 6 feet below flood height, and to have removable shutters that would permit the passage of a river flood 3 feet higher than the crest of the weir without operating the spillway, if so desired. The last feature was a concession made to the anticipated objection that the operation of the spillway would cause shoaling of the main channel below, and the purpose of the removable crest being to minimize the frequency of operation of the spillway without reducing its relief capacity when it was needed. At the same time it was pointed out that there was no relation between gauge heights and the amount of sediment carried in suspension, and as a matter of fact the maximum sedimentary load was carried at stages lower than the bank-full stage. Consequently if the river was capable of carrying in suspension its maximum load of silt, with slopes such as it had at stages 6 or 7 feet below the maximum height, the fear that it may drop its sedimentary load as a result of lowering its height below the spillway may justly be questioned. Particularly should a spillway with a crest 6 feet below flood stage be considered in a different light from a crevasse or outlet discharging from the main river at low stages and low velocities and with the high turbidity content accompanying these conditions.

A table of the relief expected at varying stages of the river was submitted which indicated that a flood that normally would reach 25 feet on the Canal Street gauge could be passed at a reading of 21 feet, with a discharge of 250,000 second-feet over the weir. The high reading in front of New Orleans in 1922 was 22.6. With the spillway in operation and with the levees brought up to present approved grade, it was concluded that adequate flood protection would be provided.

The answer of the commission to this brief was to the effect that—

> "In view of the comparatively slight reduction in stage, the increased jeopardy incident to increasing the length of levee lines, and the bad effect of the spillway on the river itself, it would seem wise first to make the city safe by tried methods which are wholly feasible and much cheaper."

It is not admitted by the safe river committee that a possible reduction of an anticipated 25-foot flood stage at Canal Street to a 21-foot stage on that gauge can by any means be considered a "comparatively slight reduction in stage." The flood height of 20 years ago at New Orleans was 2.3 feet lower than that of 1922, and the proper yardstick with which to measure the benefit of even 2.3 feet reduction in flood height is the money and activities expended during the past 20 years by the levee interests for additional protection to take care of an increase of 2.3 feet in flood heights after making proper deduction for the construction of new levees caused by caving banks.

Nor can it be admitted that there would result any bad effect of the spillway on the river itself. The reported shoaling of 7 per cent that took place in the main river below Poydras Crevasse was probably the result of sedimentation at lower stages of the river than that at which the crest of the proposed spillway was placed and during low-velocity periods and high-turbidity content. At any rate, the significant fact is that the river completely recovered its lost cross-sectional area, as was determined by a resurvey in the early spring following the crevasse.

A former president of the Mississippi River Commission, in a criticism of the proposed spillway (see Engineering News-Record, vol. 90, No. 1), questions the practicability of safely conducting a flow of 250,000 second-feet between parallel levees 6,600 feet apart over a bed of alluvium such as forms the banks of the Mississippi River and with an average slope of 4 feet to the mile. As a matter of fact, the slope is less than 4 feet to the mile and probably will not average 3 feet to the mile if the cataract action at the crest of the spillway is taken into account. Also it should be stated that there is at the present time on the left descending bank of the Mississippi River about 80 miles below New Orleans a stream known as Baptiste Collette Bayou flowing between parallel levees and connecting the Mississippi River with an area of the Gulf with a high-water slope in excess of 4 feet per mile and none of the dire consequences predicted in the article referred to has materialized. The Baptiste Collette Bayou was diked across at a distance of about 3,500 feet back from the river, but the dike was blown up or out during 1915 and the river has been going through ever since with no protection works to prevent the enlargement of the bayou.

The distinguished engineer above referred to has stated that, if an additional spillway to the Atchafalaya outlet is required, a spillway in the vicinity of Bayou Manchac is the least dangerous location for it and the one that will produce the maximum lowering of flood heights on the lower river, and by giving it ample width scour can be reduced to a minimum. He realizes that such a location would necessitate the construction of levees along the shores of Lake Maurepas and Lake Pontchartrain, a consideration which in the opinion of the safe river committee engineers makes this suggested location impracticable.

The advocates of the Lake Borgne spillway did not contemplate that it would be possible to maintain the bed of the spillway channel without erosion. It was recognized that erosion would follow, and as an attempt at directing the location of the erosion it was believed that in building the side levees these should not be built from excavations taken near the berme, but should be built by hydraulic dredge, digging a pit along the axis of the proposed channel to induce, as much as possible, the scour to take place midway between the side levees. Manifestly it would be desirable to permit the discharge from the spillway to dig a channel for itself and depress its bed or entrench itself for the entire 5 miles from the lake to the weir. It is also evident that with the erosion of the bed of the spillway channel there will follow an increase in its flood-carrying capacity. The deeper the scour and the more capacious the channel the slower the water will flow and a point will be reached when erosion will stop. By bringing Gulf level from Lake Borgne to the flexible concrete mattress apron provided for at the rear of the weir, the problem of maintenance could be localized and better handled.

As to the danger of the structure washing out on account of the character of the foundation and insufficient dimensions, which was also referred to in the article mentioned, this is a question open to discussion after examination of a suggested plan that was prepared for the consideration of the Government authorities.

The engineering committee anticipates no such treacherous soil conditions as are feared by the distinguished engineer who criticized the plan submitted. The general permanency of the river bank at the suggested location leads the committee to believe that the underground material is not of that character as would readily flow from underneath the proposed structure into any erosion of the spillway channel.

When a condition like this exists the liquid or slushy material is just as likely to flow into the channel of the river itself and is evidenced by actively caving banks.

Certainly no structure of this kind should be undertaken without investigation being made as to the character of the subsurface conditions to be encountered and modifying the foundation plans accordingly. The safe river engineering committee did not have the necessary funds at its disposal to have borings made to determine exact data of this kind, but drew on its general information as to the soil conditions along the river front in the preparation of the suggested plan.

The shape of the rear surface of the weir was admitted not to be final but should be dependent on the outcome of observed results on experimental models constructed to scale. The question as to the proper width of the flexible concrete mattress beyond the rock cribs while shown as being 200 feet wide was also recognized as being a detail open to further discussion. A combination of the rigid type of structure typical of American practice and of the flexible type of structure as practiced in Egypt and India was chosen, since both types seem to have desirable features.

With reference to the boldness of the undertaking to relieve the Mississippi River of 250,000 second-feet over a weir 6,600 feet long constructed on a clay foundation, the job does not rate in magnitude with similar structures successfully executed by English engineers in India, notably the Dehri Weir (on the Sone River), which is 12,500 feet long and constructed on a sand foundation and with a discharge of 830,000 second-feet.

Let it not be said that the spillway can not be constructed on account of inability to build a structure that will not wash out. Such a challenge to the engineers and contractors of this country will be quickly accepted. There was a time when "quicksand" was a word to terrorize both the engineer and the contractor, and many a worthy project never got beyond the blue-print stage by reason of the fear that that word engendered. That was before we realized that quicksand was not a material but rather a condition of a material, and once the water was removed from quicksand it was stripped of its terror. The most ambitious engineering structure in this city has its foundation in a bed of so-called "quicksand."

Many years ago, a very competent and able engineer of the United States Army, Capt. John Millis, who was then in charge of the fourth Mississippi River district, in reporting on a proposed spillway into Lake Pontchartrain or Lake Borgne used these words:

"I also believe that whatever may be the standard of height and strength to which the levee system below Red River is finally completed, some such provision as herein proposed for relieving the river in the event of an extraordinary flood will be a judicious and economical measure."

And in 1893, three of the seven members of the Mississippi River Commission, General Comstock, Colonel Ernst, and Mr. Henry Flad, submitted a minority report which contained the following statement:

"Concurring in the inadvisability of an attempt to create new outlets from the Mississippi River which shall be large streams at all stages of the river, we do not wish to be understood as condemning the use in levees of long waste weirs to take off the top of the flood if it shall be found that at certain places on the lower part of the river the further increase in flood flow which will come from raising the levees at points farther up the river can be controlled in whole or in part by such weirs more economically than by higher levees."

It will therefore be seen that a spillway as a flood relief device on the lower river does not lack the sanction or approval of United States engineers high in authority on matters referring to the Mississippi River.

Then read, as a close to this feeble attempt on my part to get the views of our eminent men of New Orleans to the country, this excerpt from a paper by Mr. Lawton:

It is a great pity that honorable Senators and Representatives do not take up this river problem along the lines originally laid down by the engineers, now that the levees are nearly completed, so that the second and final phase of this great work could be pushed vigorously toward completion.

I refer to the mattressing of the banks from low water down, the riprapping of the battures, and the revetting of the levee beyond the high water line, which work all of the engineers agree must be done before the Mississippi can fairly be said to be under control.

Whether this colossal undertaking of putting this lawless river in a strait-jacket from Cairo to The Passes will require a half billion or a billion, or whether it will take a half century or a century to complete the job, it will have to be started, and properly started, now pretty soon if the American people mean to actually solve this problem for the coming generation. If this work had been undertaken 40 years ago, when the Mississippi River Commission in its initial report outlined this plan, and had been uninterruptedly and properly prosecuted ever since there would be a relatively clear-water condition in the river to-day, when the engineers would be hard at work widening the Atchafalaya, opening the Lafourche and Plaquemine, while digging spillways at every available site below the Red. All river engineers agree that were it not for the vast amount of silt carried by the Mississippi, very nearly all of which comes from the caving of its own banks, there would be no trouble about lowering its level except at the cost of laterals and their available sites along its banks.

In this connection the Mississippi River Commission in its report above mentioned (February, 1880, Report Chief of Engineers, United States Army, 1881, p. 2725), in discussing outlets, said:

"This method would undoubtedly be effective if the flood waters of the Mississippi were not highly charged with sedimentary matters which are held in suspension in the water by the current."

The engineers of the river boards mentioned, as well as all of our Army engineers, most of whom have been graduated from West Point, represents undoubtedly the highest type of American citizenship. Progressive, efficient, and unpurchasable, they would, if given the means and their work was freed from the malign interference and influence of the professional politician, such as the railroad lobbyist, build from the Mississippi as it stands to-day the grandest transportation medium in all the world.

Why not, then, try to get for the engineers, say, $10,000,000 a year for the next 50 years and permit them to finish this job, as they know how to finish it and as they would finish it if they simply got the money and the mandate and were let alone? Why not, even at this late day, reorganize the present commission into a Panama Canal commission and permit them to transform this presently crude, uncontrolled, and costly river into the great low-level productive highway they are going to give us some day? Why not begin shaping things with a view of getting some water out of the lower river instead of trying to force more into it, at the unknown cost of raising the flood heights at New Orleans?

Mr. AYRES. Mr. Chairman, I yield two minutes to the gentleman from Missouri [Mr. RUBEY].

Mr. RUBEY. Mr. Chairman, a favorable report on the McNary-Haugen bill has been ordered by the House Committee on Agriculture. That report will be made to-day or to-morrow, so that within the next few days you will have an opportunity to examine the provisions of the measure as reported. This bill was introduced in the Senate by Senator MCNARY, of Oregon, and in the House by Mr. HAUGEN, of Iowa, the distinguished chairman of the House Committee on Agriculture. These bills were introduced in the early part of the present session of Congress. In the House Committee on Agriculture exhaustive hearings were held, extending over several weeks. After the hearings closed the committee took the bill up, considered it paragraph by paragraph, and for more than a month, meeting every day, gave it most thorough consideration. Many amendments were offered; some were rejected, but many were adopted. The bill has indeed been completely revised by the committee, so that the measure ordered reported may well be called the revised McNary-Haugen bill. I urge every Member of this body to study carefully the provisions of this new bill before passing judgment upon it.

It is not my intention at this time to make an argument in favor of the McNary Haugen bill, but rather to call the attention of the Members of the House as briefly as possible to its provisions. Later on, when the bill is brought up for consideration, I shall seek the opportunity to present my views and my arguments and to tell the House why I think the bill should be passed just as speedily as possible.

THE PURPOSE OF THIS LEGISLATION

Before proceeding with a detailed outline of this bill let me state in a few brief words the object to be attained.

By the passage of the McNary-Haugen bill we seek to place agriculture upon an equality with the other industries of America and to restore the dollar which the farmer gets for the sale of his commodities to its pre-war purchasing power. This bill will give the farmers increased prices for their basic agricultural commodities and consequently fairer and better returns for their toil and labor than they are now receiving.

THE EXPORT CORPORATION

A general emergency is declared to exist in respect to agricultural commodities. To relieve that emergency the United States agricultural export corporation is incorporated. The board of directors of this corporation is composed of the Secretary of Agriculture, who is the chairman of the board, and four persons appointed by the President, by and with the advice and consent of the Senate. The 12 Federal land bank districts of the United States are divided into four groups, and the President appoints one director from each of these groups. Each of these directors receives an annual salary of $10,000 and shall hold office during the corporate existence, which shall not exceed five years. Not more than two of these appointed directors shall be members of the same political party.

CAPITAL STOCK

The capital stock of the corporation shall be $200,000,000, subscribed by the United States, the subscription to be called for as needed. The funds thus secured constitute the original working capital of the corporation. According to the plan of the bill, protected by the equalization fund, to be described later, these funds are in the end to be returned to the Treasury unimpaired.

ISSUANCE OF SECURITIES

The corporation may borrow money and issue its notes or bonds therefor. Its obligations shall not at any one time exceed five times its capital stock.

UNITED STATES NOT LIABLE

The United States shall not assume any liability directly or indirectly for any notes, bonds, or any other indebtedness of the corporation, and each note, bond, or other evidence of indebtedness shall so state upon its face.

COMMODITIES DEALT WITH IN THIS ACT

The only agricultural commodities that can be dealt with under this act are wheat, flour, rice, corn, wool, cattle, sheep, swine, or any food product of cattle, sheep, or swine. Whenever the corporation finds that there is a surplus of one or more of these commodities and that the domestic price of the commodity is below the ratio price—this ratio price will hereafter be explained—the corporation shall notify the President and it shall be the duty of the President immediately to declare by proclamation that a special emergency exists as to such commodity. Only after such a proclamation has been made can any of the commodities listed above be handled by the corporation. Provision is made for the termination of the special emergency as to each particular commodity when the conditions which brought about the emergency no longer exist. After a special emergency is proclaimed as to any particular commodity, and until it is terminated, such commodity,

to distinguish it from the rest, is called a "basic agricultural commodity."

RATIO PRICE

The act provides how the ratio price of an agricultural commodity is to be determined and further provides for its timely publication. The ratio price of a basic agricultural product for any ratio period shall bear the same relation to the pre-war price of such basic commodity as the current average all-commodities price in effect for such period bears to the pre-war average all-commodities price. These wholesale price indexes of all commodities are now based on 404 different commodities.

The Secretary of Labor computes the average price (the index number) of all commodities for the period 1905 to 1914, inclusive. This computation is made from data in the hands of the Bureau of Labor Statistics. This figure for these 10 years represents the pre-war average all-commodities price, and is used as a constant unchanging figure in determining the ratio price for each commodity. It is taken as 100.

The Secretary of Agriculture and the Secretary of Labor compute the average price of each basic agricultural product for the period 1905 to 1914. This is the pre-war basic commodity price, and is constant and unchanging for each basic agricultural commodity. The Secretary of Labor after the end of each month computes and publishes the average price (the index number) of all commodities for that month. This average price is the current all-commodities price and changes from month to month, but the change normally is not very great.

From the information furnished by the Secretary of Agriculture and the Secretary of Labor the ratio price of any commodity can be readily ascertained, and the ratio price of each basic agricultural product will be published each month at every terminal market.

RATIO AND ACTUAL PRICES OF A FEW COMMODITIES

Some will be interested in additional information as to how ratio prices are arrived at and what the prices would have been on some of the important basic commodities named in the bill during recent months.

Index numbers of wholesale prices of all commodities, as described above under "Ratio price," are prepared regularly by the Department of Labor. They use as their basis the year 1913, instead of the 10-year average, 1905 to 1914. Having all the necesary figures, it is very easy to convert the average prices of one basis period into another. In fact, this is already done monthly by the Department of Agriculture for many of the products named in the bill.

Actual and ratio prices of basic agricultural commodities for 1924 on 1905 to 1914 basis, and current all commodities price index compared with pre-war

Month	Actual price	X ratio price	Pre-war basic commodity price (1905-1914 basis)	Current all commodities price	Prewar all commodities price
Wheat:					
No. 2 red winter, Chicago—					
January	1.13	1.59	$0.987	161.3	100
February	1.13	1.60	.987	162.4	100
March	1.09	1.58	.987	160.3	100
No. 2 hard winter, Kansas City—					
January	1.13	1.51	.936	161.3	100
February	1.11	1.52	.936	162.4	100
March	1.09	1.50	.936	160.3	100
Average No. 1 northern and No. 2 red winter, Chicago—					
January	1.12	1.61	1.001	161.3	100
February	1.16	1.63	1.001	162.4	100
March	1.13	1.60	1.001	160.3	100
Corn:					
Contract grades, Chicago—					
January	.76	.97	.602	161.3	100
February	.80	.98	.602	162.4	100
March	.769	.97	.602	160.3	100
Hogs:					
Average of heavy and light—					
January	7.20	11.45	7.10	161.3	100
February	7.08	11.53	7.10	162.4	100
March	7.36	11.38	7.10	160.3	100

Given the information contained in the various columns of the above table and remembering that the basis period, 1905 to 1914, always equals 100, with which current all commodities are compared in each case, it is easy to figure the ratio price given in the third column. The actual price given in the second column is merely put in for purpose of comparison. It is not used in any way in computing the ratio price.

Let us now compute a ratio price for hogs for March, 1924:

X equals the ratio price when determined.

$7.10 equals the pre-war basic commodity price, namely, the average price of hogs for the 10 years, 1905 to 1914.

160.3 equals the current all-commodities price for March, 1924.

100 equals the pre-war all-commodities price.

We now have the following proportion to solve:

X : $7.10 : : 160.3 : 100.

Multiplying the means, $7.10, by 160.3, and dividing by the extreme, 100, we get the ratio price of hogs at Chicago that the corporation would use from April 15 to May 15, namely, $11.38 per hundred, in event the monthly ratio period was decided on by the corporation for hogs.

The actual average price that did prevail during March at Chicago was $7.36, based on the average of light and heavy hogs. The prevailing price, of course, plays no part in the calculation of the ratio price. It is mentioned only to show how out of line the present price is compared with the 10-year prewar average purchasing power.

We can now define very simply what the ratio price at which the corporation will buy is. It is that money price of a given basic agricultural commodity that will give a unit thereof the same purchasing power now in terms of all commodities as such unit had on the average in the 10 years, 1905–1914. In order for 100 pounds of live hogs to buy as much as they did then the price would have to be $11.38, not $7.36. The reason for this condition is obvious. The prices of other things have gone up out of proportion to the prices of hogs, wheat, and other farm products, particularly those we export to foreign countries.

For convenience the expressions "current all-commodities price," "pre-war all-commodities price," are commonly used. Of course, there is no such thing as a price of all commodities, but the idea to be conveyed is, nevertheless, a very definite one. If you could fuse the 404 commodities now included in the Bureau of Labor Statistics' wholesale price index, you would have a single commodity to which a price known as an "all-commodities price" might be assigned. The following table shows the groups included in the wholesale index, their importance in percentage, and the valuation in exchange based on the 1919 census:

Relative importance of commodity groups as measured by their wholesale computed values

Group No.	Group name	Percentage of aggregate value of all commodities	Computed value
I	Farm products	26.80	$8,322,081,000
II	Foods	22.19	8,051,100,000
III	Cloths and clothing	9.48	2,944,369,000
IV	Fuel and lighting	17.37	5,391,360,000
V	Metal and metal products	7.61	2,357,094,000
VI	Building materials	5.28	1,914,067,000
VII	Chemicals and drugs	1.67	529,244,000
VIII	House-furnishing goods	3.35	1,044,975,000
IX	Miscellaneous	6.25	1,939,799,000
	Total computed value	100.00	32,494,089,000

MAINTAINING THE RATIO PRICE

The bill in effect says that any quantity of a basic agricultural commodity that must be removed from the domestic market in order to maintain the price at the level of the ratio price is export surplus. So the corporation goes into the domestic market and buys the commodity at the ratio price and thus maintains the domestic price and keeps it at the level of the ratio price.

The corporation exports and sells its purchases in the foreign markets at the best prices obtainable, or it may sell in the domestic market under certain conditions and for certain purposes.

If for any reason the corporation deems it advisable to have a basic commodity processed and then to export the processed products, or to have them exported, the law gives it power to do so. In such case it may sell the raw commodity to the processor at the highest prices obtainable, and he may be required to give a bond to insure the exportation or other agreed disposition of the processed commodity.

After a special emergency ends the corporation in winding up its affairs may sell either in the domestic or foreign markets, whichever will pay the highest prices.

POWERS OF THE CORPORATION

The corporation in the transaction of its business shall utilize, as far as it is possible to do so, existing facilities, agencies, and associations of producers. In order that it may be unhampered in its transactions, it is by this act given special powers. It is authorized to lease, maintain, and operate storage warehouses and facilities for the processing of agricultural commodities. In functioning through mills, elevators, packing plants, and other facilities it may make such agreements and enter into such contracts as are necessary for the transaction of its business. The corporation may make advances to any person, provided the notes, bonds, or other evidences of indebtedness are properly secured by warehouse receipts, shipping documents, or other adequate securities.

It is given such powers as are necessary to conduct in accordance with approved business methods the business of trading in basic agricultural commodities.

EQUALIZATION FEE—PURPOSES

It is intended that in the operation of this act the producers who are the ones benefited by its provisions shall pay the losses and the expenses of the corporation. In order that the producers may pay ratably their equitable share of the losses and the expenses there is created what is known as an equalization fee. This act provides what shall constitute a sale of each basic agricultural product. It also provides what shall not be a sale under this act. We seek, as far as possible, to exempt trading among farmers from the provisions of this act.

AMOUNT OF FEE—HOW DETERMINED

The corporation is required to make a careful estimate of export surplus of each basic agricultural commodity, the probable losses from the export of each commodity, and the estimated expenses of the corporation. It shall ascertain the standard unit of weight or measure by which each commodity is sold or traded in and make a careful determination of the amount to be collected from the sale of such unit. The amount thus determined is the equalization fee. The amount of the equalization fee of each commodity when determined shall be published in each terminal market.

EQUALIZATION FEE—HOW COLLECTED

The corporation is directed by this act to collect under such rules and regulations as it may promulgate the equalization fee due in respect to the basic agricultural commodities. The corporation is authorized to enter into agreements or make contracts with any individual purchaser or any agency of trade or commerce, and the corporation may call to its assistance any executive department of the Government in the collection of this fee.

In the main this fee will be collected by or through the purchasers of the various commodities. The act requires that a receipt be given to each producer, and this receipt will be evidence not only that he has paid the fee, but at the end of the year, if the corporation finds that it has accumulated a surplus in the fund of any commodity, this receipt will show each producer's participating interest in that fund. The corporation is given broad powers in collecting from the producers of the country these equalization fees so as to meet the losses and expenses of the corporation, and is at the same time given authority to redistribute equitably to the producers any surplus in any fund.

EQUALIZATION FUND—DIVIDENDS

The corporation is required to keep a separate equalization fund in its treasury for each basic agricultural commodity, into which the proceeds for the respective commodity shall be deposited.

The corporation is directed to distribute ratably any balance remaining in any of these funds to the persons by, or on account of, whom such equalization fees have been paid.

ADJUSTMENT OF IMPORTS

The purpose of this act is to provide a means whereby the producers' prices of basic commodities are increased. When this is accomplished, we do not propose to allow the farmers or the handlers of farm products of other countries to come in and take advantage of the high prices of the American farmer. Provision is therefore made in the act which will permit the President to increase the duty on basic agricultural commodities whenever necessary, or to exclude during the emergency the importation of these commodities.

INFORMATION FOR PRODUCERS

The corporation shall cooperate with and encourage the formation of associations of producers. It shall keep producers informed, as far as possible, of world-wide production of basic commodities and shall impress upon them the evil results which may follow from overproduction in our own country.

PENALTY SECTIONS

The last few sections of this bill contain the penalty provisions which were thought necessary by the committee to prevent violations of the act.

CONCLUSION

In conclusion I may say that the McNary-Haugen bill has been discussed far and wide throughout the country for the past three months. Much has been said in opposition to it by editorial writers in our large daily papers and in pamphlets sent to Members of Congress. A careful reading of many of these editorials and pamphlets by anyone at all acquainted with the provisions of this bill will disclose the fact that the writers thereof had not given careful study to the measure before setting forth their views thereon. I sincerely hope that the new bill presented to this House will receive fair and courteous consideration by everyone. I know that that kind of treatment will be accorded it by Members of this House. Let us hope that the same fair and courteous consideration will be given this proposed legislation by the press and by all others, even though they may be opposed to its enactment.

Mr. AYRES. Mr. Chairman, I yield the remainder of my time to the gentleman from Nebraska [Mr. HOWARD].

Mr. HOWARD of Nebraska. Mr. Chairman, if I should forget all I intend to say, may I now ask permission to extend my remarks in the RECORD?

The CHAIRMAN. Is there objection?

There was no objection.

Mr. HOWARD of Nebraska. Mr. Chairman and gentlemen of the House, I secured from my kindly manager a little time here this afternoon to speak on a rather serious subject. Oh, but how may I speak seriously, following the soulful conversation of the gentleman from North Carolina [Mr. ABERNETHY], and then having been translated into the ethereal zone, almost, by the whispered eloquence of my friend from Louisiana [Mr. O'CONNOR]? Having been drawn so far away from sordid things I feel that I ought to speak just a little about that wonderful Nebraska of mine. I grant that all is true that the gentleman from North Carolina has said about his wonderful Carolina, and I know that all is true that the gentleman from Louisiana has said about the Mississippi River, and the mouth of it particularly. What may I tell you about my own Nebraska? Aside from its women, I think the most beautiful thing in Nebraska is a prairie sunset. Did any of you ever see a prairie sunset in Nebraska? Oh, you have seen them in other places, but I want to know if you have ever seen a real prairie sunset. I have never been privileged to travel over the seas. I do not know what visions an artist beholds when he views an Italian sunset. I have never seen anything of that kind. I have never been privileged to see the great orb of day sinking into the limpid waters of the Mediterranean, but I have seen a Nebraska sunset, and I know what a Nebraska dreamer sees sometimes when he views a Nebraska sunset, more beautiful than any other clime has known. I remember particularly one sunset there. The great orb of day was flooding the landscape with a radiance of unspeakable beauty. I tried to count the colors in that sunset. Did any of you ever ask yourselves how many colors God hangs in the sky when he paints a beautiful sunset? I tried to count the colors.

I could not, but I made a wonderful discovery. I made the discovery that there is in that sunset I beheld colors sufficient to bear to me every fragrant flower from my own conservatory of memory. Sometimes I saw the peach-blush bloom on the cheek of my boyhood sweetheart, and often I saw the golden gleam of my true chum's friendship, and sometimes I saw or thought I saw the carmine tint of holy mother love. I could not surely count the colors, but there they were in number sufficient to plead with me more earnestly than orators' words or authors' lines to struggle along the upward way, with promise sure that at the end of the journey it may be my privilege to behold upon the horizon of Paradise another sunset, and in the radiance of it to count the colors of a welcome smile.

My friends, I would much prefer to talk along the lines which lift me off the floor rather than to talk along the sordid lines which hold me close to earth, but I have a mission to perform here and right now, and that mission is to call attention to a sad situation and to try to carry to you and to the country a knowledge of the blame for that situation.

My friends, we came here, every Member of this House, I think, nearly six months ago with a firm knowledge of the fact that the instant need of our country was some sort of legislation to relieve distress in all the agricultural regions. We are here to-night, and we have not plowed one furrow in that direction. [Applause.] Many of you, perhaps, will recall that I

offered here yesterday morning a little resolution. You did not hear it read. Objection was made to the reading of it. Well, of course, that was all right, because the rules of the House do not permit it, except by unanimous consent. But I asked that unanimous consent be given in order that the contents of the little resolution might be conveyed to the ears of the House for its information. I did not attempt to take anybody by surprise. My friends on the administration side of the aisle often seem to anticipate that I am going to surprise them.

I do not like surprises myself, and I never try to surprise anybody; and so in the effort not to surprise anybody I had borne a copy of this little resolution to the ear and to the eye of the generalissimo on the staff of the administration leader, the leader himself being absent for the moment, and he told me that, however much he loved me, he would have to object to its reading. That is all I asked. I asked permission then that it might be read by the Clerk. May I ask that same permission now, Mr. Chairman?

The CHAIRMAN. The gentleman from Nebraska asks unanimous consent to extend his remarks by including——

Mr. HOWARD of Nebraska. Oh, no; by having it read right now——

The CHAIRMAN. To have read from the Clerk's desk the resolution that he offers. Is there objection?

There was no objection.

Mr. HOWARD of Nebraska. He can read it more distinctly than I.

Mr. LONGWORTH. I am afraid my friend's voice is giving out.

Mr. HOWARD of Nebraska. Oh, no. My voice is so softened by the lilting tones of my literary friends preceding me that I can not speak as harshly as I should upon the mission of my resolution. [Laughter.]

The CHAIRMAN. Without objection, the Clerk will read the resolution.

The Clerk read as follows:

House Resolution 273

Whereas the probable date for adjournment of the present session of the Sixty-eighth Congress is now a subject for daily discussion among the Members of this House, not open discussion upon the floor, but privately, in the cloakrooms and hotel lobbies; and

Whereas the generally admitted chief need of the country—legislation to relieve the ills of agriculture—has not been in any wise accomplished by the Congress: Therefore be it

Resolved, That it is the sense of this House that the problem of fixing a day for final adjournment shall be held in abeyance until the prime problem of the hour—legislation to relieve distress in agricultural zones—shall have been accomplished by legislative enactment.

Mr. HOWARD of Nebraska. I thank you.

Mr. BLANTON. It never would adjourn.

The CHAIRMAN. The time of the gentleman from Nebraska has expired. The gentleman from Minnesota has one minute remaining.

Mr. DAVIS of Minnesota. Mr. Chairman, I will yield that one minute to the gentleman from Nebraska.

Mr. HOWARD of Nebraska. No. I was perhaps too long in speaking. My leader was very magnanimous with me. That is very sweet of you, but I do not need it.

Mr. DAVIS of Minnesota. Mr. Chairman, I yield to the gentleman from Washington [Mr. SUMMERS] one minute.

Mr. SUMMERS of Washington addressed the committee, and asked permission to extend his remarks in the RECORD.

The CHAIRMAN. The gentleman from Washington asks unanimous consent to extend his remarks in the RECORD by including the matter suggested by him. Is there objection?

Mr. HOWARD of Nebraska. Reserving the right to object, will the gentleman kindly tell us whether the argument is in favor of agricultural legislation?

Mr. SUMMERS of Washington. It is. It is the strongest appeal I have heard.

Mr. HOWARD of Nebraska. I will do anything I can to help my friends on the other side, and so I withhold objection.

Mr. BLANTON. Reserving the right to object, Mr. Chairman, although I will not object, I do not think the gentleman ought to state that that is the Democratic standpoint. I do not know of any one man in the United States who is now authorized to discuss any subject under that category.

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

There was no objection.

Mr. SUMMERS of Washington. Mr. Chairman, I desire to bring to the attention of Members the best discussion of the situation of agriculture throughout the United States that has come to my attention. This is captioned "Agriculture is dying." It is from the publisher of the Missouri Farmer. I want to bring it especially to the attention of our friends on the other side of the aisle, since the author of this article is Mr. William Hirt, one of the leading Democrats of the State of Missouri. He discusses some of the features of the McNary-Haugen bill from the Democratic viewpoint. I ask the privilege of extending my remarks by inserting a part of this in the RECORD.

The matter referred to is as follows:

AGRICULTURE IS DYING

[An open letter from the publisher of the Missouri Farmer]

It may be said that the one and only purpose of the McNary-Haugen bill is to place the farmer on an even footing with organized industry and labor and to have the Government do for him in these premises what in his present unorganized condition he is not able to do for himself!

IS THIS LEGISLATION NECESSARY

No doubt the first question the average Member of Congress will ask himself is, "Is this legislation necessary—is the condition of agriculture so desperate that Congress will be justified in a time of peace in taking a step as far-reaching as the one contemplated in this act?" And as one who is, as you know, quite intimately acquainted with agricultural conditions not only in Missouri but in other of the great Corn Belt States, my unequivocal answer is that it is. In fact, I will go further and say that American agriculture is to-day facing the greatest crisis in its history; and even if the McNary-Haugen bill is passed, thousands of farmers will be sold out by the sheriff and hundreds of country banks that are considered solvent to-day will close their doors before aid can possibly come from legislation or from any other source.

And in saying this I need only point to the foreclosure sales on farms and the great number of banks that have gone upon the rocks in the great farming States during the last two years. Here in Missouri—one of the greatest agricultural States in the Union—we have thousands of farms that have been abandoned during the last three years because their owners could not rent them, and thus despairing of what they considered a hopeless and useless struggle they turned them over to the mortgage holders and moved to some town or city in the hope of getting hold of some of the "easy money" which has been so plentiful in these quarters since the time when the World War reached its crest.

"What is the trouble?" you ask. Fundamentally, it is very simple. When the World War came to an end, and when the frenzied demand for the surplus food products of this country ceased, the American farmer was suddenly thrown back completely upon the world markets; and thus for the last four years the price of American wheat, pork, beef, and other surplus farm products has been determined, not on the basis of the American farmer's production costs, not on the basis of our so-called American "living standards," but purely on the basis of the competitive value of these commodities in Liverpool and in other world clearing ports where the peasant and peon farmers of the four corners of the earth dump their yearly surplus. And these world price levels govern not only with reference to our surplus but they fix the price of these commodities in our home markets; and thus we have the remarkable situation where the daily wage of a bricklayer or plasterer during 1923 equaled the value of an average acre of wheat or of a 230-pound hog which it took seven months of the farmer's care and feed to produce. Mind you, I am not saying that the bricklayer or plasterer should accept less, for this precipitates a question which I do not care to discuss at this time. I am merely citing the cold facts as they are and why there is serious trouble out at the "crossroads."

On the other hand, while the conclusion of the World War suddenly threw the farmer back completely upon the world markets, both industry and labor, which are powerfully organized, were able for the most part to "hold their first-line trenches"; and thus to-day industry is fighting its battles from behind the great protecting walls of the Fordney-McCumber Act, while labor has not only held to most of the advantages it obtained during the war but in the aggregate I think I am safe in saying that the Nation's pay rolls have been increased to the extent of hundreds of millions of dollars since the armistice was signed, and this isn't taking into account the tightening up of our immigration laws. And thus the American farmer finds himself between two fires: On the one hand, the selling price of his commodities is determined by the peasant and peon farmers of the wide universe, while on the other hand his living and production costs are determined under the highest merchandise values, freight rates, and taxes ever known in this country and under the highest wage scales that obtain in any nation in the world. And thus, like a great ship, American agriculture is being pounded to pieces on the reefs of low world price levels; and in these premises one of two things must happen: Either industry and labor will have to reduce the cost of their wares and service to the level of the farmer's living and production costs or, as certain as the sun shines above, the destruction of agriculture will follow.

IS THIS MEASURE "WORKABLE"

Already, as was to be expected, the critics of this bill say it isn't "workable" for a thousand different reasons, more or less. But why s it necessarily not a practical proposal?

When a governmental agency takes the surplus wheat, pork, or beef out of the domestic markets and fixes a definite tariff which will protect these commodities against the importation of cheaper similar commodities from the outside, then why will not such a tariff fix the domestic price? From time out of mind our great manufacturing enterprises that enjoy protection have charged a price within the United States, up even with the tariff wall—and when the export price lost them money they curtailed their output. But the farmer has never been able to "collect the tariff," because, unlike our great manufacturers, he is not in position to concentrate his selling—he is not in position to separate those of his commodities which are consumed in the domestic markets as against those which are exported, and therefore a tariff on wheat or other surplus farm commodities is as meaningless to him under existing conditions as the number of spots on the sun. And under these circumstances the fixing of tariff duties on surplus farm commodities has been nothing less than a ghastly political joke. Nor is the farmer in position to abandon the production of a surplus, as are our great manufacturers, first, because droughts, floods, and insect pestilence may disastrously affect his acre yields, while disease may devastate his flocks and herds. Again, with no organization or central directing force, about all our 6,500,000 farmers can do is to use their own best individual judgment, whether with reference to the production of grain or livestock.

But that a tariff can be made 100 per cent effective when the surplus of a given farm commodity is taken out of the domestic market, of this there is not the slightest question; and therefore we come back to the proposition which I made before, namely, that under this bill the Government would assist the farmer in doing what he is not now in position to do for himself.

And, furthermore, the Government can do this without the loss of a single penny. To illustrate let us assume that the world price level on No. 2 wheat will be $1 per bushel f. o. b. Chicago on July 15 of this year. Unless the McNary-Haugen bill or a similar measure is passed, this is all the wheat grower could hope to receive under any circumstances. But if the "ratio price" established by the proposed export commission should say that No. 2 wheat is worth $1.50 per bushel f. o. b. Chicago, then the farmer would receive this amount less his proportionate loss on the exportable surplus and the expense of the export corporation. To illustrate further, suppose we produce 800,000,000 bushels of wheat during 1924, and that 600,000,000 bushels of this is required for home consumption, leaving 200,000,000 bushels for export; next let us assume that the "ratio price" within the United States is $1.50 per bushel while the world price is only $1 per bushel, thus representing a loss of $100,000,000 on the surplus, and this loss charged up against the domestic price would mean a reduction of approximately 17 cents per bushel; next, in order to play perfectly safe, let us assume that it will cost 3 cents per bushel to operate the commission, or a total charge off of 20 cents per bushel, which would still leave the wheat grower 30 cents per bushel "ahead of the hounds" at the end of the equalization period as against existing conditions.

And now here occurs the most serious difference of opinion I entertain against the McNary-Haugen bill; instead of attempting the issuance of "scrip" as a means of finally clearing up the transaction I would simply require the elevators, mills, and grain buyers throughout the country to keep a record of the amount and grade of wheat purchased from each grower and then as soon as the loss on the surplus and the costs of operation had been ascertained I would pay the balance due in the form of a patronage dividend.

And while I am stating my opinion on this phase of the matter in very general terms, I have no doubt that it could be worked out—and thus the final windup of the whole matter would be that the farmer would receive a "ratio price" based on the all-commodity price, less his share of the loss on the surplus and costs of operation and the Government would not have lost a cent in the transaction. Therefore why isn't the plan "workable?" And why can not the commission and the packers arrive at a similar arrangement on pork and beef? And why can not the millers and packers of the country adjust themselves to this kind of a program if they really have a desire to do so? In the meantime, our choice lies between trying to make the thing "workable," or sending agriculture to certain destruction. There is no other alternative!

Moreover, those who insist that this bill is not "workable" ought to get busy and bring forth some other measure that is, for certainly agriculture has a right to expect something more than a mere "dog in the manger" attitude from them. If they think the farmers' present cry for help is unwarranted—that actual conditions have been overdrawn—then let them have the courage to say so frankly. But if they do not desire to assume this attitude, if they do believe that something needs to be done, then let us remember the old saying that, "where there's a will, there's a way!"

The suggestion that the Government may under this bill invest "billions of dollars" in packing plants, warehouses, etc., is to me the purest claptrap. My personal view is that the commission should not invest a single dollar in such facilities and if there is any doubt on this score as the act now stands it should be amended and made "fool proof" in this respect—for why acquire such facilities when they are already in existence and when all that the owners have a right to expect is fair compensation for their use?

AS TO "PRICE FIXING"

I am perfectly aware that this measure is being assaulted on the theory that it is "price fixing" and also that it seeks to "defy the law of supply and demand." But when a great manufacturing industry demands a tariff which shuts out foreign competition and when it then proceeds to collect a price in the home markets up even with the tariff wall which surrounds it (often selling for less in the foreign markets)—in Heaven's name, what is this but "price fixing" and in such premises what becomes of the sacred law of supply and demand?

And likewise when the great labor unions through their organized might demand and enforce the payment of stipulated wage scales, again what is this but "price fixing"—and what chance has the farmer who stands at the end of the line to escape these superimposed burdens which come down to him in the form of inflated prices for farm implements, building materials, clothing, dry goods, shoes, transportation rates, etc.? For he is the "Jones" who "pays the freight"—he is the fellow to whom everybody else "passes the buck" and who can not pass it on to anybody else.

Therefore what is the fairness of raising our hands in virtuous horror at the idea of "price fixing"? What is the fairness of delivering profound platitudes about the law of supply and demand—a sacred white ox that departed "to where the woodbine twineth" for lo, these many years? And when I say this I do not concede that the McNary-Haugen bill is a "price-fixing" measure as that term is generally understood. On the contrary, it merely seeks to establish a fair "price ratio" between certain great basic surplus farm commodities and the current cost of living which forms the inevitable basis of the farmer's production costs.

And again let me say that I am not pronouncing an indictment in these premises against the Fordney-McCumber Act nor against the wage scales of organized labor, regardless of what my views concerning them may be, were they under discussion on their merits. What I am trying to do is to show that through the exactions of these forces the farmer is confronted by a "condition and not a theory"—that while he himself is helplessly chained to the world-wide law of supply and demand, there is no such animal, so far as American industry and labor are concerned—and there isn't an intelligent or fair-minded student of economic conditions in this country who doesn't know that this is the simple truth.

As the sorely perplexed farmer realizes that the purchasing power of his dollar (as expressed in the fruits of his toil) has been knocked into a cocked hat, and when he thinks of the fact that it takes $2 of his money to pay off an old debt, while industry and labor can still retire their obligations on an even basis—in these circumstances when supercritical gentlemen prattle about the law of supply and demand, let them not believe that they are fooling the farmer who knows perfectly well that he is getting the "hot end of the poker" and who is pretty apt to demand an accounting from those who continue to make him do it.

"WORKING ITSELF OUT"

This chatter that we should not seek to "defy the law of supply and demand" comes chiefly from the boards of trade and certain big grain exporters who pose as "experts" in these premises. Of course, the boards of trade don't want dealing in futures interfered with, for this is one of their chief sources of income. And, even so, certain eminent grain exporters don't want a commission to step in and perform functions which, under existing conditions, are a source of great profit to them—but if the time has come when Congress must make a choice between these gentlemen and the preservation of American agriculture, should it find that choice very difficult?

These same critics who prattle about the inviolability of the law of supply and demand say that the farmer is the victim of "natural causes" and that "everything will come out all right if we will only be patient," etc. And if Congress takes them at their word, it will do so at the peril of the whole Nation. For where is there a sane man who believes that either industry or labor will or can submit to a deflation during the next two or three years that will bring them down to a level with agriculture? And remember this is the issue—to assume that "everything will come out all right for the farmer" is predicated upon the idea that just as the peon and peasant farmers of the wide universe are fixing the price of American farm products at home and abroad, that in a like manner the American manufacturer and the American workingman will consent to get down on an even basis of remuneration with the manufacturers and workingmen

of Germany, France, and England. And I believe you will agree with me that if such a suggestion were seriously made it would produce a riot in industrial and labor circles within 24 hours.

LIVING IN A FOOLS' PARADISE

Since the armistice was signed our cities have been living in a sort of fools' paradise—in other words, we have been speeding on the "gas" that we inherited from the World War period during which time construction work of all kinds had largely ceased and also the rolling stock of our great railroad systems was so nearly shot to pieces that hundreds of millions of dollars had to be spent for its rehabilitation—and this isn't saying anything about the enormous amount of other repair work that had to be done. And thus things have been going along as merrily as a marriage bell, and we have paid little attention to the tragedy that is taking place out at the "crossroads" and which is becoming more serious with each passing day.

But during recent months there has been a perceptible slacking up in business circles, and there is every indication that we will soon "catch up with the hounds," if, in fact, we have not already done so—and the reason is that the American farmer is out of the game, as in truth he has been for the best part of the last four years. In other words, he is out on a "buyers' strike," not because he wants to be—not because he doesn't need billions of dollars worth of new building materials, farm implements, fencing, etc., but because since the deflation following the war struck him his one thought has been to keep his farm from falling into the clutches of the sheriff, and therefore interest and taxes have had his first consideration.

Of course, the passage of the McNary-Haugen bill will somewhat increase the cost of the commodities it touches, such as bread, pork, beef, etc., and yet if the handlers of these commodities do not use this measure as a profiteering pretext, then that increase will not amount to enough to seriously affect a single family in the country, for our so-called "high cost of living" comes, not from food costs, but from the output of our mills and factories.

In the meantime the fact that the American Federation of Labor has sent some of its leading representatives to the Agricultural Committees to urge the passage of the McNary-Haugen bill should be a tremendous eye opener to every Member of Congress. And back of this action are three exceedingly pertinent reasons—first, having compelled the passage of the Adamson law during the war, labor knows that it has greatly benefited by specific congressional action, and this isn't saying anything about the favors it expects to continue to receive with reference to the matter of immigration; second, it knows that if it expects to continue to enforce its present exceedingly generous wage scales, then the 40,000,000 people who reside on our farms must be placed in position to once more become aggressive buyers of merchandise, and, lastly, it realizes that if farmers continue to flock to our great industrial centers by the tens of thousands the soup house will be the final answer and that this time is not far away.

EMBARRASSING TO A DEMOCRAT

And now I have no doubt that the average Democratic Member of Congress who is deeply grounded in the old idea of a "tariff for revenue only" will find some difficulty in reconciling himself to a measure which so strongly invokes the principle of protection—but like the farmer we are confronted by a "condition and not a theory" in these premises. In the past, or before the World War, no one believed more steadfastly in the historic position of our party on the tariff than I did—and in proof of this I wrote from beginning to end the last Democratic platform adopted in this State under the old delegate convention system (in the latter part of the Folk administration), and I doubt whether the party ever gave out an expression in Missouri that contained a more deliberate arraignment of the protective system.

But the World War has changed many things and even if Democrats were in undisputed power in Congress to-day I doubt very much whether we would have the hardihood to place the country upon a purely "tariff for revenue only" basis—and I say this because with our inflated wage scales I seriously question whether American industry is in position to hold its own against the low wage scales of Germany, France, England, and other foreign countries at this time. In other words, it is going to take time for both industry and labor to get down off the high horses they are riding, even should they honestly and earnestly strive to do so and for the time being therefore it may be the part of practical wisdom to regard the Fordney-McCumber Act as more or less of a necessary evil. And by this I don't mean that it does not contain many iniquities which should be eliminated at the first opportunity.

And this makes the situation from the farmer's standpoint appear all the more alarming to me—the fact that if agriculture is to live, the farmer must be provided with a dollar of as great purchasing power as the dollar of industry and labor (which is the basis of his production costs) and the deep-seated conviction that, considering the manufacturing profit margins and wage scales of Europe, American industry and labor will not and in fact can not place themselves on a level with our foreign competitors at this time. Therefore it brings us back to the starting point—namely, that if agriculture is to be preserved, then either the price of farm commodities must be raised or the wares and service of industry and labor must be brought down to a level with them—and the latter hope seems to me an idle dream for some years to come!

Therefore as a Democrat I would take the position that so long as industry and labor are beneficiaries of the protective system, the farmer is entitled to his share of the spoils—and I would demand that if the Republicans think so, they make it more than an idle farce—that having given the farmer a tariff, they make it possible for him to collect it! And in these premises let me say that the McNary-Haugen bill is the "acid test," it is the greatest challenge to the sincerity of protectionists in the history of Congress!

AMERICAN AGRICULTURE IS DYING

Never in my humble opinion has Congress been confronted (in times of peace) with a question more profoundly grave than the one that is involved in the McNary-Haugen bill. If the measure is defeated, there will be no loud outcry at the "crossroads"—for the "crossroads" has long since grown accustomed to being told that its pleas are "impractical" for one reason or another and therefore with stoical resignation it will accept its fate, whatever it may be. But in the meantime, the sheriffs' sales will multiply, country banks by the hundreds during the next two or three years will close their doors and the steady stream from the farms to the towns and cities will continue—make no mistake on this score, for the rising and setting of the sun is not more certain!

And if Congress believes that we can safely run the gantlet—if our great captains of industry and our eminent bankers think they can keep our mills and factories in full-time operation and that the buying power of the 40,000,000 people who reside upon our farms is no longer necessary to this end—if they believe that our railroads can pay the present price of fuel, steel, and labor without hauling merchandise out to the "crossroads," as well as grain and livestock away from it—in short, if they believe that agriculture has ceased to be the great "basic industry" of the Nation and that it is no longer necessary in compelling favorable international trade balances, why, then perhaps the fate of the McNary-Haugen bill is of no great consequence! But let gentlemen make sure of their ground—let them be willing to accept the consequences if they have guessed wrongly.

And then there is another side to it. During recent years the tendency toward socialism and radicalism in our great centers of population has grown apace and it is from these realms whence comes evermore insistently the demand that the Government shall operate the railroads and the coal mines and that the decisions of the Supreme Court shall be subject to congressional review—and unless laughter and the joy of contentment is brought back to the "crossroads," unless the deadly decay which is eating its way deeper and deeper into the heart of American agriculture can be arrested in the not distant future, then instead of our myriad farm homes continuing to be the great bulwark against this ever-increasing tide of radicalism which they have been through all the years of the past, let no one be surprised if farmers shall be found in increasing numbers among those who are striving with might and main to destroy our venerable institutions of government which have made the history of the Republic as wonderful as an Arabian Night's dream. Under normal conditions the farmer is a wholesome conservative, intensely proud of his country, and a firm believer in individual effort and responsibility—in fact the latter tendency is chiefly responsible for his present condition of helplessness. But the farmer is also human and as he contemplates the contentment and comparative luxury of those who fix his living and production costs and who seem to have no great difficulty in obtaining the ear of Congress, who will blame him if he voices the pitiful plea of Shylock, "If you tickle us, do we not laugh? If you prick us, do we not bleed?"

If the Republic of Washington and Lincoln is to remain anchored to its moorings in the years to come—if the sinister prophecy of Carlisle is not to be fulfilled—if in the future, as in the past, the farmer is to remain a wholesome "balance of power," who will say "Hands off" to those who would destroy the glorious handiwork of the fathers—then let Congress lose no time in directing its attention to the tragedy that is taking place out at the "crossroads," for as certain as God reigns above, American agriculture is dying!

CONGRESSMAN RAINEY'S OBJECTIONS

The flies of old Egypt were not more numerous than the objections raised against the McNary-Haugen bill by Congressman HENRY T. RAINEY, of Illinois, in a letter to S. H. Thompson, head of the Illinois Agriculture Association, and I shall therefore endeavor to answer only the more pertinent ones:

No. 1. "Will not the 'scrip' bring about an 'expansion in our currency' and increase our 'circulating medium without increasing our gold base'?"

Answer. The "scrip" should not affect our circulating medium in the slightest degree, for in substance it is nothing more than a "due bill" upon which a future dividend will be declared, and if there is any

doubt on this score because of the present wording of the bill, it should be amended. Surely it is not intended that the "scrip" shall be "circulating medium."

No. 2. "Do you think farmers will be satisfied with 'scrip'?"

Answer. Well, in view of the fact that they will be just that much "ahead of the hounds"—that the "scrip" or whatever is decided on will pay them the difference between the "ratio price" and the world price, less the loss on the surplus and the commission's costs of operation, certainly they shouldn't raise any "kick" on this score.

No. 3. "Will it not make it necessary for the Government to slaughter food animals and to invest in packing plants, stockyards, etc., involving perhaps an 'expenditure of billions of dollars in railroad switches, terminals, refrigerator cars, warehouses, etc., etc.'?"

Answer. No. Why should the commission invest a single dollar in these facilities which are already in existence? All on earth the bill seeks to do is to require existing agencies to operate under the "ratio price." If the intention was to have the Government finance such facilities and to build up an enormous pay roll, I would be against it unqualifiedly.

No. 4. "Is it not time to keep the Government out of business as much as possible?"

Answer. You bet your life; and whenever you take it "out of business" in such premises as the Fordney-McCumber Act and with reference to tightening up the immigration laws, then perhaps farmers will not ask for legislation like the McNary-Haugen bill. But since this would be a horse of decidedly different color—since, in fact, Congress could possibly not safely do this at this time—in these circumstances hasn't the farmer a right to expect the Government to "go into business" as much for him as it already has for the other fellows?

No. 5. "Do you not think that in the end the farmer will become the greatest sufferer from its imposition, should it become a law?"

Answer. With the peasant and peon farmers of the world fixing his prices at home and abroad, how can it make the farmer a worse "sufferer" than he already is? And if a fair "ratio price" is enforced in the home markets, as I have already said, won't he be just that much "ahead of the hounds"?

No. 6. As to Mr. RAINEY's reference to wool and cotton and how to apply the "ratio price" to meat products, and the charge that it is only intended to help the wheat grower, I have already covered these points in my answer to Congressman ANDERSON's objections.

No. 7. "Isn't it time to ask what benefits farmers have received from the alleged remedial legislation demanded by the farm organizations, etc.?"

Answer. Well, the organizations have demanded very little specific legislation, and about all Congress has done is to expand credit facilities, and what the farmer wants and needs is not additional credit so much as prices that will enable him to pay debts and to buy sorely needed merchandise.

No. 8. "Has the farmer benefited by the protective tariff Congress has given him on practically everything he produces?"

Answer. Not so that you could notice it with an ordinary magnifying glass. On a commodity like wool, of which we only produce about half enough to supply our home needs, it "brings home the bacon," while on such surplus commodities as wheat it is a delusion and a snare; and all farmers, as well as most Members of Congress, know this.

No. 9. "I notice hogs are going up on the Chicago market. Is this due to the protective tariff, inasmuch as there is no protective tariff on hogs?"

Answer. No; the tariff has nothing to do with it. The heavy winter runs are over, and most likely the packers are "stiffening" the market so as to unload the hogs purchased at a low price and which are stored away in their coolers, at a good profit. This is one way the big packer has of collecting a "ratio price" of his own.

No. 10. "Would it not be advisable (for farmers) to advocate a reduction in the tariff on all articles the farmer buys?"

Answer. Well, why not try it out on the dog? Why not put it up to the industries which only a few short moons ago insisted that the Fordney-McCumber Act was the only thing that could save them from destruction? Very likely they would say that to place them on the world price level, along with Germany, France, England, and other foreign countries, that this would put them out of business—and no doubt there would be much justice in this contention. But if this is true, then how can Congress expect the farmer to exist on the world-price level and carry protected industry and organized labor on his back, to say nothing of enormously increased taxes?

No. 11. "How will the 'ratio price' be reflected back to the farmer through the local elevator?"

Answer. I would say that the local elevator would pay the farmer cash in hand such a part of the "ratio price" as would put the commission safe on the loss on the exportable surplus and its costs of operation, and then later on it could authorize the elevator to pay the remaining dividend when the season's business had been wound up.

No. 12. "Is there any authority in the bill by which the miller can be indemnified against possible loss?"

Answer. If the "ratio price" is applied to seasonal periods in the home markets, it will be a "lead-pipe cinch" for the miller, for then there will be no occasion to "hedge." As to export flour, this will have to be equalized on the world-price basis, just as export wheat itself; and it won't make any difference to the commission or to the farmer as to the form in which the surplus is gotten out of the country.

No. 13. "How many employees will there be?"

Answer. There ought not to be very many, if the law is applied so that existing private agencies can perform its functions.

No. 14. "Can you point to any method so far adopted by this Government in the matter of controlling food prices which has been successful?"

Answer. You bet! During the World War the Government fixed the price of wheat at $2.26 f. o. b. Chicago, and it held it there, despite the fact that the price in Europe was as high as $4.50 per bushel.

No. 15. "Is it not true that the only way to maintain a price is to have a buyer willing and able to take everything offered at the price specified?"

Answer. Under existing conditions the American consumer is buying the farmer's food commodities on the basis of the world-price level, while in turn the farmer's living and production costs are determined by our so-called "American living standards," which were created and which are being maintained by organized industry and labor, and the farmer has no choice except to "dance to the music." And under the McNary-Haugen bill the consumer would have to "dance to the music" also; he would have to pay the "ratio price," while the surplus would continue to be dumped onto the world market. If the farmer has nothing to say about the cost of merchandise, freight rates, etc., then why should the consumer have any greater immunity with reference to the price of farm commodities? Why shouldn't he be fair, and who has any right to assume that he doesn't want to be fair?

No. 16. "What is a Member of Congress to do when two agricultural organizations—equally important and equally interested—reach absolutely different conclusions?"

Answer. Except for some of the smaller units of the wheat growers, there is no appreciable disagreement over this matter—the Farmers' Union and the American Farm Bureau Federation and other of the leading farm organizations are for it—in fact never before have the farm organizations been in as complete agreement as they are in demanding the passage of this bill or a similar one that will accomplish its purpose.

No. 17. "Would not the McNary-Haugen bill put the Federal Government actively into the grain business?"

Answer. The only difference between what the Government would do for the farmer under this bill and what it has been doing for industry for years under the protective system is that it would make the tariff mean something for agriculture—after having given the farmer a tariff it would help him to collect it and it would do this without the loss of a penny! Therefore it is just as fair to say that the Government goes into the steel business when it gives steel the benefit of a tariff as that it is going into the grain business when it gives the wheat growers the benefit of a tariff—except that under this act it will go one step further and help the wheat grower to do what, in his present unorganized condition, he is not able to do for himself. Hence the real question is not whether the Government should take this extra step but whether the producers of wheat, pork, and beef really need this assistance! If they do, then why should the Government hesitate to make this assistance effective?

No. 18. "Do you not think the Russian experiment with its dead numbering over 7,000,000 ought to dissuade our people from proceeding in that direction?"

Answer. Good Lord—if it is half as bad as this, by all means kill the bill!

OBJECTIONS OF MR. ROBERTS, VICE PRESIDENT NATIONAL CITY BANK, NEW YORK CITY

In an able address delivered at the University of Ohio on February 6, 1924, Mr. Roberts made certain observations which may come to the attention of Members of Congress, and therefore I offer the following comment:

No. 1. Speaking against governmental "price fixing," Mr. Roberts among other things said: "There is no remedy for the situation except by reducing the production of wheat. Any form of Government aid, such as price fixing above the market, which has the effect of inducing farmers to continue wheat growing on the present scale would be a mistake, because wheat growing on this scale is not needed."

Answer. The farmer isn't kicking on having to accept the world price on the yearly surplus of 150,000,000 or 200,000,000 bushels—what he is sore about and what he has a right to be sore about is having to accept the world price on the 600,000,000 bushels that are ordinarily required to supply bread for the consumers of the United States. And with the uncertainty of acre yields because of flood, drought, winter killing, and insect pestilence how is the farmer to plan a wheat crop that will exactly meet our national needs?

But remember that under the McNary-Haugen bill the "ratio price" will merely apply to domestic consumption and from this price will be deducted the loss on the surplus and the commission's

costs of operation. Therefore the surplus is not an issue; the issue is, Is the American wheat grower entitled to a fair price for the bread he supplies to American consumers?

No. 2. "The remedy is simply for some of them to stop growing wheat and go into something else, or for them as a whole to scale down the production of wheat to such an extent as will bring the situation back into balance."

Answer. With 6,500,000 farmers scattered between the two oceans such teamwork would be extremely difficult, considering the farmer's present unorganized condition, for unlike the manufacturer the farmer can not regulate his production with exact precision. But for argument's sake, let us assume that such regulation had been practiced with reference to the 1924 crop and that we would produce a round 600,000,000 bushels, or just enough to supply our home demands; if this were true, let us suppose next that the spokesmen of the wheat growers would go to Congress and say, "You have extended protection to industry and labor with a generous hand, and turn about is fair play, therefore we ask that you give us a tariff that will make No. 2 wheat sell at $1.75 per bushel f. o. b. Chicago"—and could Congress consistently deny their plea and wouldn't this be "price fixing" with much greater vengeance than the McNary-Haugen bill has in view? The point I want to drive home is that if the wheat grower was in position to do what Mr. Roberts implies he should do, then he would ask Congress to "deliver"—to give him his "pound of flesh," and it could not consistently deny him!

But because the farmer is helpless; because he is forced to come to Congress with a plea rather than a demand; this is why he is told in substance, "We are sorry for you—we know you are in a mighty tight place—but we can't do anything for you."

Also it may be said if Mr. Roberts's advice is sound for the wheat grower, then it must be equally sound for the hog and cattle raiser, for the latter find themselves in an even worse position; and if these tens of thousands of farmers are to quit raising wheat, hogs, and cattle, then what are they to do? Would Mr. Roberts suggest that they take to raising peanuts, onions, and cauliflower? Well, these things don't grow very well in the Corn Belt, and anyway the country is already surfeited with them. Far be it from me to become facetious in these grave premises, and yet if out of sheer desperation these farmers go to raising h—— instead, let Mr. Roberts and certain gentlemen who dread the "ides of November" not be surprised! And in these premises I respectfully remind them of one MAGNUS JOHNSON!

No. 3. "If the Government is to guarantee a price for wheat, the natural question is, Why not for copper, cotton goods, and everything else?"

Answer. Well, if Mr. Roberts doesn't think as the song had it some years back that "Everybody's doing it," let him get hold of the Fordney-McCumber Act and also take a squint at our immigration laws—and last but by no means least, let him contemplate the present wage scales of organized labor.

No. 4. "One might think from much that is written on the subject that there was danger of general desertion of the farms unless artificial means of some kind were adopted to improve the returns, etc."

Answer. And this is exactly what is taking place at this very moment. As I have said elsewhere, thousands of farms here in Missouri have been deserted and thousands of others will be sold by the sheriff before aid can possibly come. Therefore if Mr. Roberts means that this fact might cause him to view matters in a more serious light, his change of front is in order.

No. 5. "The Government could not for long continue to buy and store such commodities upon terms that would encourage their production above the rate of consumption."

Answer. The farmer doesn't ask this. All the McNary-Haugen bill seeks to do is to maintain a "ratio price" in the home markets, letting the surplus bring what it will in the world markets, meanwhile charging the loss and costs of operation up against the said "ratio price"—and the only "buying and storing" the commission would have to do would be through the process of getting the surplus out of the country and in determining the amount of such surplus.

No. 6. "Finally, if the plan was workable at all, it would divide society into warring factions, emphasizing conflicting interests instead of mutual interests. It would be worse than socialism, for it would be syndicalism, the end of individual liberty and of reward for individual efficiency."

Answer. If it is as bad as all this, then why doesn't the protective system which can not be applied with scientific precision or equity "divide society into warring factions"? And even so, when through organized action our bricklayers and plasterers demand and receive two or three times as much per day as tens of thousands of school teachers, clerks, bookkeepers, etc., why doesn't this "divide society into warring factions"? What eminent business men like Mr. Roberts and the Members of Congress must do and do quickly is to get themselves "located" on agriculture. If it has ceased to be the Nation's great "basic industry"—if we can afford to let it shift for itself and still keep our mills and factories going and our railroads running, why, then all right. But let them make sure that they know what they are doing in these premises!

OBJECTIONS OF MR. ANDERSON

I now propose to briefly answer the criticisms of Congressman SYDNEY ANDERSON, which have been widely published:

First, Mr. ANDERSON says that the bill applies to flour, corn, cotton, wool, swine, cattle, sheep, or any of the food products of these commodities and then he doubts its practicability in these premises.

As to flour that is exported, undoubtedly the world price of wheat will have to be taken into consideration in behalf of the miller—and there is no reason why the difference between the domestic and world price can not be practically applied to export flour for the miller's protection. As to wool, he is correct when he says that we are an importing rather than an exporting Nation and this item should therefore be stricken from the bill, for the present wool tariff is 100 per cent effective. As to cotton, the future alone can tell whether an emergency should be declared with reference to it and therefore why not let the future decide? In any event, why not leave the door open if the cotton grower should need assistance? Manifestly any bill of this kind must apply to all the great staples of agriculture, should they be menaced in the world markets. With reference to corn, I am again inclined to agree with Mr. ANDERSON, not only because our corn exports are negligible but also the price of hogs and cattle very largely regulates the price of corn and would do so (in my opinion) almost absolutely under the operation of this measure. I do not, however, agree with him with reference to rye, oats, and barley, which are merly incidental and related crops.

Mr. ANDERSON next concludes that the bill is intended only to pull the wheat grower out of the hole and that the inclusion of hogs and cattle is for "political purposes only"—and if I thought so I would be against it. That its application to hogs and cattle will be more difficult than on wheat is undoubtedly true—and yet why should a commission made up of the Secretaries of Agriculture, Commerce, and the Treasury, together with the other able gentlemen whom it is assumed the President will appoint—why should not such a commission be able to reach a workable understanding with the meat packers of the country that will preserve a "ratio price" in these premises? At least why not try? In any case, we can not make things worse than they already are—for the farmer can not continue to supply the Nation's meat at a tremendous loss to himself and therefore the price must be raised by one means or another, if the meat producing industry is to live!

Next, Mr. ANDERSON concludes that to establish a "ratio price" between wheat (or any other farm commodity) and the all-commodity price is a "fundamental weakness"—that the "appropriate price for agricultural commodities depends upon economic factors, etc.," and of course this is the well-known red herring about the law of supply and demand—and the simple answer which I have already given is that the farmer can not continue to pay tribute to organized industry and labor according to their standards of value and then permit the peasant and peon farmers of the world to fix a price on the products of his toil.

This is the foundation of this bill and it can not be waived aside by producing a smoke screen of mere technicalities!

As to the charge that the operation of this measure will make the all-commodities price go up, I do not think so to any appreciable extent—first, because a fair "ratio price" chiefly applied to wheat and meats will not perceptibly increase the "cost of living" and, second, the fact that prominent labor leaders are championing the McNary-Haugen bill without "saving their exceptions" would indicate that they are willing to "stand the raise"—that they prefer to see the farmer get back in the buying game, rather than to welcome the coming of soup houses.

As to his conclusion that a "ratio price" is "absolutely unsound" and "unworkable," why is this true? Has not the farmer the right to receive a dollar for his toil of as great purchasing power as the dollar of those who determine his production costs and whom he therefore helps to sustain, and is not this the equilibrium which the "ratio price" seeks to establish? As to Mr. ANDERSON'S suggestion that the "ratio price" must be determined by anchoring it to certain great terminal markets, in this he is, of course, correct; but why not assume that the commission and the handlers of the commodities in question will be able to arrive at a "workable" understanding in this respect?

As to his statement that the commission would have to ascertain production "a year in advance," this would not be possible nor would it be necessary. With reference to wheat, once the crop is made we will know measurably where we stand, whether the exportable surplus will be around 200,000,000 or 150,000,000 bushels; therefore if the commission removes a safe quantity from the domestic markets through export channels, why should it not warehouse for the time being a sufficient additional quantity until it knows where it stands, and why should it not, through the aid of the great meat packers, pursue the same tactics with reference to pork and beef? I do not pose as an authority in these premises, but why assume in advance that practical problems of marketing are impossible of solution? The statement that we have different grades of wheat, hogs,

and cattle is of course true, but why should not the "ratio price" be applied accordingly?

As to Mr. ANDERSON's objections to the issuance of "scrip," this I have already covered elsewhere. As to his statement that the purpose of the McNary-Haugen bill is as "old as history itself," this also is partially true, and the reason it is true is because for many years under the protective system the great industries of this country have made the farmer stand for this principle whether he liked it or not, and even so our workingmen have been and are at this hour protected against the so-called "pauper labor of Europe." Therefore, can anybody blame the farmer for also hankering after a little of the "pie"?

And, finally, his suggestion that it will lead to "overproduction"; in the first place every intelligent farmer will realize that this would "kill the goose that laid the golden egg," and also the commission is empowered to withdraw its support whenever the menace of overproduction becomes manifest with reference to any given commodity. In the meantime, to oppose the bill on this score is a good deal like advising a starving man against eating on the theory that he might die of indigestion!

Trusting that you will consider these views for what they may be worth, I am, with best wishes,

Sincerely yours,

WILLIAM HIRTH,
Publisher The Missouri Farmer, Columbia, Mo.

The CHAIRMAN. All time has expired. The Clerk will read the bill.

The Clerk read as follows:

Be it enacted, etc., That in order to defray the expenses of the District of Columbia for the fiscal year ending June 30, 1925, 40 per cent of each of the following sums, except those herein directed to be paid otherwise, is appropriated out of any money in the Treasury not otherwise appropriated, and all the remainder out of the combined revenues of the District of Columbia and such advances from the Federal Treasury as are authorized in the District of Columbia appropriation act for the fiscal year 1923, namely.

Mr. DAVIS of Minnesota. Mr. Chairman, I move that the committee do now rise.

Mr. CRAMTON. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. CRAMTON. I was on my feet, prepared to offer an amendment to the first paragraph.

The CHAIRMAN. The gentleman can defer that until the consideration of the bill is resumed. The gentleman from Minnesota moves that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and Mr. TILSON as Speaker pro tempore having assumed the chair, Mr. GRAHAM of Illinois, Chairman of the Whole House on the state of the Union reported that that committee, having had under consideration the bill (H. R. 8839) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1925, and for other purposes, had come to no resolution thereon.

EXTENSION OF REMARKS

Mr. TREADWAY. Mr. Speaker, I ask unanimous consent to address the House for one minute.

The SPEAKER. The gentleman from Massachusetts asks unanimous consent to address the House for one minute. Is there objection?

There was no objection.

Mr. TREADWAY. Mr. Speaker, in this morning's RECORD of yesterday's proceedings we find the gentleman from Texas [Mr. BLANTON] extended his remarks to the extent of 12 pages, 5 pages of which had been previously printed as committee hearings; and then again, without permission as I can find in the RECORD, 15 pages of advertisements taken from the issue of the Washington Star. I maintain that that is contrary to the use of the RECORD, and it is an expense of $1,042, estimated by the Government Printing Office. I maintain that that is an expenditure that the gentleman from Texas ought not to inflict on the House.

Mr. BLANTON. Mr. Speaker, I ask leave to proceed for half a minute.

The SPEAKER. The gentleman asks unanimous consent to proceed for half a minute. Is there objection?

There was no objection.

Mr. BLANTON. Mr. Speaker, the gentleman from Massachusetts [Mr. TREADWAY] is entirely mistaken. "The gentleman from Texas" got leave to extend his remarks, and he extended them under that leave. That matter is as important a matter as is ever seen in the RECORD, because the Supreme Court will pay more attention to those advertisements of property for rent on the issue of emergency than to any part of the debate on the bill when they come to construe the language of the bill and the debates thereon.

Mr. TREADWAY. They do not need it.

LEAVE TO ADDRESS THE HOUSE

Mr. ROBSION of Kentucky. Mr. Speaker, I ask unanimous consent to address the House for 15 minutes to-morrow, to discuss the question of the West Virginia mine disaster, and I wish to bring the matter to the attention of the country.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

Mr. LONGWORTH. Reserving the right to object, Mr. Speaker, has the gentleman consulted with the chairman of the Committee on Foreign Affairs?

Mr. ROBSION of Kentucky. It has no relation to that subject.

Mr. LONGWORTH. Except that the Committee on Foreign Affairs has the call to-morrow, Calendar Wednesday, and I understand they have a number of bills of large importance, and they might object.

Mr. ROBSION of Kentucky. It is only 15 minutes and it is a matter of great importance to the country. We are having so many great mine explosions and disasters that I want to bring just a few facts to the attention of the country which I have gathered from those who know. I think the people ought to know them and perhaps some of these explosions and disasters may be avoided.

Mr. LONGWORTH. I shall offer no objection.

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

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. TYDINGS, for five days, on account of important business.

To Mr. WINTER, for 16 days, on account of important business.

ADJOURNMENT

Mr. DAVIS of Minnesota. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 57 minutes p. m.) the House adjourned until to-morrow, Wednesday, April 30, 1924, at 12 o'clock noon.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. GRAHAM of Pennsylvania: Committee on the Judiciary. H. R. 466. A bill to amend section 90 of the Judicial Code of the United States, approved March 3, 1911, so as to change the time of holding certain terms of the district court of Mississippi; without amendment (Rept. No. 594). Referred to the House Calendar.

Mr. GRAHAM of Pennsylvania: Committee on the Judiciary. H. R. 6860. A bill to authorize each of the judges of the United States District Court for the District of Hawaii to hold sessions of the said court separately at the same time; with amendments (Rept. No. 595). Referred to the House Calendar.

Mr. GRAHAM of Pennsylvania: Committee on the Judiciary. H. R. 8657. A bill to amend section 98 of the Judicial Code, providing for the holding of the United States district court at Shelby, N. C.; with amendments (Rept. No. 596). Referred to the House Calendar.

Mr. GRAHAM of Pennsylvania: Committee on the Judiciary. H. R. 8711. A bill to authorize the consolidation and coordination of Government purchases, to enlarge the functions of the General Supply Committee, and for other purposes; without amendment (Rept. No. 597). Referred to the Committee of the Whole House on the state of the Union.

Mr. ABERNETHY: Committee on the Public Lands. S. 807. An act authorizing the Secretary of the Interior to determine and confirm by patent in the nature of a deed of quitclaim the title to lots in the city of Pensacola, Fla.; without amendment (Rept. No. 598). Referred to the Committee of the Whole House on the state of the Union.

Mr. SHERWOOD: Committee on Military Affairs. H. R. 3669. A bill to provide for the inspection of the battle fields of the siege of Petersburg, Va.; without amendment (Rept. No. 599). Referred to the Committee of the Whole House on the state of the Union.

Mr. PORTER: Committee on Foreign Affairs. H. J. Res. 248. A joint resolution to provide for the remission of further payments of the annual installments of the Chinese indemnity;

without amendment (Rept. No. 600). Referred to the Committee of the Whole House on the state of the Union.

Mr. ROBSION of Kentucky: Committee on Mines and Mining. S. 2797. An act to authorize the payment of claims under the provisions of the so-called war minerals relief act; without amendment (Rept. No. 601). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. CABLE: A bill (H. R. 8956) to prevent corrupt practices in congressional elections; to the Committee on Election of President, Vice President, and Representatives in Congress.

By Mr. SUMMERS of Washington: A bill (H. R. 8957) amending sections 1, 2, and 14 of an act entitled "An act extending the period of payment under reclamation projects, and for other purposes," approved August 13, 1914, and for other purposes; to the Committee on Irrigation and Reclamation.

By Mr. GRAHAM of Pennsylvania: A bill (H. R. 8958) to amend section 194 of the Penal Code; to the Committee on the Judiciary.

By Mr. TAYLOR of Colorado: A bill (H. R. 8959) to add certain lands to the Grand Mesa National Forest, in the State of Colorado; to the Committee on the Public Lands.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CANNON: A bill (H. R. 8960) granting a pension to Bettie Short; to the Committee on Invalid Pensions.

By Mr. DEMPSEY: A bill (H. R. 8961) for the relief of Frank Stinchcomb; to the Committee on Naval Affairs.

By Mr. GOLDSBOROUGH: A bill (H. R. 8962) for the relief of John C. Hines; to the Committee on Claims.

By Mr. HAMMER: A bill (H. R. 8963) granting an increase of pension to Eliza Lemmond; to the Committee on Pensions.

Also, a bill (H. R. 8964) for the remburseement of Emma Pulliam; to the Committee on Claims.

By Mr. HOWARD of Nebraska: A bill (H. R. 8965) for the relief of the Omaha Indians of Nebraska; to the Committee on Indian Affairs.

By Mr. JOHNSON of West Virginia: A bill (H. R. 8966) granting a pension to Lula E. Winans; to the Committee on Pensions.

Also, a bill (H. R. 8967) granting an increase of pension to Mary E. Thomas; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8968) granting an increase of pension to George W. James; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8969) for the relief of John B. Canter; to the Committee on Claims.

Also, a bill (H. R. 8970) for the relief of James Monroe Caplinger; to the Committee on Claims.

Also, a bill (H. R. 8971) for the relief of Joseph P. Jones; to the Committee on Claims.

By Mr. O'CONNOR of Louisiana: A bill (H. R. 8972) for the relief of Lieut. (Junior Grade) Thomas J. Ryan; to the Committee on Claims.

By Mr. ROSENBLOOM: A bill (H. R. 8973) for the relief of George W. McKeever; to the Committee on Claims.

By Mr. ROBSION of Kentucky: A bill (H. R. 8974) granting a pension to Sarah Mobley; to the Committee on Invalid Pensions.

By Mr. SPEAKS: A bill (H. R. 8975) for the relief of Joseph Maier; to the Committee on Claims.

By Mr. WILLIAMS of Michigan: A bill (H. R. 8976) granting a pension to Jane S. Gillingham; to the Committee on Invalid Pensions.

PETITIONS, ETC.

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

2562. By Mr. BIXLER: Petition of Presbyterian Church of Utica, Pa., protesting against proposed bills legalizing 2.75 per cent beer; to the Committee on the Judiciary.

2563. Also, petition of citizens of Elk County, Pa., against enactment of law nullifying the enighteenth amendment, and against legalizing 2.75 per cent beer; to the Committe on the Judiciary.

2564. Also, petition of citizens of Elk County, Pa., protesting against enactment of law nullifying the eighteenth amendment and against legalizing 2.75 per cent beer; to the Committee on the Judiciary.

2565. Also, petition of citizens of Kersey, Elk Co., Pa., protesting against act nullifying eighteenth amendment and legalizing 2.75 per cent beer; to the Committee on the Judiciary.

2566. By Mr. BLOOM: Petition of residents of the nineteenth congressional district, favoring increase in salary for postal employees; to the Committee on the Post Office and Post Roads.

2567. By Mr. FENN. Petitions of Emma Hart Willard Chapter, Daughters of the American Revolution, Berlin, Conn., favoring the passage of Senate Joint Resolution 64, being a joint resolution to change the name of "Mount Rainier" to "Mount Tacoma," and for other purposes; to the Committee on the Public Lands.

2568. By Mr. GALLIVAN: Petition of the Bar Association of the city of Boston, Mass., protesting against Senate bill 624 and House bill 3260, which purpose amending the practice and procedure in Federal courts; to the Committee on the Judiciary.

2569. Also, petition of Miss Ella M. Clarke, 27 Milton Avenue, Dorchester, Mass., recommending favorable consideration of Dill radio bill; to the Committee on the Merchant Marine and Fisheries.

2570. By Mr. McDUFFIE: Petition of executive committee of the Chamber of Commerce, Mobile, Ala., supporting the national defense act of 1920, and urging Congress to appropriate money sufficient to carry out the purpose and intent of said act, and for other purposes; to the Committee on Military Affairs.

2571. By Mr. RAKER: Petition of Shelton F. McGrath, Peoria, Ill., opposing waterway on the Illinois River provided for by House bill 5475; to the Committee on Rivers and Harbors.

2572. Also, petition of Ex-service Men's Antibonus League, Montclair, N. J., in opposition to the soldiers' bonus bill; to the Committee on Ways and Means.

2573. Also, petition of C. A. Simmons, 1910 Union Street, San Francisco, Calif., indorsing Senate bill 5 in re ex-service men incapacitated for work; to the Committee on Pensions.

2574. Also, petition of E. L. Baker Camp, No. 71, United States War Veterans, Department of California, Los Angeles, Calif., indorsing Knutson bill (H. R. 5934).; to the Committee on Pensions.

2575. Also, petition of the Sacramento Chamber of Commerce, California, urging the organizatton of an independent board of tax appeals separate from the Treasury Department; to the Committee on Appropriations.

2576. Also, petition of United States Customs Service Openers and Packers Association, New York City, indorsing Lehlbach bill to increase salaries of customs service employees; to the Committee on the Civil Service.

2577. Also, petitions of Patients Publicity Committee, United States Veterans' Hospital 72, Helena, Mont., indorsing Johnson immigration bill and opposing the Reed bill (S. 2257); and the Loyal Orange Institution, U. S. A., Oakland, Calif., resolutions indorsing passage of Johnson immigration bill; to the Committee on Immigration and Naturalization.

2578. Also, petition of Colonel Liscum Camp, Spanish-American War Veterans, Dayton, Ohio, extending vote of thanks to Senators assisting in passage of Bursum bill; to the Committee on Invalid Pensions.

2579. Also, petitions of Building Owners and Managers Association, San Francisco, Calif., and Apartment House Owners and Managers Association, Stockton, Calif., opposing passage of House bill 7962 in re Rent Commission; to the Committee on the District of Columbia.

2580. Also, petition of National Bank of D. O. Mills & Co., Sacramento, Calif., indorsing House bill 6855 permitting national banks to make real-estate loans; to the Committee on Banking and Currency.

2581. Also, petition of the Board of City Commissioners, Trenton, N. J., relative to cost and advisability of deepening the channel of the Delaware River from Philadelphia to Landing Street, N. J.; to the Committee on Rivers and Harbors.

2582. Also, petition of Orange County Farm Bureau, Santa Ana, Calif., opposing increase in parcel-post rates and rates on fourth-class mail matter; to the Committee on the Post Office and Post Roads.

2583. Also, petition of Montana Wheat Growers' Association, Lewistown, Mont., indorsing McNary-Haugen bill; to the Committee on Agriculture.

2584. Also, petitions of C. H. Coar, Los Angeles, Calif., opposing Smith-Towner bill, and Anna Anderson, chairman legislative committee, San Francisco Grade Teachers' Association, indorsing Sterling-Reed bill; to the Committee on Education.

2585. Also, petition of directors of the California White and Sugar Pine Manufacturers, resolutions in re subdivision C of section 201 of the proposed internal revenue law; to the Committee on Ways and Means.

2586. Also, petition of C. C. Thomas Navy Post, No. 244, San Francisco, Calif., relative to hydrographic surveys; to the Committee on Naval Affairs.

2587. Also, petition of Tacoma Conference of Commercial and Port Organizations of the Pacific Coast of the United States, Tacoma, Wash., in re section 28 of the merchant marine act of 1920; to the Committee on the Merchant Marine and Fisheries.

2588. Also, petitions of the Ebell Club, Long Beach, Calif., in re Senate bill 2313 in re Five Civilized Tribes of Oklahoma, and in re Senate bill 966, for the relief of the Pima Indians of Arizona; to the Committee on Indian Affairs.

2589. Also, petitions of the Woman's Civic League, San Fernando, Calif., indorsing Senate bill 2015, for welfare of the Pueblo Indians, and Beverly Hills Woman's Club, indorsing Senate bill 2313, for the relief of the Five Civilized Tribes of Indians in Oklahoma; to the Committee on Indian Affairs.

2590. Also, petition of the Ebell Club of Los Angeles, Calif., in re disabled veterans of the World War; to the Committee on Military Affairs.

2591. Also, petition of Fremont Morse, Berkeley, Calif., urging support of House bill 5097 in retired officers of various military services; to the Committee on Military Affairs.

2592. Also, petition of the C. C. Thomas Navy Post, No. 244, indorsing House bill 514 providing for meritorious medal for officers and men of the Navy and Marine Corps; to the Committee on Military Affairs.

2593. Also, petition of Department of Arizona, Disabled American Veterans of the World War, resolutions indorsing United States Veterans' Hospital No. 51, at Tucson, Ariz., for a permanent hospital; to the Committee on Military Affairs.

2594. Also, petition of San Francisco Labor Council, San Francisco, Calif., resolutions protesting against policy of the United States Shipping Board and the Emergency Fleet Corporation in permitting their ships to be manned by aliens ineligible to United States citizenship; to the Committee on the Merchant Marine and Fisheries.

2595. Also, petition of J. Edmond Wood, president of the National Baptist Convention, box 235, Danville, Ky., in re an appeal to the lawmakers of the Nation on behalf of the railroads, discouraging antirailroad legislations; to the Committee on Interstate and Foreign Commerce.

2596. Also, petition of Tacoma Conference of Commercial and Port Organization of the Pacific Coast of the United States, Tacoma, Wash., opposing the Gooding bill (S. 2327) relative to supervision of the Interstate Commerce Commission rail carriers; to the Committee on Interstate and Foreign Commerce.

2597. Also, petition of R. E. Ford, 5121 Laroda Avenue, Los Angeles, Calif., opposing passage of Senate bill 2646 and House bill 7358 for the purpose of amending the transportation act of 1920; to the Committee on Interstate and Foreign Commerce.

2598. Also, petition of Dr. Chevalier Jackson, 128 South Tenth Street, Philadelphia, Pa., indorsing House bill 7822, requiring proper labeling of household preparations; to the Committee on Interstate and Foreign Commerce.

2599. Also, petitions of Sunset Lodge No. 1117, I. A. of M., Berkeley, Calif., indorsing Howell-Barkley bill abolishing Railway Labor Board, and Frank L. Harmon, Charles F. Collins, and Edith L. Harmon, Gold Run, Calif., indorsing Howell-Barkley bill abolishing Railway Labor Board; to the Committee on Interstate and Foreign Commerce.

2600. Also, petitions of West Coast Theaters (Inc.), Los Angeles, Calif., relative to music license fee under revision of copyright law, and Sol Lesser, vice president West Coast Theaters (Inc.), Los Angeles, Calif., in re decision of judges regarding copyright laws; to the Committee on Interstate and Foreign Commerce.

2601. Also, petition of Dried Fruit Association of California, San Francisco, Calif., opposing Senate bill 2327, in re fourth section of the interstate commerce act; to the Committee on Interstate and Foreign Commerce.

2602. By Mr. ROGERS of New Hampshire: Resolutions of Reserve Officers' Association, of Laconia, N. H., that there should be maintained an adequate military force as contemplated in the national defense act of 1920, etc.; to the Committee on Military Affairs.

2603. By Mr. SEGER: Petition of 216 citizens of Paterson, Passaic, Clifton, and Little Falls, N. J., protesting against the 2.75 beer bills; to the Committee on the Judiciary.

2604. Also, petition of 208 citizens of Paterson, N. J., and vicinity, protesting against the 10 per cent luxury tax on radio sets and parts; to the Committee on Ways and Means.

2605. By Mr. STEPHENS: Petition of the Aid Society of Wyoming Presbyterian Church, of Wyoming, Ohio, opposing the modification of the Volstead Act; to the Committee on the Judiciary.

SENATE

WEDNESDAY, *April 30, 1924*

(Legislative day of Thursday, April 24, 1924)

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

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

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

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

Adams	Ferris	King	Reed, Pa.
Ashurst	Fess	Ladd	Sheppard
Ball	Fletcher	Lodge	Shields
Bayard	Frazier	McCormick	Shipstead
Borah	George	McKellar	Shortridge
Broussard	Gerry	McKinley	Simmons
Bruce	Glass	McLean	Smith
Bursum	Gooding	McNary	Smoot
Cameron	Hale	Mayfield	Stanfield
Capper	Harreld	Moses	Stanley
Cummins	Harris	Neely	Stephens
Curtis	Harrison	Norbeck	Sterling
Dale	Heflin	Norris	Swanson
Dial	Howell	Oddie	Trammell
Dill	Johnson, Calif.	Overman	Walsh, Mass.
Edge	Johnson, Minn.	Phipps	Walsh, Mont.
Edwards	Jones, N. Mex.	Pittman	Warren
Ernst	Kendrick	Ralston	Watson
Fernald	Keyes	Ransdell	Willis

Mr. CURTIS. I wish to announce that the Senator from Wisconsin [Mr. LENROOT] is absent on account of illness. I ask that this announcement may stand for the day.

I was requested to announce that the Senator from Iowa [Mr. BROOKHART], the Senator from Washington [Mr. JONES], and the Senator from Montana [Mr. WHEELER] are attending a hearing before a special investigating committee of the Senate.

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

WORLD WAR VETERANS

Mr. WALSH of Massachusetts. Mr. President, I ask unanimous consent to have printed in the RECORD an analysis prepared at my request by the Veterans' Bureau relating to Senate bill 2257, which was under consideration last night at the time the Senate took a recess. This bill, not yet finally disposed of, is the result of much study and consideration by the select committee of the Senate which investigated the Veterans' Bureau of the whole problem of our World War veterans—compensation, rehabilitation, hospitalization, and insurance. It contains many changes, most of them enlarging existing benefits. The printing in the RECORD of this analysis will permit Members of Congress, veterans, and others to become familiar more readily with the numerous proposed changes.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Massachusetts? The Chair hears none, and it is so ordered.

The statement is as follows:

ANALYSIS OF SENATE BILL 2257, AS REPORTED BY THE COMMITTEE ON FINANCE

The purpose of this memorandum is to note the changes from existing law as contained in S. 2257, as reported by the committee; but no mention will be made of mere differences in phraseology.

TITLE I

Section 1: The short title for the act, as contained in this section, is new. It is called the World War veterans act of 1924.

Section 2: The first definition in this section is new; the second definition is contained in existing law.

Section 3: In subdivision 9 the language contained in the last two lines is new. Subdivisions 14 and 15 are new; otherwise, the section continues existing law.

Section 5: This section in the main continues existing law, but adds authority for the director to delegate authority to employees.