2070. By Mr. ANDREW: Communication from West Newbury Grange, No. 146, West Newbury, Mass., opposing any change in the prohibition laws; to the Committee on the Judiciary.

2071. By Mr. BURTON: Resolution of Cleveland Chapter of the Disabled Emergency Officers of the World War, favoring retirement legislation for emergency officers; to the Committee on Rules.

2072. Also, resolutions adopted by Assemblies No. 126 and No. 127 of the Slovak Evangelical Union, Cleveland, Ohio, protesting against the enactment of certain proposed legislation providing for the deportation and registration of aliens; to the Committee on Immigration and Naturalization.

2073. By Mr. CARTER of California: Petition of Los Angeles District, California Federation of Women's Clubs, indorsing House bills 3020, 8821, and 9497; to the Committee on Indian Affairs.

2074. Also, petition of 350 citizens of California, protesting against the passage of House bill 7179; to the Committee on the District of Columbia.

2075. Also, petition of the State of California Fish and Game Commission, opposing the enlargement of Sequoia National Park (H. R. 9387); to the Committee on the Public Lands.

2076. By Mr. CHINDBLOM: Petition of Mr. Aaron Lundell and 123 other residents of Chicago, Ill., protesting against the following compulsory Sunday observance bills, H. R. 10311, 10123, 7179, or 7822, now pending, or any other compulsory religious measure that may be introduced; to the Committee on the District of Columbia.

2077. By Mr. DICKINSON of Missouri: Petition of 49 citizens of Lockwood, Dade County, Mo., against the compulsory Sunday observance law or any other national religious legislation pending; to the Committee on the District of Columbia.

2078. By Mr. GALLIVAN: Petition of G. K. Creighton, vice president E. T. Slattery Co., Boston, Mass., recommending early and favorable consideration of the migratory bird refuge-public shooting ground bill; to the Committee on Agriculture.

2079. By Mr. KELLY: Petition of the retail druggists of New York State, requesting enactment of House bill 11, the price maintenance bill; to the Committee on Interstate and Foreign Commerce.

2080. By Mr. KNUTSON: Petition of Lena Ray, Tamarack, Minn., and others, protesting against compulsory Sunday observance; to the Committee on the District of Columbia.

2081. By Mr. LINTHICUM: Petition of J. Kemp Bartlett, Edward B. Jeffery, Garner W. Denmead, Dr. B. Holly Smith, The Canton Lumber Co., Kiwanis Club, Weston W. Seward, R. B. Mason, Frederick P. Stieff, Sifford Pearre, Elmer M. Beard, W. T. Shackelford & Co., Homeland Manufacturing Co., James R. Clark, all of Baltimore, favoring passage of House bill 7479, migratory bird refuge and marshland conservation bill; to the Committee on Agriculture.

2082. By Mr. O'CONNELL of New York: Petition of the National Cooperative Milk Producers' Federation, favoring the passage of the Tincher bill (H. R. 11618); to the Committee on Agriculture.

2083. Also, petition of the Elmer E. Bennett, jr., Post, No. 725, American Legion, of Brooklyn, N. Y., favoring the passage of House bills 10240, 4548, and 10277, having to do with disabled veterans and their dependents; to the Committee on World War Veterans' Legislation.

2084. By Mr. PEAVEY: Petitions of 1,866 citizens of northern Wisconsin, urging favorable action on House bill 10006, providing for the distribution of explosives to bona fide settlers on cut-over lands for land-clearing purposes; to the Committee on Agriculture.

2085. By Mr. SWING: Petition of certain residents of Loma Linda, Calif., protesting against the passage of House bill 7179 and similar bills for the compulsory observance of Sunday in the District of Columbia; to the Committee on the District of Columbia.

2086. By Mr. WEFALD: Petition of the Chippewa Council, White Earth, Minn., requesting an investigation of the superintendent of the Consolidated Chippewa Agency of Minnesota at Cass Lake, Minn., on account of failure to make payments from the Chippewa fund authorized by law to certain Chippewa Indians of Minnesota; to the Committee on Indian Affairs.

2087. Also, petition of 27 residents of Vining, Minn., protesting against the abrogation of religious liberty by the passage of any Sunday observance law for the District of Columbia; to the Committee on the District of Columbia.

2088. Also, petition of 20 residents of Hazel, Minn., protesting against the passage of any law to compel Sunday observance in the District of Columbia; to the Committee on the District of Columbia.

2089. Also, petition of 74 residents of Roseau County, Minn., protesting against the passage of any Sunday observance law for the District of Columbia; to the Committee on the District of Columbia.

2090. By Mr. WELLER: Petition of Alpha Physical Culture Club, indorsing House bill 7, a bill to increase the retirement pay of Federal employees; to the Committee on the Civil Service.

SENATE

FRIDAY, *May 7, 1926*

(Legislative day of Thursday, May 6, 1926)

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

INTERIOR DEPARTMENT APPROPRIATIONS

Mr. SMOOT. Mr. President, I submit a conference report and ask for its immediate consideration and approval.

The report was read, as follows:

The committee of conference on the disagreeing votes of the two Houses on certain amendments of the Senate to the bill (H. R. 6707) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1927, and for other purposes, 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 amendments numbered 46 and 62.

REED SMOOT,
CHARLES CURTIS,
L. C. PHIPPS,
WM. J. HARRIS,
A. A. JONES,
Managers on the part of the Senate.

LOUIS C. CRAMTON,
FRANK MURPHY,
C. D. CARTER,
Managers on the part of the House.

The report was considered and agreed to.

CALL OF THE ROLL

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

The VICE PRESIDENT. The clerk will call the roll.

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

Ashurst	Ferris	La Follette	Shipstead
Bayard	Fess	Lenroot	Shortridge
Bingham	Fletcher	McKellar	Simmons
Blease	Frazier	McLean	Smith
Borah	George	McMaster	Smoot
Bratton	Gerry	McNary	Stanfield
Broussard	Gillett	Mayfield	Steck
Bruce	Glass	Means	Stephens
Butler	Goff	Metcalf	Swanson
Cameron	Gooding	Moses	Trammell
Caraway	Greene	Neely	Tyson
Copeland	Hale	Norbeck	Underwood
Couzens	Harreld	Norris	Wadsworth
Cummins	Harris	Nye	Walsh
Curtis	Heflin	Oddie	Warren
Dale	Howell	Overman	Watson
Deneen	Johnson	Phipps	Weller
Dill	Jones, N. Mex.	Ransdell	Wheeler
Edge	Jones, Wash.	Reed, Pa.	Williams
Edwards	Kendrick	Robinson, Ind.	Willis
Ernst	Keyes	Sackett	
Fernald	King	Sheppard	

Mr. CURTIS. I desire to announce the absence of my colleague [Mr. CAPPER] on account of illness in his family. I will allow this announcement to stand for the day.

The VICE PRESIDENT. Eighty-six Senators having answered to their names, a quorum is present.

SALE OF FLOUR AND BREAD

The VICE PRESIDENT laid before the Senate a preliminary report of the Federal Trade Commission of its investigation made in partial response to Senate Resolution 163 (by the late Senator La Follette, agreed to February 16, 1924), relative to that portion of the resolution dealing with conditions in the flour milling business, which was referred to the Committee on Interstate Commerce.

VIRGINIA BILL OF RIGHTS CELEBRATION

The VICE PRESIDENT. Pursuant to the provisions of House Concurrent Resolution 22, providing for the appointment of a joint committee to represent Congress at the cele-

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

bration of the one hundred and fiftieth anniversary of the adoption of the Virginia Bill of Rights, the Chair appoints the Senator from Virginia [Mr. SWANSON], the Senator from Pennsylvania [Mr. PEPPER], the Senator from Delaware [Mr. BAYARD], the Senator from Kentucky [Mr. SACKETT], and the Senator from North Carolina [Mr. OVERMAN] members of the joint committee on the part of the Senate to represent the Congress at the celebration to be held at Williamsburg, Va., on June 12, next.

DEBT SETTLEMENTS WITH FOREIGN GOVERNMENTS

Mr. SMOOT. Mr. President, I have had so many requests from different parts of the country and from Representatives in Congress and Senators for a statement showing the total amount to be received by the Treasury on account of principal and interest under the debt settlements made with foreign countries that I have prepared such a statement, and I ask unanimous consent that it may be printed in the RECORD so that all may see it.

The VICE PRESIDENT. Without objection, it is so ordered.

The statement is as follows:

Statement showing total amounts to be received by the Treasury on account of principal and interest under the debt settlements made with foreign governments (without regard to any options that have been or may be exercised)

	Principal	Interest	Total
Belgium	$417,780,000.00	$310,050,500.00	$727,830,500.00
Czechoslovakia	115,000,000.00	[1] 197,811,433.88	312,811,433.88
Esthonia	13,830,000.00	19,501,140.00	33,331,140.00
Finland	9,000,000.00	12,695,055.00	21,695,055.00
France	4,025,000,000.00	2,822,674,104.17	6,847,674,104.17
Great Britain	4,600,000,000.00	6,505,965,000.00	11,105,965,000.00
Hungary	1,939,000.00	2,754,240.00	4,693,240.00
Italy	2,042,000,000.00	365,677,500.00	2,407,677,500.00
Latvia	5,775,000.00	8,183,635.00	13,958,635.00
Lithuania	6,030,000.00	8,501,940.00	14,531,940.00
Poland	178,560,000.00	257,127,550.00	435,687,550.00
Rumania	44,500,000.00	[1] 77,916,260.05	122,506,260.05
Yugoslavia	62,850,000.00	32,327,635.00	95,177,635.00
Total	11,522,354,000.00	10,621,185,993.10	22,143,539,993.10

[1] Includes deferred payments which will be funded into principal.

MAY 4, 1926.

REPORTS OF COMMITTEES

Mr. STANFIELD, from the Committee on Public Lands and Surveys, to which was referred the bill (S. 3791) to make additions to the Absarokee and Gallatin National Forests and the Yellowstone National Park, and to improve and extend the winter feed facilities of the elk, antelope, and other game animals of Yellowstone National Park and adjacent land, and for other purposes, reported it with an amendment and submitted a report (No. 766) thereon.

He also, from the same committee, to which was referred the bill (H. R. 8714) authorizing the Secretary of the Interior to equitably adjust disputes and claims of settlers and others against the United States and between each other arising from incomplete or faulty surveys in township 19 south, range 26 east, Tallahassee meridian, Lake County, in the State of Florida, reported it with amendments and submitted a report (No. 767) thereon.

Mr. CAMERON, from the Committee on Indian Affairs, to which was referred the bill (S. 4152) to authorize oil and gas mining leases upon unallotted lands within Executive order Indian reservations, and for other purposes, reported it with amendments and submitted a report (No. 768) thereon.

He also, from the Committee on Public Lands and Surveys, to which was referred the bill (H. R. 7911) to authorize the exchange of certain public lands and the establishment of an aviation field near Yuma, Ariz., reported it with an amendment and submitted a report (No. 771) thereon.

Mr. DENEEN, from the Committee on Claims, to which was referred the bill (S. 2474) for the relief of the Riverside Contracting Co., reported it without amendment and submitted a report (No. 769) thereon.

Mr. CARAWAY, from the Committee on Claims, to which was referred the bill (S. 2390) for the relief of Minta Goike, reported it without amendment and submitted a report (No. 770) thereon.

BILLS INTRODUCED

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

By Mr. SMOOT:

A bill (S. 4190) to authorize the settlement of the indebtedness of the Kingdom of the Serbs, Croats, and Slovenes; to the Committee on Finance.

By Mr. McLEAN:

A bill (S. 4191) to amend the agricultural credits act of 1923; to the Committee on Banking and Currency.

By Mr. McNARY:

A bill (S. 4192) granting a pension to Mary L. Stevens; and

A bill (S. 4193) granting an increase of pension to Charlotte Hubert; to the Committee on Pensions.

By Mr. McMASTER:

A bill (S. 4194) granting an increase of pension to Lydia A. Bull; to the Committee on Pensions.

By Mr. CAMERON (for Mr. McKINLEY):

A bill (S. 4195) granting an increase of pension to Sarah B. Platt; to the Committee on Pensions.

By Mr. NEELY:

A bill (S. 4196) granting an increase of pension to Mary E. Boone; to the Committee on Pensions.

By Mr. BUTLER:

A bill (S. 4197) granting an increase of pension to Phoebe A. Trumble (with accompanying papers); and

A bill (S. 4198) granting an increase of pension to Walter B. Graham (with accompanying papers); to the Committee on Pensions.

By Mr. KING:

A bill (S. 4199) to amend sections 180 and 262 of the Judicial Code of March 3, 1911; to the Committee on the Judiciary.

By Mr. McKELLAR:

A bill (S. 4200) granting an increase of pension to Oscar M. Simpkins; to the Committee on Pensions.

RAILWAY CARRIERS AND THEIR EMPLOYEES

Mr. HOWELL submitted an amendment intended to be proposed by him to the bill (H. R. 9463) to provide for the prompt disposition of disputes between carriers and their employees, and for other purposes, which was ordered to lie on the table and to be printed.

CIVIL SERVICE RETIREMENT

Mr. STANFIELD submitted an amendment in the nature of a substitute intended to be proposed by him to the bill (S. 786) to amend the act entitled "An act for the retirement of employees in the classified civil service, and for other purposes," approved May 22, 1920, and acts in amendment thereof, which was ordered to lie on the table and to be printed.

EMPLOYMENT OF SPECIAL ASSISTANT CLERK

Mr. NORBECK submitted the following resolution (S. Res. 218), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Committee on Pensions of the Senate hereby is authorized to employ a special assistant clerk to July 1, 1926, to be paid out of the contingent fund of the Senate at the rate of $1,830 per annum.

PRESIDENTIAL APPROVALS

A message from the President of the United States, by Mr. Latta, one of his secretaries, announced that the President had approved and signed the following joint resolution and act:

On May 5, 1926:

S. J. Res. 55. Joint resolution to authorize the American National Red Cross to continue the use of temporary buildings now erected on square No. 172, in Washington, D. C.

On May 6, 1926:

S. 2907. An act to authorize the general accounting officers of the United States to allow credit to Galen L. Tait, collector and disbursing agent, district of Maryland, for payments of travel and subsistence expenses made on properly certified and approved vouchers.

WALKER RIVER (NEV.) IRRIGATION DAM

Mr. ODDIE. Mr. President, I ask unanimous consent that the bill (S. 2826) for the construction of an irrigation dam on Walker River, Nev., may be taken up for immediate consideration. I think it will take only a few minutes to dispose of the bill.

Mr. WATSON. What is the proposition?

Mr. ODDIE. The bill provides an authorization for an appropriation for a small dam on the Walker River in Nevada to relieve a very unfortunate situation.

Mr. WATSON. Has the bill been reported from the committee?

Mr. ODDIE. Yes; and I propose to introduce an amendment which will carry an authorization for an appropriation.

Mr. WATSON. Is it subject to dispute?

Mr. ODDIE. I do not know that there will be any dispute about it.

Mr. NORRIS. Mr. President, we are unable to hear what the request is.

The VICE PRESIDENT. The request of the Senator from Nevada is that the Senate proceed to the consideration of Senate bill 2826.

Mr. ODDIE. It is a matter which involves a very large number of settlers along the Walker River in the State of Nevada and in the State of California. The bill carries an authorization for an appropriation for a dam which will relieve the situation existing between the white settlers and the Indians, which has been very unfortunate.

The VICE PRESIDENT. Is there objection to the request of the Senator from Nevada?

Mr. KING. Mr. President, I wish the Senator would wait until we reach the bill on the calendar, because I think it may provoke some discussion. I want to know what right we have to call upon the Government to make an appropriation to take care of a dam for private persons.

Mr. ODDIE. The bill provides an authorization for an appropriation which includes a small sum for investigation. The Government has sold land to white settlers during the last 60 years and has compelled the white settlers to prove their water rights. They have done that. The Government has taken the money from the settlers and has issued patents. Now these water rights are being contested.

Mr. KING. The Senator knows that the Government has issued patents to thousands of people upon homesteads, desert-land entries, timber patents, and enlarged homestead entries aggregating millions of acres of land. That does not mean that the Federal Government has to build dams for everybody. I think the bill had better go over until we have a chance to examine it.

The VICE PRESIDENT. The bill will go over under objection.

THE PROHIBITION LAW

Mr. CUMMINS. Mr. President, I ask unanimous consent to have printed in the RECORD an article entitled "Prohibition in two typical States," which appeared in the Christian Science Monitor, the author of which is a former well-known resident of my own State.

The VICE PRESIDENT. Without objection, it is so ordered.

The article is as follows:

PROHIBITION IN TWO TYPICAL STATES

To the EDITOR OF THE CHRISTIAN SCIENCE MONITOR:

Please grant a former Iowan, now a citizen of California, space in your admirable journal for the results of many years of observation of the effects of liquor legislation.

1. The people of Iowa, after trying a plan practically identical with the "light wine and beer" proposal for a generation, voted by 30,000 majority in 1882 that it was a failure.

Iowa in the forties and early fifties had been strongly for the Maine law, but several years before the Civil War yielded to the pursuasions of those who believed that it was wiser to prohibit whisky, rum, and the other "strong" drinks, and license ale, wine, and beer. This remained the law until 1882, when the people, thoroughly tired of the experiment, adopted a constitutional amendment providing that "No person shall manufacture for sale, or sell, or keep for sale, as a beverage, any intoxicating liquors whatever, including ale, wine, and beer."

The State supreme court nullified this amendment on a technicality, but the people insisted, and the legislature enacted an equivalent measure, so that for about 10 years the State enjoyed complete prohibition, though the "river cities" defied the law. In five years two-thirds of the county jails were empty, and the number of inmates in the two penitentiaries fell off so heavily that the State could hardly keep its contracts for prison labor, and it was seriously proposed that one of the prisons be closed.

The liquor interests then organized successful propaganda for modification of the law; the mulct law was substituted for prohibition, the saloons were reopened, and there were for many years no more occasions for closing penitentiaries.

I came as a young boy from Pennsylvania to Iowa in 1866, and distinctly remember three saloons of the "ale, wine, and beer" type: "Stormy" Jordan's famous place at Ottumwa, which frankly and convincingly displayed the sign, "The Road to H——"; the more prosaic saloon of "Pretzel Mary" at Iowa City, which advertised in the dreadfully bloated figure of its proprietress the physical effect of "light" beverages; and "Mac's Quiet Place" at Des Moines, from which many an anxious wife and mother dreaded the return of her mate with breath and bearing telling the tale of the permitted ale, wine, or beer—sold, it was later said, "in the interest of true temperance."

2. The technique of the opposition to prohibition in Iowa in those early days was exactly the same as that now employed in fighting the eighteenth amendment and the Volstead Act.

At a time when prohibition was in every essential a success in the great body of the State the liquor interests quietly opened offices on a high floor of an office building in Des Moines, and before the people were aware of what was going on flooded the State with propaganda asserting that the law was a complete failure; that the drug stores were practically all saloons; that more liquor was being consumed than when saloons had been licensed. The people of the State, at last believing the repetitious falsehoods, reluctantly permitted the politicians to surrender.

3. Although prohibition in California is now working miracles of social and economic benefit, machinery is in operation to delude the public into the belief that the country is going to the dogs and that salvation lies only in modifications of the law which would undermine its foundations.

For 14 years I have made almost daily trips from Pasadena to Los Angeles on the interurban cars, running up Main Street from First Street to the Pacific electric station. Main Street is the typical workingman's street of Los Angeles. I have seen it transformed from a hideous saturnalia of debauchery, with numerous saloons surrounded by red-faced victims of booze, reeking with alcohol, along which decent women hardly dared walk for fear of insult, into a bright and attractive thoroughfare of clean business, with eating houses and other reputable concerns substituted for dives, and throngs of well-dressed workers soberly going to and from employment.

Unquestionably this deep change of character is the effect of the Volstead law and the Wright Act of California, and typifies a pervasive remaking of the whole community. Yet the minds of the people of California are being bombarded, in season and out of season, with subtle suggestions and downright assertions that the consumption of liquor is greater than ever and that the prohibition law is a scandalous failure.

In both States my observation has been that the liquor business is invariably the alley of the brothel and the gambling dive, now grown in our large cities into vast financial interests; and all three are always at the beck and call of crooked and law-defying corporate interests as against sound business and clean politics.

At least two-thirds of the territory of the United States is resolutely dry, rejoicing in the supremacy of the home, the school, and the church. In the remainder of the country we have millions of sympathizers. For their benefit and our own we have deinstitutionalized and outlawed the liquor business and its ill-favored allies. We have every reason to stand firm.

JOHN J. HAMILTON,
Formerly Editor of the Des Moines News;
more recently chairman of the Los Angeles County Board of Supervisors.

PASADENA, CALIF.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the Speaker of the House had affixed his signature to the following enrolled bills, and they were thereupon signed by the Vice President:

S. 1786. An act to equalize the pay of retired officers of the Army, Navy, Marine Corps, Coast Guard, Coast and Geodetic Survey, and Public Health Service;

S. 2298. An act to amend section 3 of the act approved September 14, 1922 (ch. 307, 42 Stat. L. pt. 1, pp. 840 to 841);

S. 2733. An act for the relief of the State of North Carolina;

S. 3037. An act to provide retirement for the Nurse Corps of the Army and Navy;

H. R. 4034. An act granting consent of Congress to Texas-Coahuila Bridge Co. for construction of a bridge across the Rio Grande between Eagle Pass, Tex., and Piedras Negras, Mexico;

H. R. 5691. An act granting the consent of Congress to Charles Moss, A. E. Harris, and T. C. Shattuck, of Duncan, Okla., to construct a bridge across Red River at a point between the States of Texas and Oklahoma where the ninety-eighth meridian crosses said Red River;

H. R. 6707. An act making appropriations for the Department of the Interior for the fiscal year ending June 30, 1927, and for other purposes;

H. R. 8264. An act making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1927, and for other purposes;

H. R. 9511. An act authorizing the Postmaster General to remit or change deductions or fines imposed upon contractors for mail service;

H. R. 10169. An act granting the consent of Congress to the Gallia County Ohio River Bridge Co. and its successors and assigns to construct a bridge across the Ohio River at or near Gallipolis, Ohio;

H. R. 10198. An act 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, 1927, and for other purposes;

H. R. 10244. An act to extend the time for the construction of a bridge across the Fox River in the State of Illinois on State Road No. 18, connecting the villages of Yorkville and Bristol in said county; and

H. R. 10470. An act granting the consent of Congress to the city of Little Falls, Minn., to construct a bridge across the Mississippi River at or near the southeast corner of lot 3, section 34, township 41 north, range 32 west.

RAILWAY CARRIERS AND THEIR EMPLOYEES

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 9463) to provide for the prompt disposition of disputes between carriers and their employees, and for other purposes.

Mr. WATSON. I am ready to proceed with the consideration of the bill if anyone desires to discuss it.

Mr. BRUCE. I have had an amendment printed which has been lying on the table. I offer the amendment now.

The VICE PRESIDENT. The Senator desires the clerk to read the amendment?

Mr. BRUCE. I do.

The VICE PRESIDENT. The Clerk will read the amendment.

The LEGISLATIVE CLERK. After the word "orders," in line 8, page 3, fifth paragraph, section 1, insert "except as provided in section 3."

After line 13, page 5, insert:

SPECIAL BOARD OF ADJUSTMENT

SEC. 3. First. There is hereby established a special board of adjustment, with offices in the District of Columbia, composed of three members appointed by the President to serve for periods of three, four, and five years. Subsequent appointments to be for terms of five years, except when filling vacancies any member shall be appointed only for the unexpired term of his predecessor. One member shall be appointed from the nominees presented by the carriers and one from nominees presented by the subordinate officials; the third member shall not be a member of or in any way connected with either the management of railroads or the employees thereof, and he shall be chairman of the board.

Second. The board shall decide any dispute between a subordinate official and a carrier or between subordinate officials and a carrier or carriers when referred to it jointly or by either party to a dispute wherein the provisions of section 2 of this act have been complied with. The board shall also decide disputes affecting changes in pay, rules, or working conditions of subordinate officials when referred to it by either party to a dispute. The decision may be rendered by a majority of the board provided the chairman is a part thereof. Such decision shall be final and binding on parties to a dispute.

Third. The board shall be in session only while it has duties to perform, but the President shall convene the board whenever he is furnished evidence there are disputes to be adjudicated.

Fourth. The members of the board shall be paid at the rate of $8,000 per annum for the period they are in session, with a minimum of $3,000 per annum, and necessary traveling and actual subsistence expenses from their legal residence to headquarters and return.

Fifth. The board is herewith vested with authority to employ necessary office help. The money to defray expenses of this board to be drawn from the sum appropriated in section 12 of this act and from succeeding appropriations that may be appropriated under this act.

Mr. BRUCE. Mr. President, I desire to say that I have offered this amendment to the pending bill only by request; I am not committed to it in any respect whatever; but I was asked by this large body of railroad employees to introduce the amendment.

As we all know, the subordinate officials of the railways constitute one of the finest bodies of railway workers to be found in the country. As I understand it, they are about 150,000 in number. I think it can hardly be denied that they are the very backbone of railway operation. From the time that an article of freight is handed to a railroad to the time it reaches its destination it is practically under their control.

Mr. NORRIS. Mr. President, I should like to inquire of the Senator from Maryland whether the members of the organization covered by his amendment are different from railroad employees generally? I notice the amendment reads that one member of the board provided by the amendment shall be appointed by the railroads and one by the subordinate officials, as I understand?

Mr. BRUCE. Yes; then those two select the third member. This body of workers, I will say to the Senator from Nebraska, does not care for any board of mediation; nor do they care for an emergency board.

Mr. NORRIS. If the Senator will permit me, I desire to say that I am simply trying to find out just what the amendment means. I do not understand what is meant by the provision that a member of the proposed board shall be appointed by what I think is termed in the amendment the "subordinate officials." Would it follow, if the amendment were agreed to, that other employees of the railroads would have no voice in selecting any member of this board? Are those covered by the amendment the same as the general railroad employees, or are they a different organization?

Mr. BRUCE. They are a part of the railway workers, but they belong to a different class of railway workers. Of course, in point of sympathy and in many other respects they are intimately associated with the whole body of railway workers; but their idea about what is needed, so far as their affairs are concerned, differs a little from that of the residuary body of railway workers. They want a special board of arbitration to look after disputes that may arise between them and the railroad companies.

Mr. NORRIS. Would the proposed board have anything to do as to disputes which arose between the railroad companies and their employees?

Mr. BRUCE. Indeed, it would. One member of the board would be appointed from nominees suggested to the President by the carrier, one from nominees suggested to him by the subordinate officials, and a third member, who shall not be a member of or in any way connected with either the management of railroads or the employees thereof, is to be selected by those two, and he shall be chairman of the board. As the Senator is, perhaps, aware, under the bill itself provision is made, first of all, for an adjustment board for the settlement of the minor grievances of railway workers and for the interpretation of the meaning of agreements between them and carriers relating to wages and working conditions. Then there are provisions in the pending bill for the appointment by the President of a board of mediation, whose function it would be, of course, to endeavor to reconcile the parties to a labor dispute. Then, of course, there is provision made for boards of arbitration; then, last of all, in case there is no disposition on the part of the parties to yield to conciliation or to resort to arbitration, there is provision made for the appointment by the President of an emergency board to investigate the facts surrounding the dispute and to make its report.

This body of subordinate officials, as I understand it, embraces about 150,000 railway employees. They do not feel that all that machinery is necessary for their purposes. All that they ask is that there be a special board of arbitration to consider any disputes that may arise between them and the carriers; and they are perfectly willing to abide by the decision of that board of arbitration.

Mr. NORRIS. I am trying to get at the real thing that the amendment seeks to accomplish. Let me ask the Senator, in the appointment of the board provided for in the amendment, would, for instance, the organization of railway conductors or enginemen or engineers have anything to say?

Mr. BRUCE. No; they would not. The disputes arising between them and the carriers would be settled under the general provisions of the bill.

Mr. NORRIS. Then this particular board would not settle any disputes except those which arise between the railroads and these particular employees?

Mr. BRUCE. That is the point exactly. The object of the amendment is to segregate them from the mass of railway employees and to have disputes between them and the carriers settled on a different principle from that on which disputes between conductors and firemen and railway employees generally would be settled.

Mr. CUMMINS. Mr. President, under the present act the subordinate officials are recognized as a distinct class of employees; the subordinate official stands sort of midway between the carrier and the general body of employes. In one sense he represents the management, the company itself. The subordinate officials are the foremen of section gangs, the foremen of machine shops, the foremen of round houses, and a great variety of such employees, who really represent the management. They have, in a certain degree, control over the great body of the employees. They have felt from the beginning that they are set apart by the very character of their employment from the general employees, and when they have a dispute between themselves and the railroad companies they fear that the boards of adjustment provided for in the bill—and very wisely provided for—can not deal with entire fairness and impartiality with their case. So far as I am concerned, I think it is a very wise classification. Simply because they have risen to the positions

of foremen or are serving in some similar capacity in the work of the railroad companies is no reason for excluding them from the measures that are taken to secure justice when they have disputes with the railroad companies.

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

Mr. BRUCE. Yes.

Mr. WHEELER. I have just seen a copy of the amendment, but, as I understand the situation, in the first place, there are about 150,000 of these employees?

Mr. CUMMINS. I did not think the number was quite so large, but it may be.

Mr. WHEELER. That is what they claim.

Mr. BRUCE. They number about 150,000.

Mr. WHEELER. I submit to the Senator that those 150,000 throughout the country are not organized into any one organization.

Mr. BRUCE. I think they are. Mr. W. V. O'Neil, who handed this amendment to me and asked me to present it, is president of the organization of subordinate officials.

Mr. WHEELER. But I venture to say that only a very small number of these executives—for that is what they are—are affiliated with that organization. Now it is proposed to set up for them a separate and distinct board at large expense.

Mr. BRUCE. The expense will not be so great, because the members of the special board are to be paid moderate salaries as compared with the salaries to be paid the members of the board of mediation and so on under the general provisions of the bill.

Mr. WHEELER. But the trouble is that the board of mediation is going constantly to be called upon to pass upon the economic situation all over the country involving something like 2,000,000 employees of all the railroads throughout the United States, whereas the board contemplated by the amendment would simply be set up for the purpose of dealing with 150,000 men. I submit that a board of mediation appointed by the President, in my judgment, is just as competent to deal with 150,000 employees as it is to deal with 2,000,000 employees. There is no reason in the world why we should set up one board for one class of employees and another board for another class of employees.

Mr. BRUCE. Yes; there is, because a special class of employees asks that such a board be set up. I am assuming now that there is no real objection on other grounds to their application to the Senate. If they deem the conditions surrounding them to be of a highly special nature and are willing to dispense with all this complicated machinery, boards of adjustment, boards of mediation, and emergency board of the President, and to submit each and every dispute that may arise between them and the carriers simply to a board of three arbitrators and agree to abide absolutely by the decision of that board, it is a nice question whether they should not receive the measure of consideration that they ask for.

Mr. WHEELER. The difficulty is that if we set up a board for 150,000 employees we will then have the conductors coming here and asking for a separate board, because they consider themselves to be a different class of employees and they have different representatives other than Mr. O'Neil who represents the organization which desires this amendment. So, also, we will have the engineers here asking for a separate board, because they do not come within the same class as firemen or enginemen.

Mr. BRUCE. The answer to that is they have never made any such request. All the other classes of railway workers have stood shoulder to shoulder and have given their consent in one representative way or another to the general provisions of this bill. This particular body of men who think that their requirements and their needs are of a special character are not asking very much; they are asking merely that they may be allowed to have a special board of arbitration to which disputes between them and the carriers may be committed. It is pleasing to realize that railway disputes can present themselves in such a simple form, at least to this one class of employees, that they are perfectly willing to submit any and every dispute that may arise between them and the carrier to a board composed of a nominee of the carrier, a nominee of this special body of workers, and a neutral nominee. Not only that, but they are perfectly willing, so far as they are concerned, that absolute finality, all the finality of a judgment or a decree of a court, shall attach to the action of that board of arbitration. I only wish that the whole structure of the disputes between the carriers and the railway workers could be reduced to such terms of simplicity as that.

Mr. WHEELER. I think we all do, but the history of the situation shows that it can not be done.

Mr. BRUCE. That is all right.

Mr. WHEELER. The Senator says that this one group feel that they are in a different class.

Mr. BRUCE. They do.

Mr. WHEELER. That is true, but likewise the conductors also feel that they are in a different class.

Mr. BRUCE. They do not feel so now.

Mr. WHEELER. They do not feel so now, because of the fact that they know if each one of the different groups should come here demanding a separate board to deal with their specific questions the whole thing would fail.

Mr. BRUCE. If the conductors or the firemen should apply to Congress for the privilege of having a special board of arbitration to compose the disputes between them and the carriers, a special board of arbitration involving as small a cost as this board of arbitration would involve, I for one would be willing to let them have such a special board of arbitration in consideration of the fact that they were ready to consent that the action of that board should be absolutely final.

Mr. CUMMINS. Mr. President, will the Senator allow me to say a word to the Senator from Montana?

Mr. BRUCE. Certainly.

Mr. CUMMINS. The conductors and all the organized employees have their special boards of adjustment?

Mr. WHEELER. Yes.

Mr. CUMMINS. When any dispute arises a representative, or representatives, of the conductors, or of the engineers, or of the trainmen, sit down and talk it over in an organized capacity with the employer, and nine-tenths of all the disputes are settled in those conferences or those discussions before the boards of adjustment. The subordinate officials can not enjoy that privilege. They will have no board of adjustment to consider their grievances, if they have grievances, against the railway companies, and it seems to me that we ought to make substantially the same provision for them in this bill that is made in the present transportation act, which recognized them as a different class, occupying a different relation toward the general work of transportation than any other class, and I may say that the Interstate Commerce Commission has had occasion to and has established the classification which designates who are and who are not subordinate officials.

Mr. BRUCE. Mr. President, I will say to the Senator from Montana that I regret very much that the circumstances are such that we can not have complete uniformity in the application of this bill. I regret that there is a class of employees who feel that the special conditions surrounding them are such that it is only fair, just, and proper that they should be separated, so far as the adjustment of disputes between them and their employers are concerned, from the great mass of the railway employees, but, of course, I take the facts as I find them.

Here is a body of men. There is no finer one in the universe. All you have to do is to see a photograph of the faces of some of them to realize that they are the very marrow of American citizenship. Here they are asking what it seems to me is but a moderate privilege; that is to say, of having a special board to pass on disputes between them and the carriers and at a small cost as compared with the general cost which this bill carries.

While, as I say, I have introduced this amendment entirely by request, and am not committed to it in any way; while I have introduced it because I think that every American citizen has a right to a hearing in this body, it does seem to me that no one can say that the application that this particular class of railway workers is making is an unreasonable application. In some respects I think that I would change the form of this amendment, if it were left to me; and if the general disposition of the Senate toward the amendment should prove favorable, I should be disposed to suggest to the sponsors of this amendment that it be altered in some minor respects, so that their purpose may be more certainly effectuated than perhaps it might be in the present form of the amendment.

As I understand it, however, there is no ill-feeling at all between this special body of railway employees and the great mass of railway employees. If there is, I do not know of its existence at all. They simply constitute a special class, so to speak, and a very large class, and a class of the utmost significance to railway operation. They feel that their requirements and their exigencies are a little different from those of the mass of their fellow workers.

Mr. WATSON. Mr. President, I quite agree with the Senator from Maryland that the gentlemen in whose behalf this

amendment is proposed are a high-class body of men, among the very best in the entire country; but, nevertheless, I see no occasion for the adoption of this amendment.

In the first place, I think they are provided for by the language of the bill and its provisions as at present written.

Mr. BRUCE. Mr. President, may I say to the Senator from Indiana that, so far as I am at present advised, I think that he is right. I think that if this amendment were not adopted this particular class of railway employees would fall within the general language of the pending bill; but, mind you, of course, the effect of that would be to impose on them a complicated machinery of adjustment that they do not want and that they are not asking for at all.

I suppose the Senator from Indiana must think it is a very happy circumstance that any body of employees in this country, railway or otherwise, should be willing to leave simply to a board of arbitration any dispute that may arise between them and their employers and to agree to abide finally by the action of that board, whatever it may be. The board of arbitration under the amendment would, it seems to me, be felicitously constituted. There would be one representative on it of this body of railway employees, another member who would be a representative of the carriers, and there would be a third, an entirely neutral, disinterested individual.

Mr. HOWELL. Mr. President——

Mr. WATSON. I started to make a statement, and yielded to the Senator from Maryland. Has the Senator from Maryland quite completed his statement?

Mr. BRUCE. Yes. I say, I think the Senator from Indiana will agree with me in thinking that apart from other considerations that may, of course, be conclusive to his mind, it is a very happy circumstance that this matter of labor controversies should be reduced to such very simple terms as far as this particular class of railway employees are concerned. I only wish the mass of the workers could feel that way. They do not feel that way. That is enough for me, because within reasonable limits I think that they, too, should have what they want. I think the great mass of the railway employees should have what they think their special requirements and circumstances call for.

Mr. WATSON. Has the Senator completed his statement?

Mr. BRUCE. Yes; I have.

Mr. WATSON. Mr. President, I started to say that I see no necessity for the adoption of this amendment, because, in the first place, these particular employees are included in the provisions of the bill as it is now written; and to that the Senator agreed. Therefore I know of no reason why they should be singled out as a separate group to have a separate board of adjustment to adjust the differences they may have with their employers, any more than why the enginemen should have, or the conductors should have, or the yardmen should have, or the switchmen should have, or the telegraphers should have, or the station agents should have; and if we should attempt to establish separate boards of adjustment for each of these separate groups we would have so much machinery that all of it would become inoperative and useless.

In the second place, this amendment provides that the expenses and salaries of this board of adjustment shall be paid out of the Treasury, whereas the expenses, salaries, and so forth, of all these other boards of adjustment are to be paid by those interested—the two sides—costing nothing to the Treasury.

Mr. BRUCE. Mr. President, the Senator from Indiana will recollect that that is not true as respects the boards of arbitration provided for by the general provisions of this bill.

Mr. WATSON. That is quite true.

Mr. BRUCE. The salary or compensation of the third arbitrator under them is borne by the public.

Mr. WATSON. That is true.

Mr. BRUCE. And all the expenses of the boards of arbitration, the Senator will recollect, are borne by the public; so there is no distinction to be taken in that respect.

Mr. WATSON. I recollect that very well. I will say to my friend, however, that he designates this in his amendment as a board of adjustment.

Mr. BRUCE. I think that is a misnomer.

Mr. WATSON. It is not a board of adjustment; it is a board of arbitration.

Mr. BRUCE. That is a mere misnomer. They have used the wrong term.

Mr. WATSON. I think so, too. That is what I wanted to call the Senator's attention to in the beginning. Therefore it is a board of arbitration, and not a board of adjustment——

Mr. BRUCE. I think so.

Mr. WATSON. And it segregates this particular class and puts them off to one side to have separate boards of arbitration, different from those that are used by the general class of railway workmen. I know of no reason why that should be done. The language of the bill is:

> Boards of adjustment shall be created by agreement between any carrier or group of carriers, or the carriers as a whole, and its or their employees.

That means every group; it means every class that may have any kind of dispute with their employer.

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

The PRESIDING OFFICER (Mr. BLEASE in the chair). Does the Senator from Indiana yield to the Senator from Iowa?

Mr. WATSON. Certainly.

Mr. CUMMINS. Does the Senator think it includes managers and superintendents?

Mr. WATSON. When that question was up, I will say to my friend from Iowa, in the consideration of the Esch-Cummins bill, we thought there was a twilight zone there, and we specially mentioned subordinate officials as a separate class.

Mr. CUMMINS. Precisely.

Mr. WATSON. But, at the same time, I have come to the conclusion that, so far as a board of arbitration is concerned—and that is what this is—it, too, is covered by this language, and they are covered by the language.

Mr. CUMMINS. Undoubtedly, so far as arbitration is concerned.

Mr. WATSON. And this is arbitration and not adjustment, I will say to the Senator.

Mr. CUMMINS. They are not covered, so far as adjustment is concerned.

Mr. WATSON. I know; but this is not a board of adjustment.

Mr. CUMMINS. No.

Mr. WATSON. This is a board of arbitration.

Mr. CUMMINS. Certainly; this is a board of arbitration.

Mr. WATSON. And they are covered by the arbitration provisions.

Mr. CUMMINS. But they are not given any opportunity to enter a board of adjustment.

Mr. WATSON. But this does not provide that they shall enter a board of adjustment. This is called a board of adjustment, but in reality it is nothing more or less than a board of arbitration with a binding decision.

Mr. CUMMINS. The Senator does not understand me. They have a right somewhere to appear and try out their cases amicably with the carriers, have they not?

Mr. WATSON. Why, certainly. The very object of this bill is to give everybody an opportunity to do that.

Mr. CUMMINS. They can not enter these boards of adjustment, which are very wisely provided for, and that was the reason that was given in the transportation act for the creation of special boards of adjustment for the subordinate officials.

Mr. WATSON. Yes.

Mr. CUMMINS. Now, inasmuch as they could not take advantage of the boards of adjustment, they come through the amendment that is proposed by the Senator from Maryland and say: "We are satisfied if we are given a chance to have our cases heard by a board of arbitration." I agree that the terminology of the amendment is not accurate, but the substance of it is there.

Mr. WATSON. Yes; that is right.

Mr. BRUCE. Mr. President, may I say to the Senator from Indiana that I can not agree with the Senator from Iowa when he reaches the conclusion that under the general provisions of this bill this special class of employees would have no right to invoke the provisions of the bill relating to boards of adjustment.

Mr. CUMMINS. Let me say that I think the Senator is right about that; but the Senator from Maryland knows perfectly well that the railroad companies will not agree to any board of adjustment with the railways on the one side and the subordinate officials on the other. This provision for boards of adjustment is purely voluntary. We can not compel any railroad company or any employees to enter into boards of adjustment.

Mr. WATSON. Certainly; that is quite true.

Mr. BRUCE. Of course it is the intention of this bill that the railroad companies should agree; but they have violated the provisions of the transportation act to such an extent that, of course, nobody can say what they will do so far as obedience to public authority may be concerned, if I may say so with great

respect to my friends the railway executives, because the language of section 3 is:

Boards of adjustment shall be created by agreement between any carrier or group of carriers, or the carriers as a whole, and its or their employees.

This language is absolutely mandatory; and then in the definition paragraph of the bill it says, as the Senator will recollect:

The term "employee" as used herein includes every person in the service of a carrier (subject to its continuing authority to supervise and direct the manner of rendition of his service) who performs any work defined as that of an employee or subordinate official.

Mr. WATSON. I was about to call the attention of the Senator to that language. It is all inclusive.

Mr. BRUCE. I agree with the Senator from Indiana, although possibly I have not given as full consideration to this phase of the discussion as I might have given. I am certainly inclined to agree with the Senator that if the amendment I have offered is not adopted, the subordinate officials of the railway companies would fall within all the provisions of the measure. They are employees within the definition I have just read.

Mr. WATSON. Yes.

Mr. BRUCE. It is expressly provided that it shall be the duty of the carrier to enter into adjustment board agreements with all of its employees, which, of course, includes subordinate officials. But I submit to the Senator from Indiana that that is no reason why all the highly organized, highly complicated machinery of this bill should be brought to bear upon the subordinate officials willy-nilly. They have just as much right to form an opinion as to what their special needs and requirements are as the residuary mass of the railway employees.

There is a story told by Benjamin Franklin which applies to this case. During the time when puritanical feeling ran so high in England, some of the Cavaliers in a village wanted a Maypole and some of the Puritans were opposed to a Maypole. Finally the question came up before a magistrate, and the magistrate settled the question very promptly by saying, "Let all who want a Maypole have a Maypole, and let all who do not want a Maypole do without a Maypole; go along about your business!"

It seems to me that would be a good principle of decision to apply to this amendment. Let the great mass of the railway workers have all this complicated machinery if they desire it. I am willing, if the bill is properly amended, to let them have it. On the other hand, if these subordinate officials feel that this suggestion of theirs is better adapted to their peculiar situation and wants, then it seems to me that it is not an unreasonable thing for them to urge the adoption of this amendment.

Mr. WATSON. Mr. President, as I have said, the class of employees to which the Senator's amendment refers are a very high class of employees, and they have talked to me about their amendment. There are many features of it which rather appeal to me. But when I came to study it and think about it, I could see no reason why they should be segregated and set apart and have special machinery set up for their own purposes.

Under this language it is mandatory, as the Senator well says. The railroads "shall" enter into these arrangements. I have the assurance of all the railroad men with whom I have talked that that is going to be done, and that in case there is any kind of controversy with a subordinate official, or any number of subordinate officials, they can at once have their board of adjustment the same as anybody else, and that the machinery will operate to adjudicate their cases the same as in the case of anyone else.

I have talked with Mr. Richberg and with the other gentlemen representing the labor organizations, and they think these laborers, so called, or this particular class, are all included in this language. They will be treated the same as any other group, the same as the bridgemen or the enginemen, or any other group or class of laborers on the railroads. If that be true, I see no reason why we should set up, at public expense, a separate board for the special adjustment or adjudication of their particular differences with the railroad managers.

Mr. BRUCE. Let me ask the Senator from Indiana whether he would not consider it a wonderful thing if all these railway employees were to come to Congress and say, "We do not want any board of adjustment, we do not want any board of mediation, we do not want any emergency board. All we want is a board of arbitration, consisting of three persons, one of whom is to be selected by us, one of whom is to be selected by the carrier, and the remaining one of whom is to be an entirely disinterested person, not connected by any tie of interest with either employee or carrier. If you will set up a board of that kind, and give us an opportunity to present our case to it at the time that the carrier presents its case, we will agree to abide absolutely by the action of that board."

Mr. WATSON. Which is what they say now.

Mr. BRUCE. That is what this special group of workers is saying to the Government, but that is not what the great mass of railroad employees are saying.

I am not quarreling with them because they think that their situation calls for a different method of treatment, but I know the Senator would send up hallelujahs like those that he sent up the other day after he was renominated by such a wonderful majority—he would send up hallelujahs if such a proffer as that were made by the railway workers of the country generally.

Mr. WATSON. I will say to the Senator that in the act of 1888 the method provided was arbitration, and nothing else, and no other method was submitted to us for 10 years. In 1898, under the Erdman Act, the method was arbitration, with no provision for mediation or conciliation. That was a partial failure. In 1893, under the Newlands Act, the method was arbitration, with a permanent board of mediation and conciliation, and that became more effective, because it supplemented arbitration by the processes of mediation and conciliation. Therefore, I am a believer in mediation and conciliation in the adjustment of all these disputes, and do not believe they either can be or should be settled altogether by arbitration. I think there is nothing finer in our American life than where men who are engaged in a controversy will sit down around a common table and talk it over face to face and eye to eye, and come to their conclusion about it. Any differences between men in our country can be settled by that sort of conference.

Mr. BRUCE. But, Mr. President, the Senator from Indiana is mistaken in saying that there is no provision for mediation made in the Erdman Act or in the Newlands Act.

Mr. WATSON. There was in the Newlands Act, but not in the Erdman Act. That provided for arbitration only.

Mr. BRUCE. Arbitration only?

Mr. WATSON. Yes.

Mr. BRUCE. That is not my recollection of that act. As I recollect, the chairman of the Interstate Commerce Commission and the Commissioner of Labor were expressly empowered to mediate.

Mr. WATSON. They had power to compulsorily investigate, and that was the weakness of it.

Mr. BRUCE. Then, in case mediation were unsuccessful, they had power to suggest arbitration. Of course, so far as the Newlands Act was concerned, that was an act providing for mediation, conciliation, and arbitration, all three.

Mr. WATSON. The Newlands Act.

Mr. BRUCE. Notwithstanding that accumulation of phraseology, the act did not seem to have any real effect in composing labor disputes.

Mr. KING. Mr. President, will the Senator from Indiana permit an interruption?

Mr. WATSON. Yes.

Mr. KING. I would like to ask the Senator what special merit he finds in this bill over and above the virtue of the Newlands Act. If the Newlands Act contained all the instrumentalities referred to by the Senator from Maryland, may I ask the Senator what additional machinery he thinks has been set up by this bill, and if the machinery set up in this bill has greater curative qualities than the machinery set up in the Newlands Act?

It seems to me, if I may say so before the Senator answers, that there is too much machinery provided here. It is top-heavy. There are adjustment boards and mediation boards, and there are arbitration boards, and then emergency boards. There are boards and boards and boards, until it seems to me the bill is top-heavy with mechanical appliances to settle human controversies.

Mr. WATSON. The Senator is addressing himself now to the general bill and not to this particular amendment. Will he be kind enough to wait for an answer to his question from me until after we dispose of this amendment?

Mr. KING. I am, of course, at the mercy of the Senator, and he can answer my questions in his own time, to suit his own pleasure.

Mr. WATSON. I thank the Senator.

Mr. BRUCE. May I interrupt the Senator from Indiana for a moment? I am sure that the Senator has no disposition at

all to make any misstatements in regard to the Erdman Act or the Newlands Act.

Mr. WATSON. Oh, no.

Mr. BRUCE. Of course, we all fall into lapses of memory in reference to the exact language used in a long course of legislation. I happen to hold in my hand a carefully prepared abstract of the act of 1888 and of the Erdman and Newlands Acts. This abstract states that—

On June 1, 1898, the Erdman Act was placed on the statutes. This law empowered the chairman of the Interstate Commerce Commission and the Commissioner of Labor to act as mediators in railway labor controversies.

Mr. WATSON. I recall that. The Senator is quite right.

Mr. BRUCE. Under the Newlands Act the commissioner of mediation and conciliation and his associates constituted a board of mediation, conciliation, and arbitration.

Mr. WATSON. That is right. I was inaccurate in my statement. We at first had the act of 1888; then the act of 1898, the Erdman Act; then the act of 1913, the Newlands Act; then the transportation act; then the first Esch Act, introduced in the House, and the Adamson amendment; then the Cummins amendment offered in the Senate. I have been a little confused at times as to just what they all did provide, especially when we come up to this labor bill with this provision.

Mr. BAYARD. Mr. President, I will ask the Senator to yield to me to ask a question, if it would be in line with his argument at this time. I did not have an opportunity yesterday afternoon. On page 24, in the second provision of section 9, it is provided that after an award has been filed in a case, that the award or the finding of the court "shall be filed in the clerk's office of the court in which the award has been filed, the court shall enter judgment on the award, which judgment shall be final and conclusive on the parties." I would like to suggest this possible phase of the question to the Senator and ask his attention to it:

Assume that there is a dispute between a large number of employees on one of our large railroad systems and the managers of the road. Assume that they agree to arbitrate. Further assume that arbitration is entered and the award becomes a final and conclusive judgment of the district court in that district. Further assume that the railroad employees should break the terms of that arbitration. Would not the result be this, that the court, in enforcing its mandate, upon application duly made, would have to appoint thousands of deputy marshals to properly get through with it?

Mr. WATSON. Of course, whatever the court would have to do to enforce its decrees it would have to do, because, just as under all of these acts we have had, it is an award that is filed in the office of the district court or of the circuit court of the United States, and on it judgment is entered, and thereby it becomes a judicial decree that must be obeyed; and if any person should violate it, whatever would be necessary to enforce it would have to be used.

Mr. BAYARD. But in the enforcement of the decree by the issue of its process to enforce it would not this necessarily bring to pass this result, that a great many people would be haled into court because they had broken the court's mandate, and therefore they would be held for contempt; and would we not have thousands of cases of contempt brought before the court by virtue of this very act—in the case of a railroad strike, if you please—eventuating after an arbitration had merged into a final and conclusive judgment?

Mr. WATSON. Of course I can not answer that, because when the parties once agree to arbitrate, of course, they go into it voluntarily; they go in with their eyes open, and they know what the inevitable result must be. After they accept arbitration, and there is arbitration, and the arbitrators have sent for papers and witnesses and have heard all the evidence and come to a conclusion, and an award is made, and that award is entered on the records of the United States circuit court, I am assuming the parties will obey it. But, of course, if they do not obey it, the courts will have to take whatever means are necessary to enforce the decree. That is no reason why we should not have arbitration, is it?

Mr. BAYARD. No. I am not objecting to arbitration. That is not the point. But it seems to me that this bill as now drawn invites the possibility of a very serious situation, one that has not been carefully weighed by the employers or the employees of the railroads, because the employers are very few in numbers, but the employees are many in numbers; and if they get heated and upset about the administration of the terms of the decree which has been merged into a final judgment and go out on strike, I think it would be a very serious thing, because they would bring themselves within the purview of contempt proceedings, and I do not think the Clayton Act would apply in such a case.

Mr. WATSON. There is no question but that it would be serious; but this being the same as the provision regarding arbitration in every act that has ever been passed from 1888 down to the present time, I am assuming that if it is entered into in good faith the parties will not violate it after it has been entered into, and I am assuming that if they do violate it knowingly they will have to suffer the consequences.

Mr. BAYARD. Is not this the first legislation where we have to get an award with a final conclusive judgment by the operation of the measure itself?

Mr. WATSON. Oh, no.

Mr. BAYARD. Not the transportation act of 1920?

Mr. WATSON. Has the Senator read it recently?

Mr. BAYARD. Federation case No. 90 against the Pennsylvania Railroad determined that question, and the court said they could not enforce the decree. The Supreme Court said that.

Mr. WATSON. Judgment or award?

Mr. CUMMINS. In what event?

Mr. WATSON. If it is filed in the United States district court and is violated, what process of court shall be used to enforce it?

Mr. CUMMINS. That is rather an academic question.

Mr. WATSON. Of course, it is; but the Senator from Delaware propounded it.

Mr. BAYARD. I said that in Federation case No. 90 against the Pennsylvania Railroad, the court said the Labor Board had no power under the terms of the act to enforce its orders or findings.

Mr. CUMMINS. It is pretty hard to run out the consequences that may follow this legislation. I assume that there would be no judgment of a court upon any award which would say to John Smith that he must continue to work for the Pennsylvania Railroad Co. I assume that the award and the judgment of the court upon it would simply settle the question of wages or working conditions that should be paid or observed by the railway company and the employees. I can not imagine any other sort of a judgment. That judgment could not be, if our Constitution were observed, that any particular employee should continue to work for that particular employer, and I think he would be at perfect liberty to leave the employment whenever he saw fit to do so. But I think the judgment might very well be one which would restrain a conspiracy in the nature of a concerted abandonment of employment that would suspend or interfere substantially with transportation.

Mr. REED of Pennsylvania. In other words, a strike would be a contempt of court?

Mr. CUMMINS. It might be. That is to say, I think that under this bill there could be a judgment rendered upon an award which would make a strike a contempt of court.

Mr. REED of Pennsylvania. Punishable in the usual way of punishing contempts in the Federal court?

Mr. CUMMINS. Surely.

Mr. REED of Pennsylvania. Summary process without jury trial?

Mr. CUMMINS. Yes; it might be.

Mr. REED of Pennsylvania. Does the Senator suppose that the representatives of labor who are backing the bill realize that it would put them in that position?

Mr. CUMMINS. I have called that to the attention of some of the representatives of labor, and I do not think they interpret the language that way.

Mr. BRUCE. The Senator from Pennsylvania seems to think that the railway employees are not aware of what the legal consequences of these provisions would be in relation to the entry of a judgment or award. They have, as the Senator from Indiana well knows, at their command one of the ablest lawyers in the land, Mr. Richberg.

Mr. WATSON. I think they are fully aware of the consequences.

Mr. BAYARD. May I suggest something that came to me as the Senator from Iowa was talking? He spoke as though the court was going to formulate the decree. The board of arbitration formulates the award, and that becomes the judgment of the court unless reviewed by the court, and then, of course, the court could amend it. If the impeachment is not filed, then the award becomes final and conclusive ipso facto upon the mere filing.

Mr. CUMMINS. It becomes the judgment of the court.

Mr. BAYARD. Yes.

Mr. CUMMINS. I think the court can do anything in the execution of that judgment that the laws of the land and the practice of the court authorize it to do. I wish only to remark that I can not believe it possible that any court under any award could declare that a single employee should not leave his employment if he wanted to do so.

Mr. BAYARD. I do not say that. What I have in mind is that we may have a situation on a big system where the men may become inflamed as the result of an award which has merged into final judgment. Something excites them and they go out in big numbers. At first they are peaceful and then they become violent; they may even destroy property. It seems to me we would have wholesale arrests for contempt. Human nature is not going to suffer under restraint even if persons know an award has been entered against them. We have such a situation in England to-day. It seems to me the bill is inviting something that the employers and the employees have not stopped to consider. It is a very serious matter. I think it ought to be looked into carefully.

Mr. CUMMINS. I think an award under this bill could prohibit a strike, and, of course, if that were merged into the judgment of the court, the court could punish for violation of that award or decree.

Mr. BAYARD. I think they are creating a tremendous opportunity for putting their heads in a noose, and I do not believe they knew it when they advocated the bill.

Mr. WATSON. They are entirely familiar with the bill and all its consequences. Now, Mr. President, what about the amendment?

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Maryland [Mr. BRUCE].

Mr. KING. Mr. President, may I ask the Senator from Iowa a question in view of his statement as to the power of the court?

Mr. CUMMINS. Certainly.

Mr. KING. Suppose a decision is rendered by the tribunal set up by the bill, and that decision or judgment is filed in court. Those who render the judgment and those who are to be affected by it place one construction upon it. The court places an entirely different construction upon it and upon its terms and upon its effect. Does the court have plenary authority or judicial power to place an interpretation upon the judgment different from that placed upon it by the body rendering it or by those who are parties to it if they should disagree, or may he place his own interpretation upon the judgment? If his interpretation is entirely different from the others, then what steps must be taken with respect to entering the judgment? What steps must be taken with respect to enforcing the judgment if either party to the decree violates it according to the interpretation of the judge, but not according to the interpretation placed upon it by the body or the instrumentality which filed it or by the parties to it?

Mr. CUMMINS. I think the Senator from Utah is abundantly able to answer that question for himself, inasmuch as he is profoundly versed in the law. When the court enters the judgment it becomes the judgment of the court, and the opinion of the arbitrators with regard to its interpretation or the opinion of the parties to the controversy could not be sought and could not be observed if it were sought. I take it that the court would put its own interpretation upon the judgment and would execute it according to the established practice of the courts of the country.

I want to say at this moment that I am for the bill. I have been earnestly for it from the beginning, but I appreciate—and we must not be too optimistic—the fact that if we once have arbitration—that is, a voluntary agreement—and if it results in any such consequences as we have been discussing here for the last few moments, there never would be another arbitration, because the men would not enter into an arbitration agreement, I know, that they believed would result in the jurisdiction of a court to enjoin them from leaving their employment by concert and in such numbers as might suspend transportation. They certainly would not agree to any arbitration that by any possibility could interfere with the freedom of a single man either to continue in his employment or to leave it. I have not been very optimistic about the effects of the bill, so far as arbitration is concerned.

Mr. KING. May I ask the Senator, in view of his apparent approval of the bill in haec verba and from Genesis to Revelations, what particular virtues does he see in the bill over those which were found in the Erdman Act or in the Newlands Act, and why does he think that this bill will be productive of better results which would tend to prevent strikes, or if controversies arise will be more promotive of speedy settlement than the acts to which I have referred?

Mr. CUMMINS. The Newlands Act especially, I think, is a very valuable and helpful bit of legislation. The pending bill combines the Newlands Act with the duty charged upon both sides to enter into voluntary conferences and to use every effort to settle their differences without either appealing to the board of mediation and conciliation or to arbitration. I regard that as the great effective part of the legislation.

I agree with the Senator from Indiana that we have reached the time when we must settle all such controversies as are referred to here, if possible, peacefully, without any interference on the part of the board of mediation or conciliation. We are encouraging that in the bill. I do not think it is very much better in that respect than the existing law. But it comes as the result of an agreement or concord between the railroads and their employees, and it brings with it a better and a higher and a nobler spirit than surrounds the present legislation, simply because one side or the other were opposed to substantially all the provisions of the present law. The railroads fought certain parts of the act as bitterly and intensely as I have ever seen opposition appear in the Congress. On the other hand, the employees were just as intensely opposed to certain parts of the act. But now they have come together, and they are agreed upon this legislation, to which they both feel they could appeal to settle their disputes. I think that we ought to try the experiment.

We have no compulsory process anyhow except an appeal to the courts, as the Senator very well knows. There have been many such appeals in the past; they have done some good; but they have inflamed public opinion; they have intensified the antagonistic spirit between the railroads and their employees. So I am willing to try anything that will give fair promise of bringing peace to this very important and fundamental field of industry.

Mr. KING. Mr. President, before the Senator from Iowa takes his seat let me say that as I understand him he attributes to the provisions which direct the railroads and employees to meet together on opposite sides of the table, so to speak, in an effort to settle their controversies amicably and to the provision for boards of adjustment superiority and advantages over other provisions of the bill, and, as I understand him, he thinks those are really the best and most vital features of the bill.

Mr. CUMMINS. I think the boards of mediation, of conciliation, and of arbitration are very essential, but I do look for higher and better results from the spirit which leads to the enactment of a law which declares that they shall create these boards of adjustment. I know perfectly well that if they decline to do it there is no power in this bill to compel them to do it. This bill is just like the present law. They ought to have formed boards of adjustment under existing legislation, but they have not done so save in rare instances. Therefore that legislation has failed to accomplish some of the purposes that I believed it would accomplish at the time it was passed.

Mr. BRUCE. Mr. President, I desire to say to the Senator from Utah [Mr. KING] that in my judgment the true defect in this bill is not to be found in the directions toward which he is looking, but in the fact that, smoothly as it may work in the main as between the carriers and the employees, the public welfare is not properly safeguarded by it. Of course the present Railroad Labor Board has no power to enforce its mandates by any compulsory process of any sort. It never was intended to have any such power.

Labor conditions in this country have not justified the application of force in labor disputes so long as the general laws of the land looking to the preservation of peace and order are not violated; but in some respects, so far as the protection of the public is concerned, the present Railroad Labor Board legislation is far superior to the provisions of this bill unamended, though this bill could be so amended as, in my judgment, to furnish a much better system for the adjustment of labor disputes than the present system if, for no other reason, because this bill is the fruit of concord; it is a bill to which both the carriers and the employees have given their assent.

I believe in being honest in discussion under all circumstances, and so I will say that, in my judgment, to a certain extent the assent of the railway executives in this case is not a real assent. Of course, we all know that in all probability if the railway executives and the railway workers could be left entirely to themselves they would prefer not to have any board of mediation, or of conciliation, or of adjustment, or any emergency board, or any governmental authority of any kind interpose and take up their disputes with them. The

railway executives have always been loath to place their neck under the Government yoke. Everybody knows how strongly they opposed the enactment of the interstate commerce law and how strongly they opposed every State public service commission law in the country. They and their employees are on very much a footing of parity as respects a general disinclination to have their controversies passed on by public authority in any form whatsoever. But, at the same time, we can not shut our eyes to the fact that when the assent of the carriers and of the employees to this bill was given there was the strongest kind of demand for an increase in wages on the part of the railway employees of the country. I am not saying that that was an unjust demand; far be it from me that I should do that; I am not the tribunal to pass upon the demand; my position is that that question should be passed upon by some properly constituted and duly authoritative tribunal; but, all the same, when the assent of the carriers and the employees was given to the pending bill there was this demand for increased wages on the part of the railway employees, amounting, it has been said in the press of the country, in the aggregate to no less than a half billion dollars. Of course, we all know that if this bill shall pass the very first thing that will be taken up will be that request for an increase of wages.

I, for one, do not doubt for a moment that if the railway executives had not come into this arrangement, while there might not have been a nation-wide strike, a general strike, there would have been railway strikes here and there, at any rate, throughout the United States. Therefore I have not the slightest doubt that, aside from any matter of mere volition, the railway executives were, to a certain extent, under the compulsion of circumstances when they gave their assent to this bill. I do not care anything about that, because I think that any bill that represents an honest intention on the part of the carriers and the employees to come together and to settle their disputes in a lawful, orderly, and truly American way is a bill to be regarded with favor, provided that it is framed in such a manner as to safeguard the public interest in every respect.

The fact is that when the Howell-Barkley bill was pending in Congress last year—a bill which in many respects is on all fours with this bill—the railway executives were bitterly opposed to its passage, and by no one was their opposition asserted in more pointed and striking terms than by Mr. Alfred P. Thom, the able and upright counsel of the railway executives. That bill was fought by the railway executives from start to finish, and, as the Senator from Utah will recollect, it did not pass Congress.

The strong point about the present Railroad Labor Board legislation as compared with the pending bill is that, while the Railroad Labor Board has no power to enforce its orders, while it is lacking in punitive authority of every sort, it has most effective powers for the purpose when a labor dispute is pending of bringing the pressure of public opinion to bear upon the controversy, of laying the facts before the American people, and putting the American people in a position to say which of the two parties to the controversy is reasonable and which is unreasonable, which should receive the support of public opinion and which should not receive the support of public opinion.

The Senator from Utah perhaps recollects that the present Railroad Labor Board is composed of nine representatives, three representing the railway workers, three representing the carriers, and three representing the general public. The present Railroad Labor Board legislation also provides that there shall be no final decision in relation to any wage question in which at least one of those public representatives does not unite. The Senator, I am sure, realizes the great importance of that fact. The present railway labor legislation also makes it the duty of both carrier and employee, when a labor dispute arises between carrier and employee, to bring that dispute to the board, to lay their respective cases before it, so that the board may determine and the American people may determine, in the light of all the evidence, oral and documentary, which party to the controversy should receive the seal of popular approval and which party to the controversy should not receive the seal of popular approval.

I think it a most unfortunate thing that human nature should be so constituted that both the carriers and the railway workers were unable to rise to the high level of the objects contemplated by the Railway Labor Board legislation. That legislation has not been as effective as it should have been for no reason in the world except that it is legislation without a sanction. Of course, the most contemptible thing in the world is something, like a prohibition law, which has no moral sanction behind it; but the next most contemptible thing is a law that has no legal sanction behind it; and the Railway Labor Board law is a law that had no real legal sanction behind it.

That board has no punitive authority; it has no compulsory power of any sort. The expectation of Congress was that the railway workers and the railway executives would be too true Americans, would be too faithful to the American spirit, would be too obedient to the Constitution and laws of the land not, under any and all circumstances, to submit their controversies to that board so that the purposes of the Railway Labor Board legislation might be fulfilled. It is only fair to say that most of the workers did rise to the proper level, because thousands of disputes have been settled by the Railway Labor Board. The Senator from Indiana [Mr. WATSON] mentioned yesterday the fact that under the Newlands Act or the Erdman Act—I forget which—some 61 controversies had been peacefully settled; but upwards of some 6,000 major controversies of one sort or another have been settled by the Railway Labor Board, to discredit which such elaborate attempts are now being made, and all together some 12,000 cases of al lkinds have been decided by it. In the main, both railway workers and railway executives have heeded the requirements of the Railway Labor Board legislation. Wage case after wage case has been settled through the interposition of the Railway Labor Board, and if blame is to be apportioned, so far as the requirements of the Railroad Labor Board legislation have not been complied with, it seems to me that the larger share should be placed upon the railway executives.

I do not care what anybody else thinks, but I think that it is one of the most lamentable incidents in American history that great railway systems like the Pennsylvania Railroad system and the Chicago & Alton Railroad system and the Erie Railroad system and the Southern Pacific Railroad system and the New York Central Railroad system should have deliberately defied the will of the American people by refusing to lay labor controversies in which they were involved before the Railroad Labor Board. Perhaps, if they had set a better example to their men, such of those men as have defied the authority of that board would not have defied it. It was the plain duty of both railway executives and railway workers, so long as the railway labor legislation was on the statute book, imprinted with the legislative intent that it bore upon its face, to obey its provisions, in the meantime being fully at liberty, of course, to come to Congress and to ask for the repeal or the modification of that legislation.

In point of fact, so far as I know, there never was any complaint about the workings of this board until a later stage of its history. Most properly it granted the railway workers throughout this land an increase of wages after the great World War, so as to equalize their condition with that of the other workers of the country and to meet arrearages of compensation which should long before have been met. While the railway workers were waiting for that increase of compensation they exhibited a most remarkable degree of patience, one which should inure in the highest degree to their credit. But subsequently, of course, the Railroad Labor Board, in the discharge of its duty, thought that the time had come for some reductions of wages, and there were reductions of wages, and then the trouble commenced so far as the workers were concerned, which had already, as I recollect the sequence of events, commenced so far as the railway executives were concerned; and from that day to this both railway executives and railway workers have tried by every means in their power to discredit and to blacken the reputation of this board.

If events could be controlled in an abstract rather than in a practical manner, the wisest thing that could be done would be to take the present Railroad Labor Board legislation and perfect it; not to start out on any new legislative pathway at all. I am not asking that that be done, however. By proper amendment the pending bill can be made to give to the railway executives and to the railway workers everything that they are asking us to give them—every solitary thing—and yet at the same time the welfare of the people of the United States can be just as fully protected as it would be under the Railroad Labor Board legislation if that legislation were implicitly obeyed throughout the country.

I think that the language of this bill with regard to arbitration is unfortunate. We all know that while arbitrators that are selected by parties lean toward the parties by whom they are selected, yet, unless they are to sink into utter contempt, certain general considerations of duty and integrity must be observed by them. Then, of course, there is always some third disinterested party, umpire or what not, to come in

and to act with them and to temper any excess of partisanship on the part of the other two members of the board of arbitration.

This bill contains the most extraordinary provision that, so far as two out of the three arbitrators are concerned, the fact that the man is pecuniarily or otherwise connected with one party or the other is to be no disqualification for acting as an arbitrator. It is true that it is provided that the two arbitrators—one appointed by the workers and one by the executives—shall appoint a third, and that he shall be a disinterested person, who shall not be connected in any way at all either with the carrier or with the employees, and that if the carrier arbitrator and the employee arbitrator can not agree on this third arbitrator that arbitrator shall be appointed by the board of mediation, which consists of persons appointed by the President.

It seems to me, to begin with, that it is the most unfortunate thing that any legislation should expressly provide that two out of three arbitrators shall be out-and-out, thick-and-thin partisans. Go back to the act of 1888, to which the Senator from Indiana referred. That act expressly provided that in case of arbitration no arbitrator should be in any way interested either in the carrier or any employee. I can get over that, however, because under this bill there has to be an umpire; there has to be a disinterested party selected by those two partisan arbitrators, and if they can not agree on the third arbitrator, then he has to be selected by the board of mediation; but the one thing, I will say to the Senator from Utah, that I can not get over in this bill is the fact that, while the bill provides that if a dispute between carrier and employee can not be reconciled, the board of mediation is to ask the President to appoint an emergency board to investigate the dispute, yet it clothes that emergency board with none of the effective powers with which the present Railroad Labor Board is clothed, for the purpose of bringing the impact of public opinion to bear upon both parties to the controversy. That is the rift in the lute; that is, I had almost said, the streak of fatal infirmity in the present bill.

I am going to offer an amendment to cover that; and with that amendment and one or two minor amendments that I propose to offer, not of the same vital description, I think that in all probability the pending bill can be made to subserve the purposes which are entertained both by the railway executives and by the railway workers; and I quite agree with the Senator from Iowa in saying that it is a point of no mean significance that these railway executives and these railway employees have met and agreed upon something which they bring here and tell us that they have an earnest, sincere, bona fide desire to carry fully into effect.

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

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

Mr. BRUCE. Yes.

Mr. KING. Before the Senator takes his seat I should like to ask him, because he has alluded to the fact that the Howell-Barkley bill—and this is substantially the same—was vigorously opposed by the railroad managers, if he knows why the railroad managers and railroad owners are so earnestly in favor of this bill?

I can recall that at the last session of Congress, when the Howell-Barkley bill was before us, Mr. Thom, to whom the Senator has referred, and all the railroad managers, or many of them, were here violently opposing that bill. I am told that the same forces that were then so hostile to it are now embracing it with the most tender emotions. I am also advised that those who are the most earnest in its advocacy among the railroads are the representatives of those roads whose earnings are very large; perhaps so large that they, if they practiced proper economies, would be compelled to make considerable contributions to the fund which is provided for in the general transportation act. It has been suggested to me that they would just as soon pay to their employees, though the wages in some instances might be excessive, these super-earnings, as to pay them into the fund which is provided for in the present transportation act.

I am also told that the poorer railroads, if any railroad is poor—and I know that many of them are—and the representatives of the railroads last referred to are not in harmony with this bill; and therefore, if the Senator from Maryland meant by his statement that the railroads were all behind the bill, as well as the employees, my information is that a very large number of the railroads of the United States are very much opposed to this bill.

Mr. BRUCE. The Senator is entirely right. It is only fair to say that. It is a minority, and a distinct minority; but, all the same, a large number, of course, of the railway executives of this country are opposed to the passage of this bill. As I recollect, there are about 20 dissentients as against the 52 railroads that were in favor of the passage of the bill; and, if I am correctly informed, some railway executives who were disposed to give their approval to this bill in the first instance have now withdrawn that approval. I do not know whether that is so or not; but I was simply going on to say that I do think that it is a matter of very great significance, and so far as I am concerned it may be a matter of determining significance, that the railway executives and railway employees alike have given their approval to this bill.

I do not want anyone to set me down as being hostile to either railway executives or railway employees. Among the men in this country for whom I entertain the highest esteem are some of the railway executives, notably Mr. Daniel Willard, of Baltimore, one of the ablest, one of the most useful, one of the most patriotic men that we have in the United States; a man who, I am glad to say, is held in the very highest esteem by the railway workers along the lines of his railroad. In the same way, among the friends for whom I entertain the very warmest regard are men who are in one capacity or another railway workers. I am arriving at that time of life when, if for no other reason, my sincerity should not be readily questioned; and to me—I say it in the utmost candor—the most gratifying thing in the whole course of my life is the steady improvement, material, moral, and intellectual, that has taken place in the status of the workers of this land during my life. I want them to have just as large a measure of compensation as is compatible with the capitalistic theory of industry. I say "the capitalistic theory of industry" because we know from the example of soviet Russia, if from no other example, that communism leads simply to human misery and to human bloodshed; and we know from the example of other nations that socialism leads merely to disillusionment and industrial disaster. Human society can not be conducted successfully upon any theory except the theory of individual initiative and enterprise, upon the theory that every avenue to advancement should be open to the humblest man in the land; and that every man in the land, no matter how humble may be his beginnings in life, may, if he proves worthy of his American opportunities, become even the most powerful or the wealthiest man in the land.

Take a man like Daniel Willard, for instance. I recollect some years ago a friend of mine told me that on one occasion, when he was in a private car with him, they heard a railway worker going around and striking the wheels of a car with his hammer. Mr. Willard turned to him and said, "That is a sweet sound to me. Many a time in the early years of my life did I make it." Now he is president of one of the greatest railroads in the world and honored by every class of human society. Only recently, in addition to his splendid position as president of the Baltimore & Ohio road, he has been made the president of the Johns Hopkins University, and a great executive in that post, too, he is likely to prove.

The very soul of a true American ought to be filled with delight at the thought that such honors can come to any man in this land, however unpropitious, however adverse, the circumstances of his early life may be.

I want to see the workers of this land have just as large a share of the profits of industry as is consistent with a proper and reasonable return to capital on its investment. So I favor any measure that is the offspring of the will of the workers and the will of the executives, that promises industrial peace, good fellowship, and understanding between them.

There is no finer body of Americans, none whatever, than this body of railway workers. Some time ago a group of them sent me a most interesting photograph of, perhaps, 50 or 60 or 100 workers, and I asked myself whether any other country in the world could show a more interesting group of honest, sturdy, intelligent workers.

We all know that our labor unionists have refused to become infected with the errors and fallacies of the old world, to be drawn into the shambles of sovietism, or into the morass of socialism. All they ask is that proper working rules be accorded to them and proper wages paid to them, and that the labor disputes, to which they are parties, be disposed of in a just and reasonable manner.

So, other things being at all equal, I prefer legislation which has received their approbation and the approbation of the railway executives to any legislation, however better it may seem in some respects to me to be, that has not received that approbation.

We know that all men will do things in hours of excitement and stress and trial and passion that they would not do under normal conditions. In the interest of the public welfare it is

that fact which should be always kept in mind when any bill like this is being framed.

So, Mr. President, I think the pending bill should be amended as I have intimated, so as to give to this emergency board, the court of last resort under the provisions of the bill, practically the same measure of authority as that conferred by the present railway labor legislation on the Railway Labor Board to evoke testimony, oral and documentary, and to afford an opportunity for the full assertion of a mature, well-informed public opinion in relation to labor controversies.

I suppose that the amendment which I have already offered is the pending question, and I would like to have it passed on.

Mr. LA FOLLETTE. Mr. President, it seems to me that in considering this amendment we must realize the condition which exists in these railway labor organizations. Many of the so-called subordinate officials proposed to be taken care of in the amendment offered by the Senator from Maryland are already members of existing organizations. In the trainmens' organization, for instance, are found large numbers of yardmasters. In the maintenance-of-way employees' organization are found the foremen of the so-called section gangs, which Mr. Wallberg, as president of the organization, has stated, are really the backbone of his organization. In the telegraphers' organization we find the station agents, and the dispatchers have a separate organization of their own, and that organization is unqualifiedly on record in support of this bill as reported from the committee. No one seems to know exactly how many men are in this organization which Mr. O'Neil represents.

It is true, no doubt, that there are perhaps 150,000 employees scattered all over the country who fall under the category of "subordinate officials," made up of the foremen and other minor officials of the roads. But, as a matter of fact, as I have stated, many of them, and I believe the greater bulk of them, are already affiliated with the so-called standard railway labor organizations.

Therefore, if the amendment offered by the Senator from Maryland should prevail, those officials who are now affiliated with the standard railway labor organizations, and who are a part of those organizations, would be faced with the necessity of withdrawing from those organizations in order that they might come under the terms of this measure.

In the second place—and I believe this is the important point—the amendment proposed by the Senator from Maryland provides for compulsory arbitration. That controverts the entire spirit upon which this bill is drawn. The Senator himself stated in the hearings, on page 12, before the Senate committee:

> There can not be any compulsion so far as arbitration is concerned, of course. That would be unlawful.

For the two reasons which I have outlined, I sincerely hope the amendment which the Senator has proposed, and, as he states, offered by request, will not be agreed to.

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

The PRESIDING OFFICER. The clerk will call the roll.

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

Bayard	Fess	Lenroot	Shipstead
Bingham	Fletcher	McKellar	Shortridge
Blease	Frazier	McLean	Simmons
Borah	George	McMaster	Smith
Bratton	Gerry	McNary	Smoot
Broussard	Gillett	Mayfield	Stanfield
Bruce	Glass	Means	Steck
Butler	Goff	Metcalf	Swanson
Caraway	Gooding	Moses	Trammell
Copeland	Hale	Neely	Tyson
Couzens	Harreld	Norbeck	Underwood
Cummins	Harris	Norris	Wadsworth
Curtis	Heflin	Nye	Warren
Dale	Howell	Oddie	Watson
Deneen	Johnson	Overman	Weller
Dill	Jones, N. Mex.	Phipps	Wheeler
Edge	Jones, Wash.	Ransdell	Williams
Edwards	Kendrick	Reed, Pa.	Willis
Ernst	Keyes	Robinson, Ind.	
Fernald	King	Sackett	
Ferris	La Follette	Sheppard	

The PRESIDING OFFICER. Eighty-one Senators having answered to their names, a quorum is present.

Mr. BRUCE. Mr. President, I would like to modify in one respect the amendment which has been offered by me. I will ask the clerk to turn to line 4, page 3. After the word "help," I want to insert an amendment to these words:

> in accordance with the civil service act of January 16, 1883, and to fix their salaries or compensation in accordance with the classification act of 1923.

Mr. WATSON. What is the Senator seeking to do?

Mr. BRUCE. The last paragraph of the amendment provides that the board which is contemplated is vested with authority to employ the necessary office help. I simply want to insert the usual provisions in accordance with the civil service act and the classification act, so as to make the paragraph read:

> Fifth. The board is herewith vested with authority to employ necessary office help, in accordance with the civil service act of January 16, 1883, and to fix their salaries or compensation in accordance with the classification act of 1923. The money to defray expenses of this board to be drawn from the sum appropriated in section 12 of this act and from succeeding appropriations that may be appropriated under this act.

The PRESIDING OFFICER. The question is on agreeing to the amendment submitted by the Senator from Maryland. [Putting the question.] The noes seem to have it.

Mr. BRUCE. I ask for the yeas and nays.

The yeas and nays were not ordered.

The amendment was rejected.

Mr. CURTIS. Mr. President, I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment will be read.

The LEGISLATIVE CLERK. Amend section 7, paragraph (f) in line 20, by striking out the proviso and adding in lieu thereof the following proviso:

> *Provided*, That the Interstate Commerce Commission may upon its own motion suspend the operation of any such award, or any wage agreement between the parties subject to this act, except one resulting from the operation of section 10, if the commission is of the opinion that such award or agreement involves an increase in wages or salaries as not to be in the public interest. The Interstate Commerce Commission shall hear any award or agreement so suspended within 30 days thereafter and with due diligence affirm or modify such suspended award or agreement.

Mr. CURTIS. Mr. President, the public, the railroads, and the railroad employees are the parties interested in this legislation. I believe that the public interest and the general good should prompt the Congress of the United States to enact legislation that will bring harmony between the public, the railroads, and the railroad employees, but that harmony can not be brought about by enacting a law which will give to the railroads and their employees everything they ask and at the same time neglect to protect the public interest.

I wanted to be perfectly fair with the Senator from Indiana [Mr. WATSON], and therefore, while he was addressing the Senate yesterday upon this measure, I asked him to point out, if he could, wherein the public was protected by the measure. Senators who heard him know, as I know, that he did not and could not point to a single line in the legislation that protects the public interests. The Senator from Indiana knows, and every other Senator who has read the measure knows, that the public interest is not protected by it. If Senators have not read the measure to convince themselves of that fact, I ask them to do so.

The amendment which I have proposed does not compel the Interstate Commerce Commission to interfere. It simply gives them the discretionary power and authority, if they believe an agreement entered into between the railroads and their employees is against the public interest, to cause that agreement to be suspended, to make an investigation, and they are required to proceed within 30 days and as speedily as possible to complete the investigation. If they find the agreement is against the public interest, they are required to notify the interested parties to that effect.

If the Senator from Indiana is correct, that is all that is needed. I am willing to admit that the Interstate Commerce Commission has no power to force the railroads to give up their agreements, but what has the measure to propose for the railroads or for the employees or for the public? There is absolutely no authority of any kind whatsoever. I am surprised that a committee of this body should report a bill of this kind to the Senate, affecting, as it does, more deeply the public interest than the interests of any other body of men or corporations, a measure which absolutely neglects to protect the public interest.

The Senator from Indiana called the attention of the Senate to the fact that there is a board of mediation. The board of mediation provided for in the bill is of just about as much use as a fifth wheel would be to a wagon. If Senators will read the paragraph or provision in regard to mediation, they will find that about all the mediators can do is to draw their salaries and provide for a large number of clerks, but accomplish nothing.

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

The PRESIDING OFFICER (Mr. McNARY in the chair). Does the Senator from Kansas yield to the Senator from Montana?

Mr. CURTIS. I yield.

Mr. WHEELER. The Senator said the board of mediation could do nothing except to draw their salaries.

Mr. CURTIS. I say that is about all.

Mr. WHEELER. Let me ask the Senator if he does not know that the former boards of mediation were constantly busy all the time collecting data for the purpose of acting as a board of mediation if and when any matter should come before them?

Mr. CURTIS. Yes; but they had no such agreement as is provided in the pending bill. The Senator knows that in this bill the railroads and their employees are given authority to enter into an agreement, and therefore the bill does away with the necessity for any board gathering statistics and furnishing facts.

Mr. WHEELER. Of course, and I know likewise that the people of the country have been crying for the last 15 years for arbitration and wanting the railroads and their employees to get together. That is what we have been trying to do. We have been trying to avoid strikes and have them get together and settle their differences.

Mr. CURTIS. The Senator from Kansas 30 years ago introduced such a bill in the House of Representatives. The Senator from Kansas has always favored such legislation. The Senator from Kansas now favors such legislation. But what is proposed to be done in this bill? What can such a board of mediation do? The board of mediation can send no question to arbitration, and the Senator knows that well. If they fail, they may use their influence to get the parties to arbitrate. What a wonderful provision that is. How helpful such a provision would be.

Mr. WHEELER. In the event they do not arbitrate, the bill provides for an emergency board. The railroad employees are giving up more under this bill than they have ever given up before in the history of the country.

Mr. CURTIS. Let us see about the emergency board. I had intended to come to that a little later. I wish the Senator would read the emergency board provision and tell us what there is in it. Let me read it to him:

> Emergency board: If a dispute between a carrier and its employees be not adjusted under the foregoing provisions of this act, and should, in the judgment of the board of mediation, threaten substantially to interrupt interstate commerce to a degree such as to deprive any section of the country of essential transportation service, the board of mediation shall notify the President, who may thereupon, in his discretion, create a board.

What does the board do?

> After the creation of such a board, and for 30 days after such board has made its report to the President, no change, except by agreement, shall be made by the parties to the controversy in the conditions out of which the dispute arose.

And yet the Senator from Indiana in presenting his case said there was no authority for them to do anything else, and there is nothing in the bill authorizing them to do anything else. If the Senator wants to be fair and protect the people as well as the railroads and the laboring men, I will join with him and go as far as he dares to go.

Mr. WHEELER. Will the Senator tell me just how he would protect it under the bill?

Mr. CURTIS. I would have the people protected by the board by holding up a danger signal by saying to the railroads, "If you enter into an agreement that is going to increase wages so as to cause an increase in freight rates, we will stop it or we will refuse to give you the increase in freight rates." If the Senator from Montana will consult the people of his State, he will find that they are more deeply interested in having reduced freight rates than they are in increasing the wages of anybody or protecting the railroads of the country.

Mr. WHEELER. I think the Senator is right about that, and if he had voted with me to keep Mr. Woodlock from going upon the Interstate Commerce Commission and had placed men upon the Interstate Commerce Commission who were not favorable to increased valuation of the railroads of the country, it would have done more to stop increased freight rates than anything else.

Mr. CURTIS. The Senator's opposition to Woodlock was not based on that ground. He offered no one in his place. His opposition was not based upon that ground at all. By placing Woodlock upon the Interstate Commerce Commission, we have placed there the best-informed and best-equipped man that has been placed on the commission in its history.

Mr. WHEELER. The Senator is entirely wrong, because my entire opposition to Mr. Woodlock was on account of his views upon valuation.

Mr. CURTIS. Oh, yes; and that he had written a few articles.

Mr. WHEELER. No; not because he had not written a few articles. The Senator from Kansas was not here when I spoke about that, so he does not know.

Mr. CURTIS. The Senator from Kansas was here when the Senator from Montana discussed that question; the Senator from Kansas listened to him, and the Senator from Kansas was not convinced, but rather was convinced that he ought to vote for instead of against Mr. Woodlock after he heard the argument of the Senator from Montana. Let us now talk about the bill.

Mr. WHEELER. Mr. President, will the Senator yield to me for a question?

Mr. CURTIS. Yes.

Mr. WHEELER. The Senator from Kansas desires to have inserted in the bill a provision which would be absolutely unconstitutional and which the Supreme Court of the United States has repeatedly held to be unconstitutional.

Mr. CURTIS. The Supreme Court of the United States has not decided anything of the kind.

Mr. WHEELER. I submit, Mr. President, that the Supreme Court of the United States has expressly held in numerous cases that it is unconstitutional to interfere with and suspend a contract legally entered into, and that is what the amendment the Senator offers proposes to do.

Mr. CURTIS. I have not claimed that that can be done. I have told the Senate—and if the Senator had been listening he would have known what I said—that it is a danger signal to put the railroads on guard. It would say to them, "If you raise the wages or enter into an agreement that will call for an unjust increase of freight rates, the Interstate Commerce Commission will not grant the increased rates." That is all, I contend, that the amendment will accomplish.

Mr. WHEELER. Such an amendment in the bill is not needed at all for that purpose.

Mr. CURTIS. Yes, it is; because if such a provision shall not be inserted in the bill the railroads might increase wages and then come before the commission, and it will be more embarrassing for them to act after such a contract has been made.

Mr. WHEELER. But the Senator's amendment can not possibly stop them from doing that, because the Supreme Court has absolutely held in numerous cases that such a right to contract can not be interfered with.

Mr. CURTIS. I said a moment ago, and I again state, that I do not claim that they can do so.

Mr. WHEELER. But the Senator's amendment does.

Mr. CURTIS. The amendment does not do so. The amendment is a danger signal to the railroads. If the Senator from Montana were as deeply interested in the people as he claims to be, he would favor the amendment.

Mr. WHEELER. Yes; I am just as deeply interested in the people as is the Senator from Kansas.

Mr. CURTIS. I notice that the votes of the Senator from Montana do not so show.

Mr. WHEELER. I am just as deeply interested in the people as is the Senator from Kansas, but I appreciate that the Senator is coming up for reelection pretty soon, and, of course, he is more deeply interested in the people now at the present time. I submit that my votes will show my interest.

Mr. CURTIS. If I should consider the fact of coming up for reelection, I might favor this measure as some others do, hoping to get the railroads' influence and the influence of some other people behind me; but the Senator from Kansas has never formed his opinions or cast his votes in this body for the purpose of getting votes in his home State. When I have to resort to that I shall quit the Senate of the United States, or any other body to which I may belong. I am surprised that the Senator from Montana should refer to that matter, because by referring to it he indicates that he would resort to the practice he indicates if it were necessary to do so.

Mr. WHEELER. The Senator from Kansas was talking about the common people so much and telling what the common people would do——

Mr. CURTIS. Mr. President, I am giving the Senator a little of what he deserves.

Mr. WHEELER. The Senator is not giving me anything that I deserve. I can take care of that all right.

Mr. CURTIS. I am very glad of that.

Mr. WHEELER. When the Senator from Kansas talks about the common people, and in favor of the common people, and about my vote, let me say that I am very willing to sub-

mit my votes along with his at any time. I was merely saying, however, that when the Senator offers this amendment he must know that as a matter of law it is absolutely unconstitutional, and it could not constitute a danger signal to anybody under any circumstances or conditions.

Mr. CURTIS. The Senator from Montana and I do not agree upon that subject. It is not unconstitutional, and no court on earth will hold it to be unconstitutional.

Mr. WHEELER. If the Senator from Kansas will read the decisions of the Supreme Court he will think differently.

Mr. CURTIS. I have read the decisions of the Supreme Court. I read one decision again this morning and another decision that the Senator from Indiana [Mr. WATSON] cited. If I wanted to delay the Senate I could point out some of the defects in the argument of the Senator from Indiana regarding the case he cited.

Mr. WATSON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Kansas yield to the Senator from Indiana?

Mr. CURTIS. Certainly; I am glad to yield to the Senator.

Mr. WATSON. To what case does the Senator from Kansas refer?

Mr. CURTIS. I refer to the decision in the railroad case which the Senator from Indiana cited on yesterday relative to the power of Congress to fix rates, and so forth. However, it does not matter; I do not intend to refer to that now; but I wish to call attention to two or three other matters to which the Senator from Indiana referred on yesterday. The Senator from Indiana stated that the Railroad Labor Board had done nothing. I am not here to defend the Railroad Labor Board. I was opposed to creating the Railroad Labor Board.

Mr. WATSON. Oh, no; I did not say that.

Mr. CURTIS. The Senator from Indiana stated in his speech on yesterday that that board had rendered no material decisions affecting wages and that it was not now being recognized.

Mr. WATSON. No, I will say to my friend from Kansas, I did not say that. What I said was that the Railroad Labor Board within four months after being set up increased wages $600,000,000.

Mr. CURTIS. But the Senator from Indiana said that the board was dead.

Mr. WATSON. It is.

Mr. CURTIS. And that the railroad organizations were not going before it.

Mr. WATSON. Yes.

Mr. CURTIS. And yet I have before me at this time a decision of the board rendered only on the 3d of this month on a question submitted by the Brotherhood of Locomotive Engineers against the Toledo, Peoria & Western Railroad. That case was submitted to them in February and was decided, I think, on the 3d day of the present month.

Mr. WATSON. That is quite true; there is no doubt about that.

Mr. CURTIS. Then why should the Senator say that questions of that kind are not being referred to this board?

Mr. WATSON. That is only an isolated case. The Senator knows as well as I do that the great majority of such cases are not going to the Railroad Labor Board.

Mr. CURTIS. The Senator from Kansas knows of various railroad organizations that have presented cases to the board, and the Senator from Indiana knows that to be true.

Mr. WATSON. No.

Mr. CURTIS. I do; if the Senator from Indiana does not.

Mr. WATSON. No; and not only that, but I know of such organizations which appeared before the committee and stated that they did not intend further to submit any controversy to the Railroad Labor Board; and the railroad management said the same thing.

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

The PRESIDING OFFICER. Does the Senator from Kansas yield to the Senator from West Virginia?

Mr. CURTIS. Yes.

Mr. NEELY. Inasmuch as the able Senator from Kansas has expressed the fear that if this bill should become a law it would permit an increase of wages which would necessitate an increase in freight rates, I beg the liberty of observing that no railway company could increase its rates, even if the bill should be passed without the dotting of an "i" or the crossing of a "t," unless the Interstate Commerce Commission should approve the increase. In other words, the passage of the pending bill could not rob the public of the protection of the Interstate Commerce Commission in the matter of raising rates.

Mr. CURTIS. Certainly; but if the railroad companies shall be allowed to increase wages and that burden shall be put upon the railroads, will not the Interstate Commerce Commission say, in order for them to meet their expenses, they must have an increase in rates? That is the danger. I think there is absolutely no harm in the amendment I offer. What I want to do is to authorize the Interstate Commerce Commission to warn the railroads and their employees that it must not be done, and I have confidence enough in them to believe they will heed the warning.

Mr. NEELY. But, Mr. President, the Senator's amendment simply seeks to vest in the Interstate Commerce Commission a power which I insist the commission already has, and that is the power to determine when and in what circumstances there shall be an increase in freight rates.

Mr. CURTIS. I agree with the Senator as to that; but I say that the application for increased rates would come after the increase in wages had been made.

Mr. NEELY. Does the Senator believe that the Interstate Commerce Commission would grant an application for an increase in rates if it were based on an unwarranted increase in wages?

Mr. CURTIS. No, I do not; but they might make an increase which would very materially affect the people in my section of the country. Those people are now paying all the freight rates they can afford to pay. Not only the farmers, but the business men and all other shippers want a reduction of rates instead of an increase in rates. So far as I am concerned, as I said before, I should like to see the railroads and their employees get together. I hope they may enter into agreements that will never be questioned. I should like to see them able to enter into agreements that would not even require arbitration or reference to a board of any kind whatsoever. I believe if they would do that it would be a blessing not only to the railroads but to the railroad workers and the other people of this country. I hope they will do it. I hope, if this bill shall be passed, that it will verify the predictions made for it, but I do not believe that it will. I am afraid that in the anxiety of the railroads to get together with their men they will agree upon such an increase of wages as will require an increase of freight rates.

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

Mr. CURTIS. Certainly.

Mr. CARAWAY. The railroads are going to get rates that will enable them to operate, and if they increase wages necessarily they are going to increase the cost of carriage. Ordinarily that will follow, will it not?

Mr. CURTIS. I should think so.

Mr. CARAWAY. What I am coming to is this: That being true, what useful purpose would the Senator's amendment accomplish, when the railroads are conscious that if they should disregard it they eventually will get rates commensurate with the services performer?

Mr. CURTIS. I honestly believe that if the railroads and their employees were informed that in the mind of the commission there was danger to the public interest by such an increase, they would perhaps reconsider and enter into an agreement that would be satisfactory. I have that much faith in the railroad executives and in the representatives of the different workers' organizations that I do not believe they will deliberately go into something that they think will cause them to be held up before the public as trying to harm the public by reason of higher freight rates.

There is another matter to which I wish to call attention. I have referred to the board of mediation. How many Senators here know what the board of mediation will cost the Government. We can not tell from the provisions of this bill how much it will cost, and the Senator from Indiana avoided giving us his estimate.

Mr. WHEELER. Mr. President, does the Senator think it will cost any more than the Labor Board now costs?

Mr. CURTIS. The Senator insists upon getting back to the Labor Board when I have told the Senator a dozen times that I never favored the Labor Board and I do not favor this board. We have too many boards and commissions now.

Mr. WHEELER. I thoroughly agree with the Senator that we have too many boards and commissions, and I should like to get rid of many of them.

Mr. CURTIS. If I had my way I would get rid of half of them.

Mr. WHEELER. I should like to get rid of a number of them, but I do not see any way of getting away from this proposition.

Mr. CURTIS. The Senator from Kansas offered an amendment to strike out all the provisions in regard to the Railroad Labor Board when the bill providing for that board was pend-

ing here in 1920. I am not defending the Railroad Labor Board, although I will confess to the Senate that it has done better than I thought it would. It has passed upon some 13,000 cases, and I think only in a few cases has there been a refusal to go before the board.

Mr. WHEELER. Yet in view of that statement the Senator is saying that the mediation board would not have anything to do.

Mr. CURTIS. No; I said there is nothing in the existing law like there is in the proposed measure. The Senator does not seem to be able to distinguish between a law and the proposed law.

Mr. WHEELER. Oh, yes, I do; but the trouble, I think, with the Senator from Kansas is that he has not personally analyzed the bill.

Mr. CURTIS. The Senator from Kansas has studied both the present law and the proposed law; the Senator from Kansas understands what he is talking about; the Senator from Kansas is satisfied with his amendment; the Senator from Kansas does not care whether the Senator from Montana votes for his amendment or not; and the Senator from Kansas does not care what the Senator from Montana thinks of his amendment.

Mr. WHEELER. I am glad that the Senator says he does not care.

Mr. CURTIS. Mr. President, the Senators who favor this bill ought to be fair with the Senate. If they will read the bill first reported to the Senate by the Senator from Indiana from his committee, they will find that the board of mediation to begin with will cost the Government at least $300,000 a year. Yet the Senator from Indiana in his speech yesterday said it could accomplish nothing. Do Senators wish to spend $300,000 and accomplish nothing?

Mr. BRUCE. Mr. President, may I call the attention of the Senator from Kansas to the fact that, of course, any suggestion which may be made by the board of mediation may not be heeded at all by the carriers or by the employees?

Mr. CURTIS. That is what I tried to say a few moments ago.

Mr. BRUCE. They may not be willing to resort to arbitration; they may not be willing to do anything to compose their differences.

Mr. CURTIS. That is what I tried to say to the Senate a few moments ago.

Mr. BRUCE. I did not hear the Senator.

Mr. CURTIS. I am glad to have the Senator emphasize it.

Mr. President, I hope the amendment which I have offered will be voted into the bill; if it shall not be, I hope that the pending measure will go back to the committee where it ought to go.

I do not intend to take up the time of the Senate in discussing the Railroad Labor Board and the work it has done. I have a list here of the cases upon which it has acted, and if I desired to take up the time of the Senate, I should call attention to it. I believe, however, that Senators have made up their minds what they are going to do with the amendment and with the bill.

I wish to close my remarks by asking unanimous consent to have read at the desk an appeal presented to the Committee on Interstate Commerce by farm organizations through their representatives here in Washington.

The PRESIDING OFFICER. Without objection, the clerk will read.

The legislative clerk read as follows:

AMERICAN FARM BUREAU FEDERATION,
NATIONAL GRANGE, P. OF H.,
Washington, D. C., February 21, 1926.

Joint statement relative to H. R. 9463 by the American Farm Bureau Federation and the National Grange

To the Members of the House of Representatives:

GENTLEMEN: We, the undersigned national farm organizations of the United States, representing 2,000,000 farmers in 48 States of the Union, ask your attention to a grave defect in the Watson-Parker bills (H. R. 7180 and H. R. 9463), the latter being the bill introduced February 17, and reported from the House Committee on Interstate and Foreign Commerce on February 19, which, if not corrected, will undoubtedly prove to be a serious menace to the future of the American farmer.

With the primary purpose of that measure—securing uninterrupted train service—we have great sympathy, but that can be secured without depriving the public of protection against new transportation charges which the present form of the bill threatens to impose. Let us make this clear.

Under the present law the Railroad Labor Board can not make a wage award without the approval of one of the representatives of the public on the board. If the railroad managers and their employees make an agreement about wages, the board can suspend the agreement until it finds out what effect it will have upon railroad rates. That is a clear-cut, definite protection which Congress gave six years ago to prevent new and excessive burdens being put upon railroad service. Now, in the bill you are about to consider, it is proposed to abolish the Railroad Labor Board and permit the parties signatory thereto to make wage agreements without any public body having control over such agreements.

If Congress wants to abolish the Railroad Labor Board, all right, but why abolish also the only effective protection the public has against agreements that can lift the cost of transportation indefinitely? Why not put the power to supervise these agreements in some other public body? Dissatisfaction with the Railroad Labor Board is no reason for telling the carriers and their employees to write any contract they please.

Speaking specifically, farmers and the public must have a reduction of present freight rates. If they should be increased for any cause it would be inexcusable. But there is no hope of any reduction if Congress abandons all control of wage awards and agreements and permits the railroads and their employees to write their own terms.

We are told the Interstate Commerce Commission can refuse a rate increase if it regards a wage agreement as excessive. But that does not prevent an agreement from going into effect which requires the carriers to face a new cost, and justifies them in raising the cry in court of confiscation, if an attempt is made to force operation at a loss. Congress can not open the way to increased cost of operation and give any hope of decreased rates.

The public has protection now in a remedy that prevents a new burden being put upon it. Why take the protection away? We insist you retain the safeguard we now have. If you take it away from the Railroad Labor Board through abolishment of that board, give it to the Interstate Commerce Commission. If the present protection is not retained, we will constantly face rising rates in the future.

The present Watson-Parker bill must be amended to give the Interstate Commerce Commission the power to control wage agreements affecting rates. If this is not done the farmers of the United States and the public at large will be forced to abandon all hope of rate reduction. The Congress is interested to-day in efforts made to create a more equitable condition for agriculture. It is our firm conviction that the enactment of the Watson-Parker bill without amendments protecting the farmer and the public will have a far-reaching detrimental effect on the entire Nation.

We urge your serious consideration of the present situation and your cooperation in behalf of common justice.

Very respectfully,

AMERICAN FARM BUREAU FEDERATION,
CHESTER H. GRAY, *Acting Director.*
NATIONAL GRANGE, P. OF H.,
T. C. ATKESON, *Washington Representative.*

Mr. CURTIS. Mr. President, I have nothing further to say on the amendment, except that I desire to give notice to the Senator from Indiana that when the sections in regard to mediation are reached I shall move to strike them out.

Mr. CURTIS subsequently said: Mr. President, I should like to have read and added as a part of my remarks previously made the memorial which I send to the desk against this measure by a number of organizations.

The VICE PRESIDENT. In the absence of objection, the memorial will be read.

The legislative clerk read as follows:

WASHINGTON, D. C., *May 4, 1926.*

To the Senate of the United States:

GENTLEMEN: The undersigned organizations of citizens of the United States respectfully urge that your honorable body recommit to your Committee on Interstate Commerce the pending bill (H. R. 9463), commonly known as the railroad labor disputes bill, now upon the calendar of the Senate.

Your petitioners urge as reasons therefor:

1. That your petitioners are formally authorized to present the judgment of millions of citizens of the United States whose interest and that of the public is adversely affected by the pending legislation. Among them is included many national and State associations of farmers throughout the United States, many executives charged with the operation of interstate carriers by rail, many organizations of railroad employees, whose rights and duties are seriously affected by said proposal, and who have had no opportunity to present information, argument, and opinion to your committee. They believe the measure in its present form imperils the paramount public interest in uninterrupted transportation and affords no protection against the imposition of new and excessive burdens upon the rate structure. Unless opportunity for such hearing is afforded there is no adequate means by which the matured opinions and new information of large groups of citizens, as yet unheard, can be presented to the membership of the Senate through its appropriate committee.

2. The issue presented is of unusual importance to the American people. Unless gross defects in the existing measure are corrected by

amendment, in the light of accurate information and careful analysis of the existing proposal, it threatens with serious injury the transportation system of the United States and the imposition on it of great and hurtful burdens. It is therefore in the public interest to afford further opportunity to citizens of the United States to be heard and present information to your honorable body.

3. The necessity for such hearing by your petitioners is the greater since the vast majority of the organizations represented had no opportunity to present facts and argument to the Interstate Commerce Committee of the House of Representatives before his measure was acted upon by that body.

4. The rights of your petitioners and the paramount interest of the general public are nowhere protected by the provisions of this bill.

Therefore the undersigned respectfully ask that in the public interest the pending measure (H. R. 9463) be referred back to your honorable Committee on Interstate Commerce, that opportunity may be afforded for the further presentation of evidence and argument.

We are, very respectfully,

T. C. Atkeson, Washington representative, representing the National Grange, Patrons of Husbandry, composed of the masters of the following State granges: California State Grange, Colorado State Grange, Connecticut State Grange, Delaware State Grange, Idaho State Grange, Illinois State Grange, Indiana State Grange, Iowa State Grange, Kansas State Grange, Maine State Grange, Maryland State Grange, Massachusetts State Grange, Michigan State Grange, Missouri State Grange, Nebraska State Grange, New Hampshire State Grange, New Jersey State Grange, New York State Grange, North Dakota State Grange, Ohio State Grange, Oklahoma State Grange, Oregon State Grange, Pennsylvania State Grange, Rhode Island State Grange, South Dakota State Grange, Vermont State Grange, Washington State Grange, Wisconsin State Grange, West Virginia State Grange.

American Farm Bureau Federation, by Chester H. Gray, Washington representative.

We join in this petition:

Chicago, Rock Island & Pacific Railroad; Maine Central; Delaware & Hudson; Western Maryland; Virginian; Denver & Rio Grande Western; Rio Grande Southern; Texas & Pacific; St. Louis & San Francisco; St. Louis & Southwestern; Wabash; Missouri, Kansas & Texas; Kansas City Southern; Bangor & Aroostook; Chicago & Alton; Pere Marquette; Ann Arbor; Erie; Minneapolis & St. Louis; Denver & Salt Lake; W. G. Bierd, Chicago & Alton Railroad (for the above companies); W. G. Bierd, committeeman.

National Association of Manufacturers of the United States; National Founders Association; Associated Industries of Alabama, Birmingham, Ala.; California Manufacturers Association, Oakland, Calif.; Colorado Manufacturers and Merchants Association, Denver, Colo.; The Manufacturers Association of Connecticut (Inc.), Hartford, Conn.; Manufacturers Association of Wilmington, Wilmington, Del.; Georgia Manufacturers Association, Atlanta, Ga.; Associated Industries of the Inland Empire, Spokane, Wash.; Illinois Manufacturers Association, Chicago, Ill.; Indiana Manufacturers Association, Indianapolis, Ind.; Iowa Manufacturers Association, Des Moines, Iowa; Associated Industries of Kansas, Topeka, Kans.; Associated Industries of Kentucky, Louisville, Ky.; Louisiana Manufacturers Association, New Orleans, La.; Associated Industries of Maine, Portland, Me.; Michigan Manufacturers Association, Detroit, Mich.; Minnesota Employers Association, St. Paul, Minn.; Associated Industries of Missouri, St. Louis, Mo.; Associated Industries of Montana, Butte, Mont.; Nebraska Manufacturers Association, Lincoln, Nebr.; New Hampshire Manufacturers Association, Manchester, N. H.; Associated Industries of New York State (Inc.), Buffalo, N. Y.; Ohio Manufacturers Association, Columbus, Ohio; Associated Industries of Oklahoma, Oklahoma City, Okla.; Manufacturers and Merchants Association of Oregon, Portland, Oreg.; Employers Association of Rhode Island, Providence, R. I.; Manufacturers and Employers Association of South Dakota, Sioux Falls, S. Dak.; Tennessee Manufacturers Association, Nashville, Tenn.; Utah Associated Industries, Salt Lake City, Utah; Associated Industries of Vermont, Montpelier, Vt.; Virginia Manufacturers Association, Richmond, Va.; Federated Industries of Washington, Seattle, Wash.; West Virginia Manufacturers Association, Fairmont, W. Va.; Wisconsin Manufacturers Association, Madison, Wis.; John E. Edgerton, chairman; James A. Emery, counsel.

Railway Subordinate Officials Association; Brotherhood of Dining Car Employees; Brotherhood of Railroad Station Employees; Brotherhood of Railroad Bridge and Building Mechanics and Helpers; System Trades Council, New York, New Haven & Hartford system; Association Colored Railroad Trainmen; Railwaymen's International Benevolent Industrial Association; Protective Order of Railroad Trainmen; American Federation of Railroad Workers; W. V. O'Neil, president Railway Subordinate Officials Association.

The National Industrial Traffic League, R. C. Fulbright, chairman legislative committee.

Mr. UNDERWOOD. Mr. President, I desire to say a few words concerning this bill before it comes to a final vote.

I regard the pending bill as one of the most important questions that confront the commerce of this country. I believe in a good wage to railroad employees. I believe in a method of settling what is a fair wage without resorting to a universal railroad strike. In the early history of our country, when railroads were new and the cost of transportation was very high throughout the world, a railroad was welcomed on any terms, because on any terms it reduced the cost of transportation; but since that time the world has grown very small in comparison to what it was before. The world to-day no longer lives within the confines of one country, but its feeding area surrounds the globe; and for civilization to persist on the basis that it has now established the markets of the world must be open to the producers of every country. Competition has grown tense, so far as our agricultural interests are concerned, due to the fact that they are largely located in the inland territory, and their products must travel over many miles that are away from the water highways and pay railroad transportation to reach the final markets of their destination, and at the same time compete with countries that are nearer water transportation, where the cost of railroad haul, by reason of the proximity of the grower to water transportation, is lower. This condition is bringing the question of the amount of railroad freight to the producers of America down to a very vital question, as to whether they can compete at all in the markets of the world.

Everybody knows that as to the great agricultural products of America the surplus must be consumed in foreign countries or disaster results at home. To compete and yet leave a living price to the producer, there must be a reasonable charge for transportation. I might say the same thing in regard to many of our manufactured products, but the others illustrate the case.

Of course it is unreasonable to call on any body of American citizens to perform a service unless they have a wage that is commensurate with the service rendered, as measured in like employments outside of that service; but, on the other hand, when we attempt to inject into a great transportation system a charge that is over and above a just and fair compensation for the service, we are laying that burden on the commerce of our country and the producing classes of our land. That is perfectly clear. It is not subject to dispute.

When the Adamson bill was before the Senate many years ago I proposed as an amendment that in the future the Interstate Commerce Commission should have the power to fix the rate of wage. That amendment would have removed it from the hands of the railroad executives and railroad capital entirely, and the reason why I proposed the amendment was this:

Railroad capital, so far as the great railroads are concerned, is no longer interested in the rate of wage, unless that rate of wage is so unreasonable that it hampers transportation. I say it is not interested in the wage rate, because, no matter what the wage is, if it is within the power of transportation to carry, that wage must be charged to the payer of freight and the payer of passenger travel. The Supreme Court has held that the act of Congress authorizing the Interstate Commerce Commission to fix the rate of freight transportation is constitutional if it is not confiscatory, and so far as I know there is not a decision coming from that court on what is confiscatory and what is not confiscatory that is not based primarily on the cost of carriage. The very foundation and basis to which the court goes to determine what is a reasonable charge for the transportation of freight and what is not confiscatory is the cost of rendering the service.

We all know that in the cost of that service 54 per cent is charged to wage. The wage scale constitutes 54 per cent of the cost of service; so it is idle to say that no matter what increase of wage is agreed upon, if the Interstate Commerce Commission does not respond in fixing a rate of freight to take up the slack and put the charge for wage on the man who pays for the transportation of freight and passengers—the public—the Supreme Court would hold that the rate was confiscatory and

must be raised in accord with the wage burden. Their decisions, the logic of the situation, would drive them to take that position. So I say that the Congress is not fulfilling its duty to the public when it says it wants a settlement by arbitration or any other method that does not take into consideration the fact that the man who ships the freight and rides on the railroad train in the end pays the rate of wage to the last dollar—I mean in the aggregate. Some railroads that are better situated than others may escape it, and some may be bankrupted by it, but in the aggregate they pay the wage.

I know of no system of arbitration that is fair and just and ever has been operative that does not have the parties to the contract, the parties whose interests are at stake, sit at the arbitration table. If we should strike out the representation of the railroad manager, if we should eliminate him from this bill because he is not concerned, if we should eliminate the representative of railroad capital from this bill because it is not concerned, it does not pay the wage and allow the President of the United States from the great shipping public, the producers of America, to appoint on the arbitration board men that represent that interest, then we would have an arbitration board that would represent the real parties whose interests are at stake. But that has not been done. There are appointed on one side of the board the great representatives of labor of America, who should properly be there to represent their side of the railroad scale. Then on the other side is appointed a dummy, who really has not a financial interest at stake.

It would be difficult, I recognize, to appoint direct representatives of the shipping public of America. It is only the Government that can represent them. The agents appointed by the Government must represent them. I am entirely willing that the railroad managers and the representatives of American labor may sit at a table and work out a tentative plan they think is fair and just as far as labor is concerned, but I do insist that the American public, which pays the bill, which must always pay the bill, whose very commercial life may be at stake if freight rates get so high that they can not move to the ultimate market of consumption and meet the competition they find there, should have a voice. Their commercial life, their prosperity, their homes, may be at stake in this measure.

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

Mr. UNDERWOOD. I do not like to refuse to yield to my friend, but to be perfectly candid about it—and I am sure my friend appreciates it—I have been laid up in bed for two months practically and I would like to get through as quickly as I can. If it is only for a question, I will yield.

Mr. WHEELER. The Senator intimated that the railroad employees were not interested. There are 2,000,000 railroad employees in this country, and they have wives and families, and they are interested in seeing the railroads maintained, because if the railroads are not maintained they are going to lose their jobs. They are pretty nearly the best-paid class of people in this country to-day, and they are not going to deliberately cut off their noses.

The executives of the railroad organizations of this country have consented to this bill simply because of the fact that they want to have some board of mediation, so that the organized men of the country will have something to go to, and in order that they may be protected against the more radical element in the labor organizations. They have gone further in this bill in giving away the rights to which they are entitled under the Constitution than any other labor organization in this country has ever done, as I shall point out later. They have simply said in so many words, practically, that after the 60 days provided, if they violate any of the provisions, the roads can go into court and get an injunction against them. They have offered to have any award of this board entered as a judgment in the courts of the country, and if they violate the provisions of the award, under the decisions of the Supreme Court the roads can sue them in damages. So, I say, that the railroad organizations have conceded a tremendous lot, more than the railroad men generally throughout the country would be willing to concede. But the railroad executives have conceded a great deal in this bill.

Mr. UNDERWOOD. The railroad executives have conceded nothing. I am willing to accord with what my friend says about the railroad labor, but not about the railroad executive, because he does not pay the bill.

Mr. WHEELER. No; he does not pay the bill.

Mr. UNDERWOOD. He does not pay the bill, and he had nothing to concede.

All my friend says about the railroad organization and railroad labor I admit to be true. I think they have been a most conservative set of men. They are highly organized. They are men of high character, and they are worthy citizens of the United States. My sympathies are entirely with them in their desire to get a living, and more than a living—a good wage. In fact, when I was a boy I earned my own wages on a railroad locomotive. I know what it is, and I am thoroughly in favor of a fair wage for the class of men who carry the commerce of the country and risk their lives day and night to serve the public. But I am not willing to make them the sole arbiters of what is just and right to the producers of America, without those producers having representation.

No matter how fair these men are—and I will concede their fairness—

> If self the wavering balance shake,
> It's rarely right adjusted.

I know, and the Senator knows, that this is not a question of the little railroads. The men who have entered into this agreement and made possible the passage of this bill are the representatives of the great railroads of this country, which are earning more than they are empowered to earn under the Esch-Cummins Act. If we raise the wage it does not hurt them; it only takes a part of that distributive share that would have gone to maintain the weaker roads. The man who lives on the little road, the weak road, which may be put out of commission, has just as much right to have the product of his toil carried to the ultimate market of consumption as the man who lives on a great railroad.

It is the purpose of the Government to bring service in transportation to all of the people of the United States, and an agreement between the men to a dispute of this kind who would sit in the conference would not be participated in by a representative of the people who live on the little, weak roads, but would be an agreement of those from the great, powerful roads of the country, which could give part of their earnings and surrender nothing.

I say that under those circumstances it is our duty to let the Government of the United States function. There is nothing unreasonable about the proposal of the Senator from Kansas.

Mr. WHEELER. Except that it is unconstitutional.

Mr. UNDERWOOD. Not at all.

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

Mr. UNDERWOOD. I hope the Senator will just ask me a question.

Mr. GOODING. I will. I just merely want to say to the Senator that the great Pennsylvania System, which was probably as active as any other in bringing about this legislation, or asking for it, is earning but 5¾ per cent. Very many of the other railroads that were active in it, the large railroads, are not earning that much.

Mr. UNDERWOOD. That may be true of many of them. With many of them it is the other way. I admit there are two sides to that, but a vast number of them will not give up anything.

This proposition is just as constitutional as is the Government regulation of railroad rates. Of course, I admit that if a contract is once made it is unconstitutional to interfere with it. But we pass laws continually to stop the making of unwise contracts. We have passed laws prohibiting the making of contracts in restraint of trade, and the courts have held such laws constitutional. We can pass laws prohibiting men from making contracts that will put an undue burden on commerce.

Mr. WHEELER. That is under a different clause.

Mr. UNDERWOOD. Certainly. That is all this does. It does not affect what is in the past, but it provides that if one makes a contract in the future it must be on terms which the Interstate Commerce Commission will hold to be within reasonable grounds to maintain a reasonable cost of transportation. I have not a doubt about its constitutionality. I think there is no question in the world that a lawyer who goes to the real merit of the case realizes that this is not a question of interference with a contract, but it is putting up a barrier against the making of a contract that is hurtful to the great body of the American people.

Therefore, Mr. President, I want to say that if the amendment of the Senator from Kansas is adopted I shall be very glad to vote for the bill, but if the amendment of the Senator is rejected I shall feel constrained to vote against the bill in its entirety.

Mr. WILLIAMS. Mr. President, I am in hearty accord with the expression of opinion and views of the Senator from Alabama [Mr. UNDERWOOD]. I am in favor of the adoption of the amendment proposed by the Senator from Kansas [Mr. CURTIS].

This amendment of the Senator from Kansas will find its place, if adopted, in paragraph (f), in line 20, on page 19 of the bill. It provides:

That the Interstate Commerce Commission may upon its own motion suspend the operation of any such award—

That is to say, an award made by the arbitrators—

or any wage agreement between the parties subject to this act, except one resulting from the operation of section 10—

That is to say, section 10 shall remain in full force and vigor as an emergency clause under the act—

if the commission is of the opinion that such award or agreement involves an increase in wages or salaries as not to be in the public interest.

What is the public interest? What interest has the public in a proposed law like this? This seems to be an agreement between certain railroads of the United States—by no means all of them—and certain employees of those railroads, which, after having been made between them, has been brought before us, and they seek to obtain legislative sanction and authority for this agreement which they have made.

The public means the traveling public, the public which is affected by freight rates, and the public which is affected by fares. How is the interest of the public affected? Let us turn to the transportation act of 1920, as amended, and see if the public is represented there. Subsection 5 of section 422 of the transportation act of 1920 provides:

Inasmuch as it is impossible (without regulation and control in the interest of the commerce of the United States considered as a whole) to establish uniform rates upon competitive traffic which will adequately sustain all the carriers which are engaged in such traffic and which are indispensable to the communities to which they render the service of transportation, without enabling some of such carriers to receive a net railway operating income substantially and unreasonably in excess of a fair return upon the value of their railway property held for and used in the service of transportation, it is hereby declared that any carrier which receives such an income so in excess of a fair return shall hold such part of the excess, as hereinafter prescribed, as trustee for, and shall pay it to, the United States.

There is the public interest. What does that mean? It means that a railroad, operating in the United States under a rate structure which has been agreed to by the Interstate Commerce Commission, is making a sum of money substantially and unreasonably in excess of a fair return upon the value of the railroad property. It means that it is difficult so to adjust a rate structure between different types of railroads performing different types of service to different parts of the country under different conditions of transportation; it is difficult so to fix a uniform rate structure which would apply equally to all of that property so as to yield a fair return to all; that they have provided in the transportation act a contemplation that there will be an excess for some railroads, and that when such excess appears to be there, it belongs to the public.

That legislation has been criticized. It has been criticized on the theory that it was socialistic and paternalistic; but when the true economic theory of it is recognized we will see that the criticism is not correct. It means that the rate structure on a particular railroad which earns an unreasonable excess over what would be a fair rate structure for that particular railroad would have to be decreased down to the point where the rate as applied to that business would yield a reasonable return, but that it "is difficult, if not impossible"—so read the words of the act—to lower that particular rate structure in comparison with and in conjunction with and in coordination with this great general rate structure—so intricate, so involved, so difficult, so delicate. Therefore it is provided that the railroads shall be valued. When they are valued, rates shall be applied. We know that those rates are excessive as applied to some railroads. Therefore there will be an excess; and inasmuch as it is impossible for us to so adjust these rates as simply to yield to each railroad the amount to which it is entitled, the excess which would have been reflected in a reduction of rates for the public interest shall belong to the public. There is the public interest.

Suppose the railroads who are parties to this measure have an excess of income which otherwise would go to the United States of America for the benefit of the traveling public and those who are the beneficiaries of freight rates and affected by freight rates, and when we refer to them we refer to all the public, we refer to the farmers—and that was the occasion of the remonstrance which the Senator from Kansas [Mr. CURTIS] had read at the desk—and we refer to the industries of the country, of course, and to the traveling public. Is there any provision in the bill that provides for the protection of that trust fund for the benefit of the public? I claim there is not.

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

Mr. WILLIAMS. I will yield in just a moment.

This trust fund, which belongs to the people of the United States and which would have gone to them in a decreased rate, now becomes the object of this agreement, and of course there will be no dispute. Why? Because the railroad, having a great excess, an unreasonable excess, to use the words of the Esch-Cummins Act, "having received income substantially and unreasonably in excess of a fair return upon its property," is not interested primarily in where that money goes. It knows that the money belongs to the public. It knows that it must turn that money over to the Treasury of the United States, and therefore, if peace can be bought with that fund, then we will not get lower freight rates, and that is the occasion for the remonstrance of the farmers.

Economically I think that is a perfectly sound position, and I call upon the senior Senator from Iowa, who is one of the authors of the great transportation measure, to tell me whether or not I am correct in my construction of subsection 5 of that act?

Mr. CUMMINS. Mr. President, if I may be permitted to answer, I think the Senator from Missouri is substantially correct. He has not read all of the provision. The law provides that if any railroad earns more than 6 per cent upon the value of the property which it has dedicated to the service, it shall pay one-half of the excess to the Government; in other words, it holds it as a trustee and pays it to the Government for whatever use the Government may see fit to make of the fund.

Mr. WILLIAMS. Am I correct in saying that the fund which is paid to the Government is given to the Government because there is no adequate way to reduce the rate and disturb the rate structure otherwise?

Mr. CUMMINS. The Senator is quite right about that. Suppose we have two lines which the shipper may use. About 85 or 90 per cent of the traffic of the United States is competitive in its character, and the roads which carry it from origin to destination must carry it at the same rate. If the commission were to reduce the rate upon the more prosperous railroad to the point that would yield only a fair return to that railroad, it would put the other railroad, the competitor, into bankruptcy and destroy a large number of the railways of the country, which we can not afford to destroy.

Mr. WILLIAMS. May I ask the Senator whether he has studied the provisions of the proposed bill in conjunction with his own bill providing for the consolidation of railroads?

Mr. CUMMINS. So far as I am concerned, I am opposed to the amendment of the Senator from Kansas upon an entirely different ground.

Mr. WILLIAMS. I have been wondering whether, unless an amendment of this kind were adopted, there will not be a serious question as to the ultimate result of consolidation, assuming that the bill introduced by the Senator, Senate bill 3840, should be passed.

Mr. CUMMINS. I have not been able to see that difficulty.

Mr. WILLIAMS. Mr. President, I shall close with this statement. I sincerely hope, because the Senator from Kansas by his amendment is seeking to protect the public interest, that his amendment may be adopted. If it is not adopted, I shall be compelled to vote against the bill itself.

Mr. WILLIS. Mr. President, will the Senator permit me to ask him a question?

Mr. WILLIAMS. I promised first to yield to the Senator from Idaho.

Mr. GOODING. Mr. President, I merely want to ask the Senator from Iowa [Mr. CUMMINS] if he understood the Senator from Missouri when he said that if the bill is passed the excess earnings of the railroads in the future will be used in compromising with the railroad employees. Does the Senator understand that the excess earnings can or will be used for that purpose?

Mr. CUMMINS. No; no more than under present law.

Mr. GOODING. And it has been in existence now for five years.

Mr. CUMMINS. There is an opportunity under the present law, or any law that could be formulated, for the railroad companies to be extravagant in their expenses and I know of no way in which that can be avoided.

Mr. GOODING. That is completely under the supervision of the Interstate Commerce Commission at the present time.

Mr. CUMMINS. Precisely; but the Interstate Commerce Commission can not investigate and supervise the operation of a railroad so as to discover or to prevent every bit of extravagance that may occur in the course of the operation of that railroad. That is not within the human power of the Interstate Commerce Commission.

Mr. GOODING. The Senator from Missouri made a most remarkable statement and I want to get it clear and have an understanding about it. I want the Senator from Iowa to understand his statement.

Mr. CUMMINS. I understood the Senator from Missouri to ask whether the passage of the pending bill would interfere in any way with the collection of excess earnings.

Mr. GOODING. He made the statement that the excess would be used for division with the employees.

Mr. CUMMINS. I can not see anything in the bill that would interfere with that policy.

Mr. WILLIAMS. I stated that that was a trust fund and needed a trustee.

Mr. CUMMINS. Of course, it may diminish the amount of the trust fund.

Mr. KING. Mr. President, I would like to suggest to the Senator from Idaho, and also to the Senator from Missouri, with whose remarks I think I am in entire agreement, that it is rather a strange coincidence that all of the rich roads that do have these surplus earnings are the zealous advocates of the bill, but the poor roads are opposed to it, so that the Senator from Missouri finds strong corroboration for his statement in the attitude of the rich roads toward the measure.

Mr. WILLIAMS. I yield now to the Senator from Ohio.

Mr. WILLIS. Mr. President, I desire to ask two questions of the Senator from Missouri. First, I understood from the Senator's statement that he is in favor of the amendment offered by the Senator from Kansas.

Mr. WILLIAMS. I am in favor of any amendment that will protect the public interest.

Mr. WILLIS. The Senator is in favor of the amendment offered by the Senator from Kansas?

Mr. WILLIAMS. I think that would do it. I am in favor of it.

Mr. WILLIS. That amendment provides in part that the "Interstate Commerce Commission may upon its own motion suspend the operation of any wage agreement between the parties"—I am reading it only in part—"when the commission is of the opinion that such award or agreement involves an increase in wages or salaries as not to be in the public interest." The first question I want to propound is this: Will not that provision, if enacted into law, throw the Interstate Commerce Commission immediately into every wage controversy involving transportation in the country?

Mr. WILLIAMS. Absolutely, and that is exactly where it ought to be, because it is thrown into every rate question which now involves the country. The same power that regulates rates ought to regulate wages, because they run together; they are concurrent. Rates are fixed largely on wages. Fifty-four per cent of the rates of the country consist of the wages.

Mr. WILLIS. I would not quite agree to that. It seems to me the difficulty about that is that if we throw the Interstate Commerce Commission, which is a quasi judicial body, into the midst of every wage controversy that affects transportation in the country, we will have destroyed the usefulness of the Interstate Commerce Commission.

Mr. WILLIAMS. I do not see how that could possibly be. We did not destroy its usefulness when we gave it the rate-making powers it now has.

Mr. WILLIS. I get the Senator's viewpoint anyway. Now, let me ask my second question.

In the second place, the latter part of the amendment offered by the Senator from Kansas provides:

> The Interstate Commerce Commission shall hear any award or agreement so suspended within 30 days thereafter and with due diligence affirm or modify such suspended award or agreement.

I ask the Senator this question: Does he believe that the Congress has authority so to impinge upon the right of contract, that has been insisted upon throughout our history, as to give to the Interstate Commerce Commission the right to change a contract that has been freely made by the parties thereto?

Mr. WILLIAMS. Mr. President, there are three answers to that question.

First. If we are going to assume that the Congress or any board has no right to modify any contract, then why this legislation at all? That was the occasion for my first statement, that this is a contract or an agreement between the railroads and their employees brought before us for the purpose of putting the stamp of legislative sanction and approval upon it. If these contracts are inviolable, why bring them here? That is the first answer.

Second. Inasmuch as section 10 of the proposed act does give the emergency board the power to decrease such wages, the proposed act is unconstitutional if the amendment is.

Third. If one-half of the money collected by the railroads over a return of 6 per cent belongs to the public, the public has an interest in seeing to it that the railroads do not submit to having any of it taken away without the consent of the trustees.

Mr. WILLIS. Mr. President, the answers given by the Senator from Missouri suggest that there ought to be a fourth.

Mr. WILLIAMS. There may be more answers.

Mr. WILLIS. There certainly ought to be another one, because no one of the three is responsive to the inquiry. But passing by that, I want to ask the Senator this question: Suppose the Interstate Commerce Commission should exercise the power proposed herein to be granted to modify an agreement that has been made by the parties, does the Senator think that there is any power resident in the Government of the United States to compel anybody to comply with the terms of such a modification?

Mr. WILLIAMS. Does the Senator not think that it is a fair answer to that question to say, if there is not, then, what are we doing here with this bill?

Mr. WILLIS. I do not think that is a fair answer.

Mr. WILLIAMS. I think the Interstate Commerce Commission has the power. I do not think there is any doubt about it.

Mr. WILLIS. I should like to ask the Senator another question. Does the Senator think, under the Constitution of the United States, that if this amendment should be adopted, then the Interstate Commerce Commission would have the power, under the terms of the then law, to compel men to work whether they desired to do so or not?

Mr. WILLIAMS. Not at all. This proposed act does not contain any such provision.

Mr. WILLIS. Then, what does the Senator's answer mean?

Mr. WILLIAMS. It disclaims any intention to assume such jurisdiction. We can not make men work; that can not be done.

Mr. WILLIS. Does the Senator say or not that the Interstate Commerce Commission, under the terms of this amendment, if it shall be enacted into law, would have the power to enforce the modification proposed herein?

Mr. WILLIAMS. They have the power to say, "Here is the money belonging to the public; you can not take that."

Mr. WATSON. Mr. President, does the Senator from Missouri claim that if the Pennsylvania Railroad Co., for instance, enters into a contract with Bill Smith to work for $4 a day, the Interstate Commerce Commission has the right to interfere with that contract?

Mr. WILLIAMS. Certainly not.

Mr. WATSON. Certainly not. But that is the sum and substance of the Senator's whole argument.

Mr. WILLIAMS. I thank the Senator.

Mr. WHEELER. Mr. President, I doubt if there is anything that I could add to the very able presentation of the pending bill which was made by the Senator from Indiana [Mr. WATSON] on yesterday, but it does seem to me that some of the Senators are taking an entirely wrong view of the measure.

In the first place, every time there has been a labor dispute in this country the people have been clamoring that the workers on the one hand should get together with their employers on the other hand. In every labor dispute which has been going on in the country, I repeat, between manufacturers and their employees, between the railroads and their employees, between the mine owners and their employees, we have all said, "We hope that they will get together and settle their dispute." In this case, however, an effort is being made to keep them from getting together. The great railroad organizations and their employees have gotten together. The employees came here with a bill two years ago and asked that it be enacted by the Congress of the United States. If my recollection serves me correctly, it passed the Senate, but it was opposed by the railroads. Subsequently the railroads and their employees got together and agreed upon a plan, and they said, "We want this enacted into legislation." We held hearings before the Interstate Commerce Committee, and every Senator upon that committee, I think, was glad to see the spirit that prevailed there between the employers and the employees. It seemed to us that this was the turning point for a better understanding in America between employers and employees. There was a spirit of get together and compromise, the expression of a willingness to try to settle their differences by arbitration. Then, when the bill comes here on the floor of the Senate, we immediately

hear some Senators saying these men should not be permitted to get together at all; they should not be allowed to get together, because if they are permitted to do so they may rob the public; they may destroy the railroads; they may destroy the manufacturers; they may destroy the farmers of the country.

Is there anybody in this country who thinks that the presidents of the railroads want to ruin the country? It is not only the rich railroads in this country who desire this legislation, but let me say that the attorneys who represented the Northern Pacific and the Milwaukee and a number of other railroads in the West which are not rich railroads by any means came here and said, "We want this legislation." The employees of those railroads also said, "We want this legislation." Is there anybody here in the Senate who believes that the executives themselves of those railroads want to destroy their properties? Is there anybody who believes that they want to put the farmers out of business? Certainly not, for they depend upon the farmers of the Northwest for their business. Is there anybody who believes that the 2,000,000 railroad employees in this country want to put the railroads out of business, so that they will be out of work and their wives and children will go hungry? It seems to me that it is absurd supposition. The railroad employees constitute the backbone of many of the communities, and there is not a higher class set of workers in the country than are the men who are employed upon the railroads.

The Senator from Kansas, who offered the amendment, says it is a "stop signal." He wants the Interstate Commerce Commission to come in and say after a contract has been entered into, "We will suspend this contract."

A committee representing certain manufacturers came before the Interstate Commerce Committee and said, "We are opposed to this bill because we are afraid the employees and their employers will get together and there will be no protection for the public." I wonder how many manufacturers' organizations in this country would want to be prevented from dealing directly with their employees and entering into labor contracts with them. When a manufacturer in the woolen business or in any other line of industry and his employees get together and enter into a contract everyone is glad; nobody suspects that they are entering into a conspiracy to rob the general public; everybody is delighted to see them get together, and we want them to get together. Yet when the railroad executives and the railroad workers have come here, probably for the first in the history of the country, with an agreement to submit their disputes to arbitration, some Senators want to prevent it, and the Senator from Kansas puts up what he calls a "stop signal." Let us see how much of a "stop signal" it is.

Mr. WILLIS. Mr. President, before the Senator leaves that branch of the discussion, I wonder whether he will yield for a brief interruption?

Mr. WHEELER. Certainly.

Mr. WILLIS. The Senator is a member of the committee which considered the bill, and he has given careful study to it. He with other Senators, of course, has received the complaints which have come in on this very point, namely, that the bill does not satisfactorily protect the public interest. I should be very appreciative if in the course of his discussion he would point out in the terms of this bill what is to be found particularly for the protection of that public interest. I think it would be useful in the discussion of the measure.

Mr. WHEELER. I will be very glad to attempt to do so. I will say to the Senator that, in the first place, the bill provides, as I think everyone knows, that the employer and the employee shall attempt to get together, and, if they can not do so, then they shall resort to the proposed mediation board. The Senator from Kansas said, "The mediation board will not be of any use whatsoever; it will not accomplish any good whatsoever; the members of the board will merely draw their salary." That is not at all the case. The moment the mediation board shall be created, if it does its duty—and we have got to assume that it will—it will immediately undertake a study of economic conditions throughout the country. Two million men are working on these roads. They are scattered throughout the country. Living conditions, climatic conditions, and prevailing economic conditions are not the same in all sections of the country. It takes more money to live in some sections than in others. Workingmen are ambitious to improve their living conditions, and they should be. If they were not ambitious and were not trying to increase their wages, they would not be worth their hire.

This mediation board would have to deal with the economic problems all over this country. They would have to deal with 2,000,000 men and the problems confronting them. Not only would they have to deal with these men, but they would have to deal with the great railroad properties throughout the country, and they would have to be in such a position that when these disputes were submitted to them they would know something about the problems with which they had to deal.

Then this board of mediation simply goes to the employer and the employee, and it calls them together, and they sit around the table, and it says to them: "Now, we want to thrash out this thing. We want you to get together and settle this dispute." That is what the mediation board does; and I submit that if its members do their duty, as I have every reason to believe they will, there is not any question at all but that they will earn every dollar that is paid to them.

In addition to that, the Senator from Kansas [Mr. CURTIS] says that the public is not protected. Why, Mr. President, the mediation board is appointed by the President of the United States, and these men that are appointed by the President of the United States on the mediation board are going to protect the public interests. They are going to collect the facts and they are going to know what the facts are, and the public is protected by this board when matters are submitted to them. When they are not submitted to them the public is protected by the Interstate Commerce Commission which we hope will refuse to increase freight rates unreasonably.

In addition to that, Mr. President, in the event that a strike is threatened or a dispute arises under this bill, the men agree not to go on a strike for 60 days, while the whole question is being thrashed out in its different stages; and if they attempt to go on a strike, if the men should violate the law in any respect, then the railroads and the Government would have the right to go into court and get out an injunction to prevent them from going ahead with the strike. If the men violate the provisions of this law, the railroads or the Government can go in and sue the unions for a violation of their contracts and take away from them the money that they have saved in their treasuries. Not only that, but after they have finally come to an agreement it is made binding upon the parties by making it a court record.

We have to assume, in addition to that, that 2,000,000 laboring men of this country are not going out just to rob the people of the country. We have to assume that the executives of these great railroads are not going to enter into any criminal conspiracy with their employees to rob the people of this country. So this talk about the rich railroads and the employees entering into a conspiracy to rob the people of this country is, in my judgment, all nonsense.

So I come back once more to this stop signal that the Senator from Kansas wants to inject into this bill. Let me say at the outset that, in my judgment, no lawyer who has examined the cases decided by the Supreme Court of the United States can stand before this body and honestly insist upon this amendment, because it is clearly unconstitutional.

It provides:

> That the Interstate Commerce Commission may, upon its own motion, suspend the operation of any such award or any wage agreement between the parties subject to this act.

Let us see what the Supreme Court of the United States has said with reference to contracts of this kind. I call attention to the case of Adkins against Children's Hospital, decided in Volume 261 United States, page 525. Mr. Justice Sutherland delivered the opinion of the court. He said, at page 545:

> The statute now under consideration is attacked upon the ground that it authorizes an unconstitutional interference with the freedom of contract included within the guaranties of the due process clause of the fifth amendment. That the right to contract about one's affairs is a part of the liberty of the individual protected by this clause, is settled by the decisions of this court, and is no longer open to question.

Citing numerous cases.

> Within this liberty are contracts of employment of labor. In making such contracts, generally speaking, the parties have an equal right to obtain from each other the best terms they can as the result of private bargaining.

That is what the Supreme Court of the United States has said is guaranteed by the Constitution of the United States; and this amendment proposes to take away what is guaranteed by the Constitution of the United States.

It has sometimes been charged that I wanted to tear down the Constitution of the United States, but here we find the Senators favoring this amendment violating the Constitution. I say to you, Mr. President——

Mr. BRUCE. Mr. President, I should like to ask the Senator in that connection whether he did not advocate, two years ago, the abolition of the process of injunction in labor dis-

putes, and also the subordination of the authority of the Supreme Court of the United States to the power of Congress?

Mr. WHEELER. I will say to the Senator very frankly that I advocated doing away with injunctions in labor disputes, and I say to the Senator now that in this bill labor has conceded practically, and in my judgment absolutely, the power of the Government to go into court and use the injunction in labor disputes. I have said very frankly to the representatives of labor and to the railroad brotherhoods that I thought they were giving away more of their rights than they should do; but they have been perfectly willing, in the spirit of compromise with the executives of the country, to make these changes; and yet, Mr. President, we find Members standing upon the floor of the Senate denouncing the bill because of the fact that they think labor may get too much out of it.

I also desire to call attention to the case of Adair against United States, decided by Mr. Justice Harlan, who, speaking for the court, said:

> The right of a person to sell his labor upon such terms as he deems proper is, in its essence, the same as the right of the purchaser of labor to prescribe the conditions upon which he will accept such labor from the person offering to sell. * * * In all such particulars the employer and employee have equality of right, and any legislation that disturbs that equality is an arbitrary interference with the liberty of contract which no government can legally justify in a free land.

In Coppage against Kansas, the Supreme Court, speaking through Mr. Justice Pitney, said:

> Included in the right of personal liberty and the right of private property—partaking of the nature of each—is the right to make contracts for the acquisition of property. Chief among such contracts is that of personal employment, by which labor and other services are exchanged for money or other forms of property. If this right be struck down or arbitrarily interfered with, there is a substantial impairment of liberty in the long-established constitutional sense.

So I submit, Mr. President, that if this amendment should become a law it would be not only unconstitutional but would absolutely violate the spirit of liberty that is guaranteed to the people of this country by the Constitution of the United States. When the Senator says that this amendment is constitutional I challenge him to cite a single case decided by the Supreme Court of the United States where they say that any power of the Government can come in and set aside or suspend a wage agreement entered into between the parties. If every farm organization in this country or every farmer or every workingman or every manufacturer comes in here and asks me to take away the liberties guaranteed by the Constitution of the United States, I shall not do it. I want to say that I would not do it whether the National Grange wanted it or whether any other farm organization wanted it. It is not right, and it is in violation of the spirit of liberty, and it should not be done. It is unconstitutional, and not only has the Supreme Court so decided in one case but it has so decided in numerous cases.

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

The PRESIDING OFFICER (Mr. EDGE in the chair). Does the Senator from Montana yield to the Senator from Wisconsin?

Mr. WHEELER. I do.

Mr. LENROOT. For my own information, is any distinction to be drawn between a contract made by a public-service corporation and a contract made by a private individual?

Mr. WHEELER. Not a bit. The courts have not made any difference between them. In the minimum-wage case they took up that very question and said in that case that that was a personal contract between the employee and the employer; that the employee himself was not engaged in a public service in the sense that the instruments of the company were; that his was a personal relation, and the Government of the United States could not interfere with his personal, private relations, because the corporation always had the right to hire him or fire him, and he was not working for the Government but was working for a private individual. So I say that that does not make any difference.

Mr. President, I submit that it is useless to adopt this amendment, because it will be declared unconstitutional. There are numerous other objections which I think have been sufficiently covered and which I shall not urge at this time.

Mr. FESS obtained the floor.

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

Mr. FESS. I yield.

Mr. WILLIS. This subject is of very great importance, and I know that several Senators are particularly desirous of hearing my colleague. I therefore suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

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

Bingham	Fess	McLean	Smith
Blease	Frazier	McNary	Smoot
Borah	George	Mayfield	Stanfield
Bratton	Gerry	Metcalf	Steck
Broussard	Gillett	Moses	Stephens
Bruce	Glass	Neely	Trammell
Butler	Goff	Norbeck	Tyson
Cameron	Gooding	Norris	Underwood
Caraway	Hale	Nye	Wadsworth
Couzens	Harreld	Oddie	Warren
Cummins	Heflin	Overman	Watson
Curtis	Howell	Phipps	Weller
Deneen	Johnson	Reed, Pa.	Wheeler
Dill	Keyes	Robinson, Ind.	Williams
Edge	King	Sackett	Willis
Edwards	La Follette	Sheppard	
Fernald	Lenroot	Shipstead	
Ferris	McKellar	Simmons	

Mr. CURTIS. I desire to announce that the Senator from Washington [Mr. JONES], the Senator from Florida [Mr. FLETCHER], the Senator from New York [Mr. COPELAND], the Senator from Louisiana [Mr. RANSDELL], and the Senator from Georgia [Mr. HARRIS] are in attendance on a meeting of the Committee on Commerce.

The PRESIDING OFFICER. Sixty-nine Senators having answered to their names, a quorum is present.

Mr. FESS. Mr. President, I first want to call attention to the suggestion of the junior Senator from Missouri [Mr. WILLIAMS], which is an objection that was heard during the hearings conducted on the bill, and it has been repeated very often by those who are not in favor of the measure. It is to the effect that the more profitable roads, which are likely to make a reasonable return and more, so that under the recapture clause of the 1920 law a certain portion of their return would go to the public to be used for the less profitable roads, would prefer to increase the wages of their employees rather than have the surplus utilized under the provision of the transportation act.

I do not look upon that as a serious matter, and even were it a serious matter, it is not cured by the present law. In other words, that very condition exists to-day, and if the more profitable road wished to use this surplus by increasing the wage, and it were permitted by the Interstate Commerce Commission, it could do it, and what it could do under the proposed legislation, and which seems to arouse fear, could be done under the present law. So that does not have any determining effect with me at all.

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

Mr. FESS. I yield.

Mr. LENROOT. Even assuming it to be true, they would have to contribute to that increase 50 per cent of the money belonging to the stockholders.

Mr. FESS. They would under the law. I think the amendment offered by the Senator from Kansas does involve a matter of serious import. There is much to say in favor of it, and I think more to say against it. That is one of the things that has been in the minds of the members of the committee during all the days this bill has been under consideration.

It might be interesting to Senators to know that when I heard the first statement of the purport of this bill I was opposed to it. It did not appeal to me as providing sufficient protection for the public, and I plied those before us with questions as to whether the public was protected. I was doing that under the conviction that we should not do away with the labor board until we had something better than the labor board. That is a proposition which I think is quite fundamental, and I am of the opinion that it is the conviction of everyone that until we find something that is an improvement on the labor board we ought to leave the law as it is.

The labor board is an expression of an effort to adjust industrial disputes, stopping short of legal enforcement, but leaving it only to moral enforcement, a plan by which there is a moral binding force, but without a legal force. At once, when we first express it, it seems to be not only inconsistent, but indefensible; but it is neither. Anything like a legal binding force would mean compulsory arbitration, and I do not believe anyone is ready, in the present stage of industrial development, when the Government is trying to find a way to adjust disputes which come up, to say we are going to the point of compulsion, either to prevent a strike by the imposition of a penalty or, in a positive way, to compel men to work under penalty. I think it is not contended that anyone is ready for that, especially in peace times, and I think we may drop it.

The labor board was an expression of an effort to find a moral binding force without going to the extent of a legal bind-

ing force. I do not think it has proved itself to be what those who voted for it believed it would be. As a member of the other body at the time I supported the proposal, with some trepidation, I admit; but I am convinced that the present proposal is an improvement upon the present law, and I will indicate why I think so, although before I had investigated it I was opposed to the present plan.

This bill is written in accordance with the proper theory of adjustment and of contract. The first principle is to respect the binding force of a contract, and allow the parties making a contract to go to their fullest limit to reach an agreement by negotiation or conference. That ought to be at the very foundation of every contract, both in its making and in its enforcement, and that is what this bill would accomplish.

It also goes further than that, and provides that if the agreements, which both parties are pledged to respect, are not sufficient to adjust a dispute which arises, then there shall be a Government body. First, there are to be adjustment boards created under the law, to see whether the parties can not reach an agreement or an adjustment without appealing to outside interests.

I think the important feature of the bill is this—and it is a long step, a wide stride, in industrial relations from the conditions of only a few years ago—that it recognizes the principle of collective bargaining, and that has been the subject of considerable controversy for years. This would write into the law the principle that bodies can contract through chosen or selected representatives. These different elements in the contract, the management on the one hand and the employees on the other, can speak to one another through their representatives, and it is a recognition of a principle which I think is most important and likely never to come into dispute again. That is important in this bill.

If disputes can be adjusted through the representatives of the two parties under the adjustment boards created, then the disagreement will not go to the point of any interruption of transportation whatever. That is all left with the parties to the contract, and that is sound from every standpoint, legally as well as economically.

If the adjustments through these boards fail, then there is a body which represents the Government, the people of the United States, to mediate between the contracting parties in dispute, and to see whether they can not bring the two together. That is where the public speaks. The mediation board—to say nothing about its constitution, its numbers, or its credentials—is to be permanent, always in existence, appointed by the President under no influence by either party, but confirmed by this body, the Senate, that is to be ready, that is to collect information and data covering subjects which might come into dispute, and assemble without doubt the most valuable body of information on the question of industrial relations that any board would be able to compile. That is to be a body that will not represent labor and will not represent the management, and can not have any interest in either in any way; for if a person has an interest in either in any degree, he will be disqualified from accepting an appointment on the board.

That is to be a body created by law to represent the public, with no particular interest on this side or that side, but with the one function of maintaining uninterrupted transportation, believing that this Government could not continue if transportation should cease. We can do without some things. There are many valuable things we enjoy, such as automobiles, representing a tremendous investment in the country, which we might do without, and yet the Nation industrially could go on. But this Nation could not exist if transportation stopped, for people would starve and freeze.

Transportation is absolutely essential, and for that reason the public has a paramount interest in it and all of our legislation must reflect that particular item. It is commonplace for me to say that I recognize the right of management in profit and in investment and that any legislation ought to respect it, or that I recognize the right of labor in steady employment at a high level of wages to maintain our American standard of living. But I can not represent alone labor in their primary interest in wage, and I can not represent alone, and no Member of the Senate can represent alone, the management or the investor whose prime interest is profit or income. We have to recognize and represent the third party, which is the public, and here is the board that represents the public, that speaks for the public, whose only interest is not in profit nor in wage, but in uninterrupted transportation. It is the business of that board, when there is any threat or any danger of interruption, to function as the voice of the American Government, to bring the parties together, not to decide itself, not a fact-finding commission; no; no; but it is a mediatory body to bring the parties together so they might have impressed upon them the need of coming to an adjustment without having to go to the other extreme.

I can not understand the angle of the opposition of some of the wisest men in this body, their assaulting the idea that the board of mediation is of no value and that it is a defunct organization. It is the core of the legislation, for through its functioning, speaking for the Government, we are hoping that 95 per cent of the difficulties will be adjusted and that very few of them will ever reach any other stage.

Mr. CURTIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from Kansas?

Mr. FESS. I yield.

Mr. CURTIS. Under the bill as it is drawn, what can the board do? What authority has it?

Mr. FESS. The board can bring the parties together.

Mr. CURTIS. If they want to come.

Mr. FESS. Yes.

Mr. CURTIS. But if they refuse to come it can do nothing.

Mr. FESS. That is the point. My friend from Kansas knows that if they do not want to come he would not vote to compel them to come. That would be compulsion, and we are not ready to go to that extent yet. There are only two ways in which the public can be harmed——

Mr. CURTIS. Upon yesterday I stated that I would not compel them to come. I dislike to hear the Senator say that the mediation board can do so much when there is no authority in the law for them to do anything. No matter what order they make they can not enforce it. All they can do is to say "Will you please arbitrate?"

Mr. FESS. Of course, they can not enforce it, but my friend would not vote to give them the power to enforce it. Of course, he would not. What is the use of talking about it?

Mr. CURTIS. That is why I say we ought not to have the board. What is the use of spending $300,000 a year for a board like that?

Mr. FESS. Does the Senator mean that we ought not to have the board because it has no power to enforce any finding it makes?

Mr. CURTIS. Because it can accomplish nothing, and it only serves as a means for the expenditure annually of $300,000 of the people's money.

Mr. FESS. I differ with my friend when he says they can not accomplish anything. The truth about the matter is that most controversies could be adjusted if we could get the two parties around a table to sit down in the presence of a body which has the facts touching the subject of controversy.

Mr. CURTIS. But in the pending bill we have provided no means of bringing about that situation.

Mr. FESS. Provided this one fails.

Mr. CURTIS. No; before this one is tried.

Mr. FESS. The first is the adjustment board that is created or set up by the two parties in controversy, while the board here proposed is a board representing the Government of the United States, appointed by the President of the United States.

I can not get the angle of my good friend, although I note the purpose of his amendment and I have considerable respect for what he wishes to secure. But I think there is more danger in it than good.

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

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from Maryland?

Mr. FESS. I yield.

Mr. BRUCE. The Senator from Ohio knows, of course, that the same sort of provision was made in both the Erdman and the Newlands Acts for mediation.

Mr. FESS. Yes.

Mr. BRUCE. The Senator is aware of that fact, of course.

Mr. FESS. But there is a very striking difference between the board here proposed and the board of mediation and conciliation provided in both the Erdman Act and the Newlands Act. In those cases we never had mediation until the cause had arisen. In other words, mediation ought always to come in as a preventive. It ought to operate before the contest is at white heat. The provision in the pending bill provides for that operation, and therefore the mediation board here provided for is operating before we reach the point of heated contest where it is so difficult to get an adjustment, while the other was a board which waited until the contest had arisen. I think the Senator will agree that that is a world-wide difference.

Mr. BRUCE. Of course the mediation board under this bill does not function until the board of adjustment is appointed.

Mr. FESS. The mediation board provided under this bill is in existence permanently, perpetually and constantly collecting data touching the subject that will come into controversy.

Mr. BRUCE. The boards of mediation under the Erdman and Newlands Acts were permanent boards.

Mr. FESS. But not until the controversy had come up and mediation or arbitration or some other plan demanded, while under this bill they can be constantly collecting the data looking to a possible threat that might be impending.

Mr. BRUCE. My reading of the Erdman and Newlands Acts was that the board of mediation under those acts could have done that same thing.

Mr. FESS. No; that is the most distinctive discrimination between the former acts of mediation and conciliation and the present one, and it must not be overlooked. This bill provides for operation before the contest comes on; that is, they are ready to operate, to collect the data, while in the other case the difficulty had come up and the point of conciliation largely passed over before they could function. I want that to be noted as one of the most specific advantages of the present plan.

Mr. President, without going further into the idea that the mediation board, whose function it is to bring the contesting parties together, is a very important function in the Government, I think, without saying, that it ought to be conceded. In case the mediation board fails—that is, if the direct mediation fails—then comes its operation through securing arbitration, if possible. There was opposition by the senior Senator from Alabama [Mr. UNDERWOOD] to the arbitration feature. The objection to arbitration that is offered is an objection that is always offered to arbitration. It is inherent in arbitration. It goes with arbitration. Arbitration is never satisfactory because it is never impartial. It is never complete. Arbitration is always the result of negotiation by special pleaders. The arbitrator is not an impartial judge. The arbitrator is a diplomat to get all that he can get on his side of the issue without much respect for the equity in the case. That goes with all arbitration. That is one reason why arbitration falls short and why we ought to have something better.

The objection to this plan was that the laboring people appoint one arbitrator if the mediation board can induce them to do it, and the management appoints another arbitrator. It goes without saying that the one appointed by the labor people will be a special pleader for labor, and the one appointed by the management will be a special pleader for the management. Then they select the third man. It was urged that the third man is a dummy. I do not like that expression, but the difficulty is that the third man is always the umpire, and that is why arbitration as a rule is not satisfactory. Arbitration in the past in disputes has not been often used, but mediation constantly. Disputes are adjusted by mediation and not by arbitration. Very few disputes are adjusted by arbitration.

Mr. BRUCE. Mr. President, will the Senator yield to me again?

Mr. FESS. Certainly.

Mr. BRUCE. I fail altogether to find in the pending bill any justification for the distinction the Senator from Ohio has sought to draw between the powers of the board of mediation under the pending bill and the powers of the board of mediation under the Newlands Act. For instance, section 5 of the pending bill, if the Senator will pardon me, provides that—

> The parties, or either party, to a dispute between an employee or group of employees and a carrier may invoke the services of the board of mediation created by this act, or the board of mediation may proffer its services, in any of the following cases:
>
> (a) A dispute arising out of grievances or out of the interpretation or application of agreements concerning rates of pay, rules, or working conditions not adjusted by the parties in conference and not decided by the appropriate adjustment board;
>
> (b) A dispute which is not settled in conference between the parties, in respect to changes in rates of pay, rules, or working conditions;
>
> (c) Any other dispute not decided in conference between the parties.

So the bill does not contemplate the idea of any call being made upon the board of mediation under the provisions of the bill. The board of mediation take steps in the case where there has been a dispute between the carrier and its workers, and they have a right to settle that dispute between themselves.

The Erdman Act provides, as, of course, the Senator knows, for the office of commissioner of mediation and conciliation and an assistant commissioner and also appoints two other officials of the Government to act with the commissioner of mediation and conciliation. Under the terms of that act the members of the board not only responded to calls for assistance in disputes, but proffered their services to the respective parties when the occasion seemed to require it. I submit that the distinction the Senator from Ohio has attempted to draw is not based upon any solid foundation whatsoever.

Mr. FESS. The Senator may have his opinion on that point of controversy. The board of mediation here provided is a permanent board, with agencies for collecting the information it needs. It collects from whatever source it desires. It is always in session. It is a Government agency and represents the public. It can not have any interest whatever in either side of the controversy. It can yield or respond when either party asks it, or it can extend its services of its own right whenever the other parties do not request it.

Mr. WILLIS. Mr. President——

Mr. FESS. I reiterate what I said, that this is one of the outstanding discriminatory features of the bill. I yield to my colleague.

Mr. WILLIS. Would it be accurate to state, then, that this board of mediation is a fact-finding commission of continuous existence and functioning all the time? Is that true?

Mr. FESS. It is a fact-finding commission in the sense that it has the power to collect data constantly on any subject that might be a subject of controversy.

Mr. WILLIS. But it does not need to wait until the controversy arises?

Mr. FESS. Oh, no. It is not a fact-finding body in the sense that it can use the facts for the purpose of making a finding. I hope that my colleague makes the discrimination.

Mr. WILLIS. Yes; I understand.

Mr. FESS. Mr. President, with reference to arbitration, while I admit that arbitration is generally a weakness, there is one thing about the arbitration plan here proposed that has never been in any arbitration plan that has yet been submitted, and I think it is a very long step, longer than I think the contestants in a dispute over a contract are apt to take. That is, if the parties agree to arbitrate, then they are bound by the finding or by the decision of the board of arbitration. There is a leeway, of course, as there ought to be. If some misrepresentation or some ground that would justify a reopenng of the case is discovered, it can, of course, be reopened; but when it reaches the final stage, then it is final and the parties are held to it. That condition has never been written in any law of arbitration to which the United States has been a party.

If we are willing to go into arbitration with other countries, we say, of course, we will be honorable enough to abide by what the arbitration board shall find, but there has been no instance in the history of legislation, so far as I know, where the finality of the decision of a board of arbitration has been written into the law. It is proposed to write it into the law here; and that is certainly one of the most outstanding differentiations of this bill from anything that has gone before it.

In case arbitration shall not take place—in other words, if mediation shall fail directly to cause the parties to arbitrate and there is a threat of a tie-up—then this board, which some Senators say has no significance, will lay the matter before the President of the United States. In that event the President is empowered to appoint an emergency board. That is not a permanent board, as it ought not to be. It is a board created for the purpose of considering a specific controversy, and when the case is disposed of the board ceases to exist.

Some Senators are finding fault with that board because it does not have power to enforce its findings. I do not think anyone should dwell upon that, because there is certainly no one who wants to give either the mediation board or the arbitration board or the emergency board the power to enforce its findings. There is where the Railroad Labor Board broke down. While we never intended to give the Railroad Labor Board any power to enforce its findings, there was some procedure on the part of that board that led the public to believe that it did have such power; and when the Railroad Labor Board reported a finding and the parties involved paid no attention to it, the public immediately said "Here is a finding made by a Government agency, and yet the parties in interest defy it"; and the public immediately became enraged not only at the contending parties but later on at the imbecility of the board. So I have a great deal of sympathy with the idea that it is not best in creating such a body to lead the public to think that the body has power when it has not any power, because when it shall publish its findings and either party shall under the law ignore them, then an undesirable impression is created on the public mind both toward the controversy and toward the board that has made the report. I think that is immensely important and this bill would avoid it.

So, Mr. President, starting in opposition to the measure, because I had not read it carefully, thinking that it did not afford as much protection to the public as does the present law, yet after having gone into the various phases of the bill very carefully with the members of the committee, I have concluded that it is written upon a sound basis for the adjustment of difficulties and will not cause an industrial controversy to be

brought to the floor of the House or the Senate, which is a thing which ought to be avoided, I think, until it shall become a matter of last resort.

In effect the bill says to the railroads and their employees, "First, make your agreement; that is your business; second, respect your agreement; bind yourselves to the agreement; third, through the adjustment boards make adjustment of your differences. If you can not do that, the mediation board, which represents the public, will use its good influence and good offices to see whether or not it can not be done." If the mediation board shall fail directly, then it will recommend arbitration; and if that shall fail, then the board will lay the matter before the President, and he will act through an emergency board. That is sound, and I think, short of compulsion, it is about the best plan for the adjustment of industrial disputes between public utilities and their employees that one can think of.

Mr. WILLIS. Mr. President——

Mr. FESS. I shall yield to my colleague in just a moment.

I want to impress the Senate with one thought. Here are two tremendously important contracting parties. On the one hand, the managers of the railroads represent property valued at billions of dollars. Investments in that property are very popular; they are held by thousands of people whose interest is to secure uninterrupted transportation. Then, on the other hand, are the employees, 2,000,000 of them, representing 10,000,000 people. Their business is of vital importance to 100,000,000 people. I understand that the employees are holding investments which represent between thirty-five and forty million dollars. That is a wonderful statement if true, and I obtained it from an authoritative source. That amount in part represents the financial power of the employees on the railroads.

I am not speaking of the management; I am speaking of the employees of the railroads. I think there has been no movement in modern times that is more far-reaching than the movement of the brotherhoods in becoming investors and bankers. There are now 16 labor banks in Cleveland and elsewhere, representing millions upon millions of dollars, of which, of course, workingmen are the owners. They are investors, and they are not going to do anything unwise to destroy the business in which they are engaged. I know of no movement in modern life that is more important.

These people, who heretofore have always been antagonistic, representing labor as against capital or vice versa, have come to us and agreed upon a plan, and we have asked them, "In your judgment will it work to the interest of the public?" The reply from both sides was, "It will so work." When we asked them—and, Mr. President, I am "telling no tales out of school," for the hearings before the committee were open—when we asked them the question, "If this plan shall fail, what will the next step be," they claimed there was no step of which they could think short of compulsion. I state here as a Senator that I shall vote for this measure in the faith that it offers the best plan that has as yet been proposed. It seems to me it is the farthest reach toward voluntary effort to compose differences which may arise between the railroads and their employees. If it fails, then it will be time to consider whether later on we will have to resort to compulsory arbitration.

Mr. WILLIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Ohio yield to his colleague?

Mr. FESS. I yield to my colleague.

Mr. WILLIS. My colleague has just spoken of the unwisdom of legislation that would create in the public mind the impression that there was power to enforce findings or decisions, when, as a matter of fact, there was no such power. I desire to ask my colleague specifically in that connection what is his opinion of the last clause of the amendment offered by the Senator from Kansas, which reads:

> The Interstate Commerce Commission shall hear any award or agreement so suspended within 30 days thereafter and with due diligence affirm or modify such suspended award or agreement.

Does not that create the impression that the power is there, although, in fact, it is not?

Mr. FESS. I am glad my colleague called my attention to that, because I previously had in mind the amendment of the Senator from Kansas, and I was about to close, having forgotten it. I think the amendment raises a very serious question. It has been so long since I taught constitutional law in the university that I am not as familiar with it as I once was; but my first impression is that such an amendment would clearly be unconstitutional. However, I leave that to the more seasoned lawyers of the Senate to discuss.

Second, it carries with it the danger which my colleague suggests, namely, that it has the semblance of providing for enforcement, when, in fact, it does not.

However, Mr. President, my objection to the amendment goes deeper than that. I said a moment ago there were only two ways by which the public would be injured. I think that, perhaps, may be too narrow a statement, although I think it is fairly true. One way would be by the interruption of transportation; by the cessation of railroad facilities. How are we going to prevent the interruption of transportation if a strike is called? I do not think that anybody is discussing seriously here antistrike legislation. I would not vote for such legislation unless in case of emergency, in midwinter, or some condition of that kind when the question of working or starving was involved. In that event, of course, I would vote for such legislation; but I mean that, as a principle in peace time, I would not do it; and I do not think there is a Senator here who would do it. So that injury to the public is not to be remedied by force.

The other way is by increasing the burden of freight rates. That might happen, and the fear has been expressed here that, unless we adopt some provision such as that contained in the amendment of the Senator from Kansas, the railroads will disregard the rights of the public and will agree to increase wages to such a point as to call for increased rates. Senators say that so long as there is any talk of increased rates, there can be no reduction of rates, and a reduction of rates is the thing that we are seriously seeking.

Mr. President, if the railroads and their employees through the agency proposed to be set up here should decide to adjust a dispute as to increased wages by allowing the increase, and if such increase should require increased rates, the increase of rates could not go into effect until the Interstate Commerce Commission had approved it. There is our protection. The Interstate Commerce Commission is held strictly to the rate question and does not go into the wage question. So long as they are dealing with rates, they are not dealing with unions, but the moment that they deal with wages they deal with collective units which speak for millions; and as certain as that is done, if we shall add the amendment of the Senator from Kansas to the bill and place before the Interstate Commerce Commission a dispute not involving the question of rates but of wages, we shall inject into that body the most controversial subject, in connection with which the representatives of $20,000,000,000 of property, on the one hand, and 2,000,000 employees, on the other, have to be satisfied one way or the other. Immediately we shall have divided the country on the Interstate Commerce Commission and the commission will be gone. It can not stand anything like that at all.

One of the crowning glories of the Interstate Commerce Commission is that with all the objections that have been offered it has been independent in deciding cases according to its own judgment; but if we place it in the heat of a contest where the whole Nation is involved, and each member will have the enlistment of his respective supporters, we will have the whole Nation criticizing the Interstate Commerce Commission, and that agency is gone. If I wanted to kill it this amendment would do it, and it could not be done more effectively. I think this is the test. If this amendment is adopted, we might as well say "Good-by."

Mr. LENROOT. Mr. President, I rise to make only a very brief observation with regard to the question which has been raised concerning the constitutionality of this amendment.

There are two elementary principles of law applicable to this amendment which I think will be conceded by every lawyer in this body.

The first is that Congress can not delegate to any administrative body of the Government a power which it does not itself possess. That is to say, if Congress itself has not the power under the Constitution of the United States to fix wages upon railroads, it can not delegate any such power to the Interstate Commerce Commission. So we start out first with the question, Could Congress fix the wages of railroad employees by direct act? That is the question that has been argued here this afternoon.

I am not going to discuss that question. There may be differences of opinion about it; but the next proposition that I do wish to discuss it seems to me there can be no difference of opinion about, and that is, granting for the sake of the argument that the power does exist, Congress can not delegate that power to any administrative body of the Government in the way of a legislative power. If it has the power, it can only delegate to the Interstate Commerce Commission in this instance the power to fix wages under definite rules and standards laid down by Congress itself. The only power that can be

delegated is the power to ascertain the facts and conditions upon which the legislative will shall apply.

That was fully recognized in the transportation act of 1920, when we created the Labor Board. It was argued at great length upon this floor. It was recognized by every Senator that we could not delegate the power baldly and give to the railroad board a blank check to fix the wages of railroad employees. So a standard was set up in the act creating the Labor Board; and while, as we all know, they had no power to enforce their decisions, in arriving at their determination we provided as follows:

In determining the justness and reasonableness of such wages and salaries or working conditions the board shall, so far as applicable, take into consideration among other relevant circumstances:

(1) The scales of wages paid for similar kinds of work in other industries;

(2) The relation between wages and the cost of living;

(3) The hazards of the employment;

(4) The training and skill required;

(5) The degree of responsibility;

(6) The character and regularity of the employment; and

(7) Inequalities of increases in wages or of treatment, the result of previous wage orders or adjustments.

While those seven conditions were laid down, Mr. President, even then the question was raised upon the floor of the Senate in 1920 whether a sufficiently definite rule was laid down in order to exercise the power of fixing a wage. If that be so, what can be said of this amendment?

What is the amendment? It delegates to the Interstate Commerce Commission the power and the duty to "hear any award or agreement so suspended within 30 days thereafter and with due diligence affirm or modify such suspended award or agreement." In other words, it gives to the Interstate Commerce Commission the absolute power to fix the wages of all the railroad employees of the country without fixing any rule or any standard which shall govern the Interstate Commerce Commission in the performance of that act. Is there any lawyer in the Senate who will say that Congress has any such power, or, if we pass this bill, that the Interstate Commerce Commission will have any power to make a lawful order affecting the wage agreements that have been made?

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

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

Mr. LENROOT. Yes.

Mr. KING. Without expressing dissent or assent to the conclusions stated by the Senator, I desire to ask him if he does not misconceive the legal effect or implication of the amendment which he has just read?

As I understand the amendment, it does not fix wages. It does not pretend to fix wages. The commission is charged with the duty of fixing reasonable freight rates and passenger rates. In fixing those rates it takes into account many factors. In this case, if I interpret the amendment aright, the commission would merely be called upon to determine whether, with that increase in wages, if it were to be saddled on the shippers as a part of the costs, it would make the rates reasonable or unreasonable. If the commission finds that the rates would thereby be made unreasonable, it sets aside the award. If it finds that the rates which would be required to meet this wage increase are reasonable, it has no other function to perform.

Is not that the correct interpretation?

Mr. LENROOT. Why, of course not; and I am surprised that the very able Senator from Utah should so read this amendment. It attempts to give to the Interstate Commerce Commission express authority to modify an agreement that has been reached. If a contract is modified, it is in force, if legal, as modified, and continues to be a binding contract with the modification, and the power is sought to be expressly conferred. If we have no power to delegate to the Interstate Commerce Commission the authority to modify an agreement, then we have no power to authorize them to make any kind of an order here that would have any validity whatever; and if it has no validity, what becomes of the amendment?

Mr. GOODING. Mr. President, much has been said here about the attitude of the American farmer in his opposition to this bill. I am satisfied that if the American farmer or those who represent the American farmer had had the same opportunity that I have had to listen to the men who represent the great railroad interests of America and the railroad employees as they presented their case before the Interstate Commerce Committee, their verdict would have been entirely different from what it apparently is at the present time.

I do not believe that the American farmer has had any opportunity to know anything about what this bill means. I feel that I have, Mr. President. While I do not pretend to speak for the American farmer, yet I have been a farmer all of my life. I have tilled the soil since boyhood; and I think Senators will agree with one thing—that in a farmer's way I have been making the best fight I know how to make for agriculture. I have been endeavoring to put the farmer upon the same level with organized labor and organized capital, and I am going to continue that fight; and I believe the day is coming, and it is not very far distant, when the American farmer will stand as he did before the war, before, through legislation, the economic conditions of this country were destroyed, and every relationship that existed between agriculture and organized capital and organized labor was destroyed by the Government itself.

If this bill passes without amendment, I shall always be proud of my vote to report it out of the Interstate Commerce Committee favorably and my vote that will help to pass it. I believe it is the greatest step that the industrial life of this country has ever known or that the world has ever known.

Mr. BRUCE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from Maryland?

Mr. GOODING. Will the Senator bear with me for just a minute?

Mr. BRUCE. I will.

Mr. GOODING. I believe sincerely, Mr. President, that if the coal miners of England had had such a law, and they had had their boards of adjustment so that the coal miners and operators could have sat around the table and made an effort to settle their own troubles, or failing in that could have asked for a board of mediation appointed by the Government to help them work out their differences, and failing in that, Mr. President, if England could have had a law as this bill provides for a fact-finding commission with the same provision that is in this bill for a 60-day cooling period during which time the English people could have known all of the facts in connection with this great strike through a body created by the Government itself—that great Government, which has been the foundation of civilization, would not be tottering as it is to-day. No man knows what may happen in that great Empire. It is in danger; but I have confidence in the English people, and I am sure they will work out their problems, and I hope and I believe they will come through a bigger and a stronger people.

Mr. President, this bill should be given a chance. Surely we ought to accept the spirit in which the railroad owners and the employees come to us and ask us just to give them a chance to settle their own troubles. There is no secrecy at all about this. It is all in the open, under a noonday sun; and I want to say to you that I never was more impressed in my life than with the sincerity and the earnestness of purpose in which this bill was presented by the railroad owners and their employees.

We are living in a new civilization. I can remember in my boyhood days when my parents went to market with a yoke of oxen. I can remember how every Saturday morning, as regularly as Saturday morning came, a yoke of oxen was driven up to the door and a few pounds of butter and a few dozens of eggs that had accumulated were taken to town, a little town in the State of Michigan, Paw Paw, 7 miles away; and I want to say to you that no train ever ran on a more regular schedule than that ox team. I always knew when to be ready to let down the bars of a Saturday evening, when they were returning from town with the little pinches of tea and sugar for which they had exchanged their butter and eggs.

Mr. President, this is the age of electricity, the age of gasoline and the motor vehicle, the age of the flying machine, and the age of radio. We are not living as we did in those days.

From the discussion that has taken place on the part of the Senator from Kansas and others, it seems that they are afraid there is to be an effort made on the part of the railroads and their employees, if this bill shall pass, to rob the public or to work a hardship on the public. First let me say, as a farmer—and I have been a farmer all my life—that no class of citizen suffers more than the American farmer when there is a strike or a lockout on the railroad. He produces the perishable products of America. He produces the livestock. I have seen farmers lose millions, and they have lost hundreds of millions of dollars in the past.

I believe that if this bill passes it will practically put an end to strikes on the railroads, and we will have industrial peace.

Above everything else, it seems to me that when the employer and the employee come to this body and ask us to give

them a chance to work out their own troubles their request should be granted.

Out in the Northwest we had all kinds of trouble in timber strikes and lockouts, and everything else that went to make trouble, and I think we know something of the serious conditions that existed there at one time through the actions of a lawless element. Since they have had their agreement, under which they work out their own troubles, there has not been a strike out there in the woods for a number of years.

The men on the railroads are entitled to fair wages, and I think they are getting fair wages; but as compared with the wages paid in the trades of America they are not getting fair wages.

I have here a comparative statement of the wages paid locomotive engineers and firemen and those paid in the building trades. The engineer on passenger locomotives receives $7 a day for an eight-hour day. The freight engineer receives $7.56. The yard engineer receives $6.88. Locomotive firemen on passenger locomotives receives $5.25 a day, on freight $5.75, and in the yards $5.40.

Carpenters in Atlanta, Ga., receive $5.60 a day, but in Boston, Mass., they receive $10 a day. In Chicago they receive $10 a day; in Cleveland, Ohio, $10; in Denver, Colo., $9 and $10 a day.

I shall not take the time to read the wages of laborers in all the different trades in America, because it is a long story, but I shall ask to have the table printed at the conclusion of my remarks. It is dated April 1, 1926, so is up to date.

Mr. BINGHAM. Mr. President, will he Senator yield?

Mr. GOODING. I yield.

Mr. BINGHAM. Will the Senator add to that, when it goes into the RECORD, the amount earned per annum? The Senator will realize that a man working on a railroad train gets his regular wages rain or shine, whereas the carpenter gets nothing on a day when it is stormy.

Mr. GOODING. The average yearly earnings of all railroad employees are $1,605 a year. Is that an unreasonable average earning for a railroad employee? Is he not entitled to live in somewhat the same manner as those engaged in other labor live?

The steel workers at Gary, Ind., are getting $1,750 a year. The laboring men on the railroad do not work all the year round. They have lay offs, as well as other people have. So I say that the wages paid on the railroads are not unreasonable compared with the wages paid in the different trades in the country.

Cement finishers receive $6 in Savannah, Ga., and in St. Louis $12 a day. Hodcarriers in Cleveland, Ohio, get $7 a day; in Dallas, Tex., $6.50 and $7 a day; in Des Moines, Iowa, $7.20 a day.

I am not going to take up the time to read all these things, but bricklayers in Atlanta, Ga.—and it seems that in the South wages are somewhat lower than they are in the North—receive $8 a day. The wages of bricklayers run up to as high as $13 a day in Houston, Tex. In New York they get $12 a day.

If the amendment of the Senator from Kansas shall be adopted it will destroy this legislation, and Senators must vote on the question with that thought in mind.

I ask that this table be inserted in the RECORD at this point.

The PRESIDING OFFICER. Is there objection?

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

COMPARATIVE STATEMENT OF BASIC DAILY WAGE RATES, LOCOMOTIVE ENGINEERS AND FIREMEN AND BUILDING TRADE EMPLOYEES

EXPLANATORY NOTE

Basic daily wage rates for locomotive engineers and firemen are fixed according to the hauling capacity or weight of locomotive. In passenger service locomotives are separated into 13 classifications, with a minimum daily rate of $6.16 and $4.56 and a maximum of $7.16 and $5.76 for engineers and firemen, respectively; in freight service there are 11 classifications of locomotives, carrying a minimum daily rate of $6.84 and $5 and a maximum of $8.76 and $6.51 for engineers and firemen, respectively; in yard service there are 6 classifications, with minimum rates of $6.72 and $5.28 and maximum rates of $8.04 and $6.64 for engineers and firemen, respectively. The basic daily wage rates for engineers and firemen shown in the following statement are applicable to the classification in which will be found the preponderating number of locomotives in each class of service.

The wage scales for building trade employees are those prevailing as of April 1, 1926, and are computed from information compiled by the National Association of Builders' Exchanges, published in The American Contractor of April 17, 1926.

	Daily wage rate
Locomotive engineers:	
Passenger	$7.00
Freight	7.56
Yard	6.88
Locomotive firemen:	
Passenger	5.25
Freight	5.72
Yard	5.40

Comparative statement of basic daily wage rates

[Where two figures are shown they indicate minimum and maximum wages paid]

	Hourly scale	Daily rate (8 hours)
CARPENTERS		
Atlanta, Ga	$0.70	$5.60
Boston, Mass	1.25	10.00
Chicago, Ill	1.15 1.37½	9.20 11.00
Cleveland, Ohio	1.25	10.00
Denver, Colo		9.00 10.00
Des Moines, Iowa	1.12½	9.00
Houston, Tex		8.00 9.00
Kansas City, Mo	1.12½	9.00
Los Angeles, Calif		6.00 8.00
Milwaukee, Wis	1.00	8.00
Minneapolis, Minn	.87½	7.00
New Orleans, La	.90	7.20
New York, N. Y	1.50	12.00
Norfolk, Va	.80	6.40
Philadelphia, Pa	1.12½	9.00
Portland, Oreg		9.00
Richmond, Va	.80	6.40
Salt Lake City, Utah		8.50
San Francisco, Calif	1.00	8.00
Savannah, Ga	.90	7.20
Seattle, Wash		9.00
St. Louis, Mo	1.50	12.00
St. Petersburg, Fla	1.12½	9.00
Washington, D. C		9.50
CEMENT FINISHERS		
Altanta, Ga	1.25	10.00
Boston, Mass	1.10	8.80
Chicago, Ill	1.10 1.37½	8.80 11.00
Cleveland, Ohio	1.25	10.00
Dallas, Tex		7.00 10.00
Denver, Colo		10.00 11.00
Des Moines, Iowa	1.25	10.00
Houston, Tex		10.00
Kansas City, Mo	1.25	10.00
Los Angeles, Calif		7.00 9.00
Milwaukee, Wis	.75 .85	6.00 6.80
Minneapolis, Minn	.87½	7.00
New Orleans, La	1.00	8.00
New York	1.50	12.00
Norfolk, Va	.65 .75	5.20 6.00
Philadelphia, Pa	1.00	8.00
Portland, Oreg		9.00
Richmond, Va	.75	6.00
Salt Lake City, Utah		8.00
San Francisco, Calif	1.06¼	8.50
Savannah, Ga	.75	6.00
Seattle, Wash		9.00
St. Louis, Mo	1.50	12.00
St. Petersburg, Fla		5.00 9.00
Washington, D. C	1.12½	9.00
ELECTRICIANS		
Atlanta, Ga	.50 1.00	4.00 8.00
Boston, Mass	1.20	9.60
Chicago, Ill	1.50	12.00
Cleveland, Ohio	1.50	12.00
Dallas, Tex		7.00 9.00
Denver, Colo		10.00 11.00
Des Moines, Iowa	1.00	8.00
Houston, Tex		10.00
Los Angeles, Calif		7.00 8.50
Milwaukee, Wis	1.12½	9.00
Minneapolis, Minn	.87½	7.00
New Orleans, La	1.05	8.40
New York, N. Y	1.50	12.00
Norfolk, Va	.65 .75	5.20 6.00
Philadelphia, Pa	1.00 1.12½	8.00 9.00
Portland, Oreg		9.00
Richmond, Va	.75 .87½	6.00 7.00
Salt Lake City, Utah		8.00
San Francisco, Calif	1.00	8.00
Savannah, Ga	.75 1.00	6.00 8.00
Seattle, Wash		9.00

Comparative statement of basic daily wage rates—Continued

	Hourly scale	Daily rate (8 hours)
ELECTRICIANS—continued		
St. Louis, Mo	$1.50	$12.00
St. Petersburg, Fla	1.25	10.00
Washington, D. C	1.37½	11.00
HOD CARRIERS		
Atlanta, Ga	.30	2.40
	.45	3.60
Boston, Mass	.70	5.60
Chicago, Ill	.82½	6.60
	.92½	7.40
Cleveland, Ohio	.87½	7.00
Denver, Colo		6.50
		7.00
Des Moines, Iowa	.90	7.20
Houston, Tex		6.00
Kansas City, Mo	.90	7.20
Los Angeles, Calif		6.00
		8.00
Milwaukee, Wis	.85	6.80
Minneapolis, Minn	.71½	5.72
New Orleans, La	.65	5.20
New York, N. Y	1.06¼	8.50
Norfolk, Va	.65	5.20
Philadelphia, Pa	.70	5.60
	1.00	8.00
Portland, Oreg		8.00
Richmond, Va	.50	4.00
	.60	4.80
Salt Lake City, Utah		6.50
		9.00
San Francisco, Calif	.81¼	6.50
Savannah, Ga	.25	2.00
Seattle, Wash		8.00
St. Louis, Mo	1.15	9.20
St. Petersburg, Fla		4.00
Washington, D. C	.50	4.00
	.75	6.00
LABORERS		
Atlanta, Ga	.40	3.20
	.50	4.00
Boston, Mass	.65	5.20
Chicago, Ill	.82½	6.60
	.92½	7.40
Cleveland, Ohio	.87½	7.00
Dallas, Tex	.35	2.80
Denver, Colo		4.00
		5.00
Des Moines, Iowa	.67½	5.40
Houston, Tex	.35	2.80
	.45	3.60
Kansas City, Mo	.75	6.00
Los Angeles, Calif		4.00
Milwaukee, Wis	.60	4.80
Minneapolis, Minn	.45	3.60
	.55	4.40
New Orleans, La	.40	3.20
	.50	4.00
New York, N. Y	1.00	8.00
Norfolk, Va	.30	2.40
	.35	2.80
Philadelphia, Pa	.45	3.60
	.50	4.00
Portland, Oreg		5.50
Richmond, Va	.40	3.20
Salt Lake City, Utah		3.50
		4.00
San Francisco, Calif	.56¼	4.50
	.62½	5.00
Savannah, Ga	.25	2.00
Seattle, Wash		4.00
		5.00
St. Louis, Mo	.75	6.00
	.87½	7.00
St. Petersburg, Fla		3.00
		4.00
Washington, D. C	.40	3.20
	.75	6.00
PLASTERERS		
Atlanta, Ga	[1] 1.25	[1] 10.00
Boston, Mass	1.50	12.00
Chicago, Ill	1.50	12.00
Cleveland, Ohio	1.62½	13.00
Dallas, Tex		13.00
Denver, Colo		12.00
Des Moines, Iowa	1.50	12.00
Houston, Tex		13.00
Kansas City, Mo	1.50	12.00
Los Angeles, Calif		9.00
		11.00
Milwaukee, Wis	1.37½	11.00
Minneapolis, Minn	1.12½	9.00
New Orleans, La	1.25	10.00
New York, N. Y	1.50	12.00
Norfolk, Va	1.00	8.00
Philadelphia, Pa	1.50	12.00
	1.75	14.00
Portland, Oreg		11.00
Richmond, Va	1.25	10.00
	1.50	12.00
Salt Lake City, Utah		12.00
San Francisco, Calif	1.25	10.00
Savannah, Ga	1.25	10.00
Seattle, Wash		11.00

[1] And up.

Comparative statement of basic daily wage rates—Continued

	Hourly scale	Daily rate (8 hours)
PLASTERERS—continued		
St. Louis, Mo	$1.75	$14.00
St. Petersburg, Fla	1.50	12.00
Washington, D. C		13.00
Atlanta, Ga	.30	2.40
	.45	3.60
Boston, Mass	.95	7.60
Chicago, Ill	.88¾	7.10
	1.00	8.00
Cleveland, Ohio	.87½	7.00
Denver, Colo		7.00
Des Moines, Iowa	.90	7.20
Houston, Tex		6.00
Kansas City, Mo	.90	7.20
Milwaukee, Wis	.90	7.20
New Orleans, La	.75	6.00
	1.00	8.00
New York City	1.06¼	8.50
Norfolk, Va	.50	4.00
	.60	4.80
Philadelphia, Pa	1.12½	9.00
Portland, Oreg		8.00
Richmond, Va	.50	4.00
	.60	4.80
Salt Lake City, Utah		6.50
San Francisco, Calif	.87½	7.00
Savannah, Ga	.25	2.00
Seattle, Wash		8.00
St. Louis, Mo	1.25	10.00
St. Petersburg, Fla	.50	4.00
Washington, D. C	.55	4.40
	.75	6.00
BRICKLAYERS		
Atlanta, Ga	1.00	8.00
	1.25	10.00
Boston, Mass	1.40	11.20
Chicago, Ill	1.50	12.00
Cleveland, Ohio	1.50	12.00
Dallas, Tex		13.00
Denver, Colo		12.00
		13.00
Des Moines, Iowa	1.50	12.00
Houston, Tex		13.00
Kansas City, Mo	1.50	12.00
Los Angeles, Calif		11.00
Milwaukee, Wis	1.25	10.00
Minneapolis, Minn	1.12½	9.00
	1.25	10.00
New Orleans, La	1.25	10.00
New York, N. Y	1.50	12.00
Norfolk, Va	1.50	12.00
Philadelphia, Pa	1.62½	13.00
Portland, Oreg		11.00
Richmond, Va	1.50	12.00
Salt Lake City, Utah		11.00
		12.00
San Francisco, Calif	1.25	10.00
Savannah, Ga	1.25	10.00
Seattle, Wash		11.00
St. Louis, Mo	1.75	14.00
St. Petersburg, Fla	1.50	12.00
Washington, D. C		13.00
ELEVATOR CONSTRUCTORS		
Atlanta, Ga	1.00	8.00
Boston, Mass	1.25	10.00
Chicago, Ill	1.37½	11.00
Cleveland, Ohio	1.51	12.08
Denver, Colo		9.00
Des Moines, Iowa	1.00	8.00
Houston, Tex		8.00
		11.00
Kansas City, Mo	1.37½	11.00
Los Angeles, Calif		8.50
Milwaukee, Wis	1.20	9.60
New Orleans, La	1.00	8.00
New York, N. Y	1.50	12.00
Norfolk, Va	1.12½	9.00
Philadelphia, Pa	1.32½	10.60
Portland, Oreg		9.20
Richmond, Va	1.05	8.40
San Francisco, Calif	1.08⅓	8.65
Savannah, Ga	.90	7.20
Seattle, Wash		9.25
St. Louis, Mo	1.60	12.80
Washington, D. C	1.25	10.00
STEAM FITTERS' HELPERS		
Atlanta, Ga	.35	2.80
	.40	3.20
Boston, Mass	.80	6.40
Chicago, Ill	.85	6.80
Cleveland, Ohio	.75	6.00
Denver, Colo		6.50
Des Moines, Iowa	.65	5.20
Houston, Tex		5.00
Kansas City, Mo	.75	6.00
Los Angeles, Calif		5.00
Milwaukee, Wis	.62½	5.00
New York, N. Y	1.00	8.00
Norfolk, Va	.56¼	4.50
Philadelphia, Pa	.50	4.00
	.55	4.40
Portland, Oreg		6.00
Richmond, Va	.38½	3.08
Salt Lake City, Utah		5.00
San Francisco, Calif	.75	6.00

Comparative statement of basic daily wage rates—Continued

	Hourly scale	Daily rate (8 hours)
STEAM FITTERS' HELPERS—continued		
Savannah, Ga	$0.50	$4.00
Seattle, Wash		6.00
St. Louis, Mo	.87½	7.00
Washington, D. C	.65	5.20
STONE CUTTERS		
Atlanta, Ga	1.00	8.00
Boston, Mass	1.10	8.80
Chicago, Ill	1.37½	11.00
Cleveland, Ohio	1.35	10.80
Denver, Colo		10.00
Des Moines, Iowa	1.12½	9.00
Houston, Tex		8.00
Kansas City, Mo	1.00	8.00
Los Angeles, Calif		8.00
Milwaukee, Wis	1.12½	9.00
New Orleans, La	1.00	8.00
New York, N. Y	1.31¼	10.50
Norfolk, Va	1.12½	9.00
Philadelphia, Pa	1.25	10.00
Richmond, Va	.80	6.40
Salt Lake City, Utah		9.25
San Francisco, Calif	1.00	8.00
Savannah, Ga	1.00	8.00
St. Louis, Mo	1.25	10.00
Washington, D. C	1.12½	9.00
STONEMASONS		
Atlanta, Ga	1.00	8.00
	1.25	10.00
Boston, Mass	1.40	11.20
Chicago, Ill	1.10	8.80
	1.37½	11.00
Cleveland, Ohio	1.50	12.00
Denver, Colo		12.00
		13.00
Des Moines, Iowa	1.50	12.00
Houston, Tex		10.00
		12.00
Kansas City, Mo	1.25	10.00
Los Angeles, Calif		11.00
Milwaukee, Wis	1.25	10.00
Minneapolis, Minn	.87½	7.00
New York City	1.50	12.00
Norfolk, Va	1.50	12.00
Philadelphia, Pa	1.30	10.40
	1.50	12.00
Portland, Oreg		11.00
Richmond, Va	1.25	10.00
Salt Lake City, Utah		11.00
San Francisco, Calif	1.06¼	8.50
Savannah, Ga	1.00	8.00
Seattle, Wash		11.00
St. Louis, Mo	1.50	12.00
Washington, D. C	1.25	10.00
ORNAMENTAL-IRON WORKERS		
Atlanta, Ga	1.00	8.00
Boston, Mass	1.25	10.00
Chicago, Ill	1.37½	11.00
Cleveland, Ohio	1.50	12.00
Denver, Colo		10.00
		11.00
Des Moines, Iowa	1.25	10.00
Houston, Tex		8.50
Kansas City, Mo	1.25	10.00
Los Angeles, Calif		7.00
Milwaukee, Wis	1.12½	9.00
Minneapolis, Minn	.87½	7.00
New Orleans, La	1.00	8.00
New York City	1.50	12.00
Norfolk, Va	.75	6.00
	.85	6.80
Philadelphia, Pa	.95	7.60
Portland, Oreg		9.00
Richmond, Va	.90	7.20
	1.00	8.00
Salt Lake City, Utah		9.00
San Francisco, Calif	.87½	7.00
Seattle, Wash		9.00
St. Louis, Mo	1.50	12.00
Washington, D. C	1.25	10.00
PIPE COVERERS		
Atlanta, Ga	.75	6.00
	.90	7.20
Boston, Mass	1.10	8.80
Chicago, Ill	1.37½	11.00
Cleveland, Ohio	1.25	10.00
Denver, Colo		8.00
Des Moines, Iowa	1.00	8.00
Houston, Tex		8.00
Kansas City, Mo	1.00	8.00
Los Angeles, Calif		8.00
Milwaukee, Wis	1.00	8.00
New Orleans, La	.56	4.48
New York City	1.31¼	10.50
Norfolk, Va	1.12½	9.00
Philadelphia, Pa	1.05	8.40
Portland, Oreg		8.00
Richmond, Va	.75	6.00
Salt Lake City, Utah		9.00
San Francisco, Calif	.87½	7.00
Seattle, Wash		7.20

Comparative statement of basic daily wage rates—Continued

	Hourly scale	Daily rate (8 hours)
PIPE COVERERS—continued		
St. Louis, Mo	$1.25	$10.00
Washington, D. C	.90	7.20
PLUMBERS		
Atlanta, Ga	.70	5.60
	1.00	8.00
Boston, Mass	1.25	10.00
Chicago, Ill	1.25	10.00
	1.50	12.00
Cleveland, Ohio	1.50	12.00
Dallas, Tex		12.00
Denver, Colo		11.00
Des Moines, Iowa	1.25	10.00
Houston, Tex		12.00
Kansas City, Mo	1.37½	11.00
Los Angeles, Calif		9.00
Milwaukee, Wis	1.18¾	9.50
Minneapolis, Minn	1.12½	9.00
New Orleans, La	1.05	8.40
New York City	1.37½	11.00
Norfolk, Va	.87½	7.00
	1.12½	9.00
Philadelphia, Pa	1.00	8.00
Portland, Oreg		10.00
Richmond, Va	.87½	7.00
Salt Lake City, Utah		10.00
San Francisco, Calif	1.12½	9.00
Savannah, Ga	1.00	8.00
Seattle, Wash		10.00
St. Louis, Mo	1.50	12.00
St. Petersburg, Fla	1.25	10.00
Washington, D. C	1.37½	11.00
ROOFERS		
Atlanta, Ga	.80	6.40
Boston, Mass	1.25	10.00
Chicago, Ill	1.10	8.80
	1.25	10.00
Cleveland, Ohio	1.30	10.40
	1.50	12.00
Denver, Colo		7.00
		8.00
Des Moines, Iowa	1.00	8.00
Houston, Tex		8.00
		9.00
Kansas City, Mo	.85	6.80
Los Angeles, Calif		7.00
Milwaukee, Wis	.87½	7.00
Minneapolis, Minn	.82½	6.60
New Orleans, La	.80	6.40
	1.00	8.00
New York City	1.50	12.00
Norfolk, Va	.87½	7.00
Philadelphia, Pa	.70	5.60
Portland, Oreg		7.00
Richmond, Va	.80	6.40
Salt Lake City, Utah		5.60
		7.20
San Francisco, Calif	1.00	8.00
Savannah, Ga	1.00	8.00
Seattle, Wash		8.50
St. Louis, Mo	1.25	10.00
	1.50	12.00
Washington, D. C	1.31¼	10.50
SHEET-METAL WORKERS		
Atlanta, Ga	.70	5.60
	.90	7.20
Boston, Mass	1.10	8.80
Chicago, Ill	1.15	9.20
	1.25	10.00
Cleveland, Ohio	1.25	10.00
Dallas, Tex		6.00
		9.25
Denver, Colo		9.00
Des Moines, Iowa	1.12½	9.00
Houston, Tex		9.00
		10.00
Kansas City, Mo	1.12½	9.00
Los Angeles, Calif		7.00
Milwaukee, Wis	.75	6.00
	.85	6.80
Minneapolis, Minn	.87½	7.00
New Orleans, La	.90	7.20
New York City	1.50	12.00
Norfolk, Va	.82	6.56
	.87½	7.00
Philadelphia, Pa	.90	7.20
	1.12½	9.00
Portland, Oreg		8.50
Richmond, Va	.87½	7.00
Salt Lake City, Utah		8.00
San Francisco, Calif	1.06¼	8.50
Savannah, Ga	.90	7.20
Seattle, Wash		9.00
St. Louis, Mo	1.37½	11.00
St. Petersburg, Fla	1.00	8.00
Washington, D. C	1.31¼	10.50
STEAM FITTERS		
Atlanta, Ga	.70	5.60
	1.00	8.00
Boston, Mass	1.25	10.00
Chicago, Ill	1.50	12.00
Cleveland, Ohio	1.50	12.00

Comparative statement of basic daily wage rates—Continued

	Hourly scale	Daily rate (8 hours)
STEAM FITTERS—continued		
Dallas, Tex		
Denver, Colo		$9.50
Des Moines, Iowa	$1.25	10.00
Houston, Tex		12.00
Kansas City, Mo	1.37½	11.00
Los Angeles, Calif		8.00 9.00
Milwaukee, Wis	1.06¼	8.50
Minneapolis, Minn	1.12½	9.00
New Orleans, La	1.05	8.40
New York City	1.50	12.00
Norfolk, Va	1.12½	9.00
Philadelphia, Pa	1.00	8.00
Portland, Oreg		10.00
Richmond, Va	.87½	7.00
Salt Lake City, Utah		9.00
San Francisco, Calif	1.12½	9.00
Savannah, Ga	1.00	8.00
Seattle, Wash		10.00
St. Louis, Mo	1.50	12.00
St. Petersburg, Fla	1.25	10.00
Washington, D. C	1.37½	11.00
GAS FITTERS		
Atlanta, Ga	.75 .90	6.00 7.20
Boston, Mass	1.25	10.00
Chicago, Ill	1.15 1.25	9.20 10.00
Denver, Colo		8.00
Des Moines, Iowa	1.12½	9.00
Houston, Tex		12.00
Kansas City, Mo	1.25	10.00
Los Angeles, Calif		8.00
Milwaukee, Wis	.90	7.20
New Orleans, La	1.00	8.00
New York City	1.37½	11.00
Norfolk, Va	.87½ 1.00	7.00 8.00
Philadelphia, Pa	.90 1.00	7.20 8.00
Portland, Oreg		10.00
Richmond, Va	.75 .87½	6.00 7.00
Salt Lake City, Utah		9.00
San Francisco, Calif	1.12½	9.00
Savannah, Ga	1.00	8.00
St. Louis, Mo	1.25	10.00
St. Petersburg, Fla	1.25	10.00
Washington, D. C	1.25	10.00
HOISTING ENGINEERS		
Atlanta, Ga	1.00	8.00
Boston, Mass	1.25	10.00
Chicago, Ill	1.00 1.37½	8.00 11.00
Cleveland, Ohio	1.30	10.40
Denver, Colo		10.00
Des Moines, Iowa	1.07½	8.60
Houston, Tex		8.50
Kansas City, Mo	1.12½ 1.25	9.00 10.00
Los Angeles, Calif		6.00
Milwaukee, Wis	1.00	8.00
Minneapolis, Minn	.87½	7.00
New Orleans, La	1.00	8.00
New York City	1.68¾	13.50
Norfolk, Va	.87½ 1.00	7.00 8.00
Portland, Oreg		9.00
Richmond, Va	.75 .90	6.00 7.20
Salt Lake City, Utah		8.00
San Francisco, Calif	1.00	8.00
Savannah, Ga	1.00	8.00
Seattle, Wash		8.00 9.00
St. Louis, Mo	1.50 1.65	12.00 13.20
St. Petersburg, Fla	1.00	8.00
Washington, D. C	1.25	10.00
MARBLE SETTERS		
Atlanta, Ga	1.25	10.00
Boston, Mass	1.40	11.20
Chicago, Ill	1.37½	11.00
Cleveland, Ohio	1.50	12.00
Dallas, Tex		12.00
Denver, Colo		10.50
Des Moines, Iowa	1.12½	9.00
Houston, Tex		10.00 11.00
Kansas City, Mo	1.25	10.00
Los Angeles, Calif		11.00
Milwaukee, Wis	1.12½	9.00
Minneapolis, Minn	1.12½	9.00
New Orleans, La	1.25	10.00
New York City	1.50	12.00
Norfolk, Va	1.25	10.00
Philadelphia, Pa	1.25 1.37½	10.00 11.00
Portland, Oreg		10.00
Richmond, Va	1.12½	9.00
Salt Lake City, Utah		8.00

Comparative statement of basic daily wage rates—Continued

	Hourly scale	Daily rate (8 hours)
MARBLE SETTERS—continued.		
San Francisco, Calif	$1.12½	$9.00
Savannah, Ga	1.00	8.00
Seattle, Wash		10.00
St. Louis, Mo	1.37½	11.00
St. Petersburg, Fla	1.50	12.00
Washington, D. C	1.25	10.00
STRUCTURAL-IRON WORKERS		
Atlanta, Ga	.75	6.00
Boston, Mass	1.25	10.00
Chicago, Ill	1.37½	11.00
Cleveland, Ohio	1.50	12.00
Dallas, Tex		10.00
Denver, Colo		10.00 11.00
Des Moines, Iowa	1.12½	9.00
Houston, Tex		10.00
Kansas City, Mo	1.25	10.00
Los Angeles, Calif		6.00 7.00
Milwaukee, Wis	1.12½	9.00
Minneapolis, Minn	.87½	7.00
New Orleans, La	1.00	8.00
New York, N. Y	1.50	12.00
Norfolk, Va	.75 .85	6.00 6.80
Philadelphia, Pa	1.10 1.12½	8.80 9.00
Portland, Oreg		9.00
Richmond, Va	.87½ 1.12½	7.00 9.00
Salt Lake City, Utah		9.00
San Francisco, Calif	1.25	10.00
Savannah, Ga	1.00	8.00
Seattle, Wash		9.00
St. Louis, Mo	1.50	12.00
Washington, D. C	1.50	12.00
TILE SETTERS		
Atlanta, Ga	1.25	10.00
Boston, Mass	1.40	11.20
Chicago, Ill	1.30	10.40
Cleveland, Ohio	1.50	12.00
Dallas, Tex		12.00
Denver, Colo		10.50
Des Moines, Iowa	1.25	10.00
Houston, Tex		10.00 11.00
Kansas City, Mo	1.37½	11.00
Los Angeles, Calif		11.00
Milwaukee, Wis	1.25	10.00
New Orleans, La	1.00	8.00
New York, N. Y	1.50	12.00
Norfolk, Va	1.12½	9.00
Philadelphia, Pa	1.50	12.00
Richmond, Va	1.12½	9.00
Salt Lake City, Utah		9.00
San Francisco, Calif	1.12½	9.00
Savannah, Ga	1.00	8.00
Seattle, Wash		9.00
St. Louis, Mo	1.50	12.00
St. Petersburg, Fla	1.25	10.00
Washington, D. C	1.25	10.00

Mr. GOODING. Mr. President, a short time ago the Senator from Kansas had read from the desk a memorial voluminously signed. Some of the resolutions read were from people in my own State. I know the officers of the grange in my State very well and have known them for many years, and they are a most splendid lot of gentlemen.

I am no stranger to propaganda, however. I have just suffered a defeat in this body by the use of propaganda very much along this very line. I saw the railroads go out and turn completely around commercial bodies which had passed resolutions in favor of my long and short haul bill. The railroads had them pass resolutions of just the opposite tenor. I saw them persuade cities that their industries would have been destroyed if the Interstate Commerce Commission had permitted the violations on 47 different commodities that Chicago was asking for to Pacific-coast points. So it seems to me that the Senator who serves in this body must understand what propaganda means; and if he is not strong enough to cast his vote for the things he believes to be right, then he is not big enough to represent any State of the Union in the Senate of the United States.

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

Mr. GOODING. I yield.

Mr. CURTIS. I think the Senator did not understand the petition. The petition asks for a recommittal of this bill, so that these people may have a chance to be heard. They distinctly state that they have had no chance to be heard.

Mr. GOODING. The Senator knows that would defeat the bill.

Mr. CURTIS. I know nothing about it; but that is what they state in the petition. It is signed by men who appeared before the committee, but who claim they were not heard.

Mr. WATSON. Mr. President, everybody was given an opportunity to be heard who wanted to be heard or who made a request to be heard, so far as I know.

Mr. CURTIS. This petition simply asks that the bill go back to the committee.

Mr. WATSON. After the bill was reported many requests for hearing came, but it was all over.

Mr. KING. Mr. President, I am amazed at the temper shown by the able Senator from Idaho because a petition is filed that this bill be recommitted. Every citizen of the United States has a right to petition Congress——

Mr. GOODING. Mr. President——

Mr. KING. I decline to yield until I finish my sentence.

Mr. GOODING. I hope the Senator will not say "temper." That is not fair to me.

The PRESIDING OFFICER (Mr. LA FOLLETTE in the chair). The Senator from Utah has the floor and declines to yield.

Mr. KING. I will say the graciousness of the Senator from Idaho, and say that I am surprised at the graciousness of the Senator from Idaho in the speech which he has just made. He talked about propaganda. Not until three days ago was I ever asked by a single person to oppose this bill, or to modify it, but I have been solicited by a thousand or more to support it. There has been a most active propaganda in favor of the bill. The opponents of this bill have been exceedingly passive, and if I have any complaint, it is because of their passivity. They ought to have gone to the committee and presented their views. I think it was day before yesterday that a railroad man, who represents one of the large roads of the West, not one of the rich roads, but one of the poor ones, stated to me that this bill is obnoxious to his road and to many roads of the United States. He was the first railroad man who had spoken to me in opposition to the bill. A number of representatives high up in the councils and in the management of the rich roads have earnestly solicited me to support the bill. I merely wanted to make that statement and have it not by way of juxtaposition to the statement of the Senator from Idaho, but to show that if there is propaganda is has been my misfortune to have propaganda of the rich railroads and no propaganda from other sources in opposition to the bill.

Mr. President, I have received a telegram under date of May 3 from the Utah State Farm Bureau, one of the largest farm organizations in that section of the country, manned by some of the ablest agriculturists in the United States, men of high standing and ability. It is as follows:

[Western Union telegram]

SALT LAKE CITY, UTAH, *May 3, 1926—11 p. m.*

Senator WILLIAM H. KING,
Washington, D. C.:

We earnestly urge your support Haugen farm relief bill and Senate bill 589. We are very much opposed to railroad labor dispute bill as now stands. Must be amended to protect public against provisions, which mean increased rates or no chance to get reductions. Your favorable attention appreciated.

UTAH STATE FARM BUREAU.

Mr. DILL. Mr. President, I want to say to the Senator from Utah that much of the agitation which has been going on in the last week or two for amendments to the bill has come from the Manufacturers' Association, headed by Mr. Emery. Mr. Emery is so constituted that he seems to think that anything which is satisfactory to labor could not possibly be satisfactory to the organization with which he is connected, and consequently propaganda has been built up through the organizations with which his organization is associated, and we have all been receiving the very kind of appeals that were submitted here a little while ago.

Mr. President, I want to say just a word as to why I am for the bill. I recognize that it is not perfect. It might be improved in some respects. But I can not close my eyes to the fact, nor do I think any Senator ought to close his eyes to the fact, that for the first time in the history of labor and capital in this country, and I doubt if ever before in the history of the world, they come to us and lay down what they call a treaty of peace, in which they agree and bind themselves irrevocably to the action of the boards which are set up by this plan, by making it the law of the land in the form of a court decree.

I say to Senators that when labor and capital in one of the largest industries of America have reached that point of agreement, it behooves officials of the Government to work with them and give them a chance to try the plan which they submit in good faith and which I believe they will attempt to carry out in good faith. For that reason I am for the bill; I am for it without the amendment, and I hope it will be passed unamended.

Mr. BINGHAM. Mr. President, in connection with what was said a few moments ago about propaganda, we all know what propaganda is. We know the earmarks of it. We get sheaves of telegrams that all read the same or hundreds of letters that obviously have all been engineered by some interested party. In connection with the particular bill now before the Senate, I have received a number of letters on each side of the question. So far as the opponents of the bill are concerned, an examination of the letters shows that there has been no concerted effort in the State of Connecticut to influence the manufacturers there in the writing of these letters. All the letters which I have received express independent opinions after studying the bill and express fear of the fact that the public is not represented. I have here a telegram from the master of the State grange, which I should like to have printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The telegram is as follows:

MERIDEN, CONN., *May 4, 1926.*

Senator HIRAM BINGHAM,
Washington, D. C.

We trust that you will use best endeavor to secure amendment to railroad labor dispute bill and thus protect farmers and public against increased rates.

MINOR IVES,
Master Connecticut State Grange.

Mr. BINGHAM. So far as Connecticut is concerned, the manufacturers independently and through their organization have expressed themselves in such a way as to free my mind from any impression that they are acting under the influence of that kind of propaganda which is so common in many matters. In connection with the master of the State grange, I am sure no one would accuse him of acting in any such way. Letters favoring the bill have come only from representatives of the railroad labor organizations.

RED RIVER BRIDGE, TEXAS-OKLAHOMA

Mr. MAYFIELD. Mr. President, the Secretary of War has power to regulate the tolls on bridges constructed over navigable streams. This power was given to him in the act approved March 23, 1906, but no tribunal has power to regulate tolls on interstate bridges that are constructed over nonnavigable streams. The Red River, which constitutes the boundary line between Texas and Oklahoma, has been held by the Supreme Court to be a nonnavigable stream. The bill (S. 3889) to amend the interstate commerce act, as amended, in respect of tolls over certain interstate bridges, simply places under the jurisdiction of the Interstate Commerce Commission the regulation of tolls on bridges constructed over navigable streams. It is a measure of vital importance to the States of Texas and Oklahoma. I ask unanimous consent that I may be permitted to call it up and have it considered at this time. It will take but a moment.

Mr. BINGHAM. Mr. President, the Senator from Washington [Mr. JONES], who is not present in the Chamber at the moment, spoke to me the other day in regard to this bill and stated that if it came up in his absence I should request that it go over.

Mr. MAYFIELD. If the Senator from Washington objects to the bill, I did not know that he had any objection to it.

The PRESIDING OFFICER. Objection is made to the request of the Senator from Texas.

EXECUTIVE SESSION

Mr. CURTIS. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened, and the Senate (at 5 o'clock and 12 minutes p. m.) took a recess until to-morrow, Saturday, May 8, 1926, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 7 (legislative day of May 6), 1926

APPOINTMENTS, BY TRANSFER, IN THE REGULAR ARMY

SIGNAL CORPS

Maj. Frank Dexter Applin, Coast Artillery Corps, with rank from July 1, 1920.

First Lieut. Harry Emerson Storms, Infantry, with rank as prescribed in the act of June 30, 1922.

CAVALRY

Second Lieut. Raymond Miller Barton, Air Service, with rank from June 12, 1925.

PROMOTIONS IN THE REGULAR ARMY

TO BE LIEUTENANT COLONEL

Maj. Donald Davie Hay, Infantry, from May 4, 1926.

TO BE MAJOR

Capt. Alfred James Maxwell, Finance Department, from May 4, 1926.

TO BE CHAPLAIN WITH THE RANK OF MAJOR

Chaplain James Miles Webb, United States Army, from April 26, 1926.

PROMOTIONS IN THE NAVY

The following-named midshipmen to be ensigns in the Navy from the 3d day of June, 1926:

Mannert L. Abele.
Charles Adair.
Malcolm S. Adams.
Dwight M. Agnew.
Lloyd J. S. Aitkens.
Donald G. Albertson.
Donald W. Alexander.
William G. Allen.
William L. Anderson.
William W. Anderson, jr.
Erasmus W. Armentrout, jr.
Justus M. B. R. Armstrong.
Robert G. Armstrong.
William C. Asserson, jr.
Theodore C. Aylward, jr.
Gerald D. Baker.
Robert de C. Baker.
Howard E. Ballman.
Neill K. Banks.
Nathaniel C. Barker.
Albert Benjamin.
Haze J. Bergeron.
Albert E. Bernet, jr.
Henry E. Bernstein.
Karl J. Biederman.
Joseph L. Bird.
Daniel T. Birtwell, jr.
Francis L. Black.
Hugh D. Black.
Welford C. Blinn.
Richard M. Boaz.
Almerian R. Boileau.
Henry A. Boorse.
Edward J. Boughton, 3d.
Charles L. Boyle.
Upton S. Brady, jr.
Leonard Branneman.
James T. Brewer.
Charles E. Briner.
Clarence Broussard.
Bert F. Brown.
Donald C. Brown.
James R. Browne.
John H. Brownfield.
Henry C. Bruton.
Charles A. Buchanan.
Vincent B. Burchett.
John L. Burnside, jr.
Vilhelm K. Busck.
Francis L. Busey.
Wilfred Bushnell.
Frank T. Butler.
James F. Byrne.
Earl S. Caldwell.
Joseph W. Callahan.
Donald G. Campbell.
George W. Campbell.
Gordon Campbell.
Neil R. Campbell.
Spencer A. Carlson.
Francis X. Carmody, jr.
Charles L. Carpenter.
William H. Carpenter.
Charles R. Carroll.
Robert W. Cavanagh.
Alexander B. Cecil.
Henri de B. Claiborne.
Murray W. Clark.
Ralph S. Clarke.
Chester L. Clement.
Joe B. Cochran.
Thomas F. Conley, jr.
Jacob E. Cooper.
William G. Cooper.
Clifford T. Corbin.
Gideon A. Cox.
Kenneth Craig.
Donald A. Crandell.
John J. Crane.
George G. Crissman.
Charles E. Crombe, jr.
Benjamin R. Crosser.
Ambrose F. Crowley.
Paul M. Curran.
Benjamin S. Custer.
Frederick A. Davisson.
Charles N. Day.
Robert R. DeWolfe.
Henry T. Dietrich.
Edward N. Dodson, jr.
William A. Dolan, jr.
Francis J. Donahue.
Leonard J. Dow.
Paul L. Dudley.
Clifford H. Duerfeldt.
John M. Duke.
Stanton B. Dunlap.
Charles C. Dunn.
Ritchey L. Durham.
Walter L. Dyer.
William L. Dyer.
John C. Eakens.
Hilan Ebert.
William C. Eddy.
Heywood L. Edwards.
Eddy W. Elliott.
Thompson P. Elliott.
Robert B. Ellis.
John K. Ellison.
Ramond C. Ericson.
George M. Estep.
Marvin P. Evenson.
Henry Farrow.
Edgar D. Fisher.
John P. Fitzsimmons.
Royce N. Flippin.
William O. Floyd.
George W. Foltz.
Armwell L. Fooks.
Francis X. Forest.
Carl J. Forsberg.
John G. Foster, jr.
Douglas H. Fox.
James B. Fox.
John E. Fradd.
Walter E. Fratzke.
Harold A. Fravel.
Theodore R. Frederick.
Louis E. French.
Laurence H. Frost.
Wallace W. Fuller.
Ranson Fullinwider.
John F. Gallaher.
Roy A. Gano.
William A. Gerth.
Howard W. Gilmore.
Douglas V. Gladding.
Warren E. Gladding.
John A. Glick.
Robert B. Goldman.
John H. Gotjen, jr.
Frederic A. Graf.
John S. Graff.
Etheridge Grant.
Alvord J. Greenacre.
Harry W. Greene.
John F. Greenslade.
James A. Greenwald, jr.
Elton W. Grenfell.
John J. Greytak.
Gale E. Griggs.
Rowland H. Groff.
Henry H. Gsell.
Louis E. Gunther.
Marshall B. Gurney.
Norman J. Habel.
Hamilton Hains.
Thomas F. Halloran.
DeWitt C. E. Hamberger.
Roy N. Hamrick.
Charles B. Hart.
Joseph R. Haskin, jr.
Valery Havard, jr.
Norman A. Helfrich.
Guy B. Helmick.
Owen H. Hill.
Henry T. Hodgskin.
Robert H. Hollenbeck.
William R. Hollingsworth.
Norman L. Holt.
Charles F. Horne, jr.
Hamilton W. Howe.
Irving H. Howell.
Jesse L. Hull.
Carlton B. Hutchins.
Charles Jackson.
Doir C. Johnson.
Robert R. Johnson.
Harry D. Johnston.
Carroll B. Jones.
Fielder A. Jones.
William T. Jones.
Allen R. Joyce.
Algernon S. Joyner, jr.
Eugene S. Karpe.
Benjamin Katz.
Louis E. Keady.
Allen M. Kemper.
William T. Kenny.
Lyman M. King, jr.
Bernard E. Klimas.
Wendell F. Kline.
Theodore H. Kobey.
Chester A. Kunz.
Andrew H. LaForce.
Jackson A. Lahn.
Raymond S. Lamb.
James M. Lane.
Thomas R. Langley.
Charles O. Larson.
Fitzhugh Lee, 2d.
James E. Leeper.
Louis M. LeHardy.
Thomas K. Leigh.
August W. Lentz.
Edward Leonard.
Maxwell F. Leslie.
Walter E. Linaweaver.
James R. Linsley, jr.
Ralph H. Linsley.
John S. Littig.
Orlin L. Livdahl.
Norman Loader.
Diggs Logan.
Augustus C. Long.
Carleton G. Long.
Royal Lovell.
Benjamin B. C. Lovett.
Barron G. Lowrey.
Charles H. Lyman, 3d.
Louis C. Mabley.
Frederick Mackle, jr.
Duncan C. MacMillan.
Clifton B. Maddox.
Joseph F. Mallach.
Lawrence H. Martin.
Jared A. Mason.
Leonidas M. Matthews.
Eugene F. May.
Burnham C. McCaffree.
John J. McClelland.
Jesse S. McClure.
Clarence W. McClusky, jr.
Francis D. McCorkle.
Alexander S. McDill.
Donald McGregor.
Samuel J. McKee.
John C. S. McKillip.
Gordon A. McLean.
John B. McLean.
Douthey G. McMillan.
Robert H. Meade.
Carl P. Metzler.
Lawrence O. Miller.
Lewis R. Miller.
Wallace J. Miller.
Wayne H. Miller.
William Miller, jr.
Donald L. Mills.
Ernest P. Mills.
Homer V. Milton.
Bertram P. Montagriff.
Robert R. Moore.
Philip S. Morgan, jr.
John J. Morony.
James A. Morrison.
Charles W. Moses.
James A. Moss.
Ralph H. Moureau.
Albert G. Mumma.
George T. Mundorff.
William G. Myers.
John F. Newman, jr.
Stanley G. Nichols.
Philip Niekum, jr.
Albert S. Oakholt.
Frank O'Beirne.
William E. Oberholtzer, jr.
Orville K. O'Daniel.
Anderson Offutt.
Daniel M. Ogden.
Earl K. Olsen.
John O'Shea, jr.
Morris E. Paradise.
Herman O. Parish.
Marvin C. Parr.
Nelson M. Parry.
Joe B. Paschal.
Ralph E. Patterson.
Oscar Pederson.
Harlan K. Perrill.
Ernest R. Perry.
Jesse L. Phares.
Robert B. Pirie.
Karl F. Poehlmann.
Harold J. Pohl.
Harry H. Pottle, jr.
Cleveland F. Pratt, jr.
George Prifold, jr.
Nathaniel S. Prime.
Winston C. E. Prins.
William L. Pryor, jr.
Robert S. Purvis, jr.
Charles H. Quinn.
Edmund M. Ragsdale.
Carl W. Ramsey.
James W. Ransom.
James P. Raugh.
Morgan Redfield.
Herman Reich.
John K. Reybold.
Luther K. Reynolds.
John L. Rhodes, jr.
Stephen E. Rice, 3d.
Theodore W. Rimer.

Henry F. Ripley.
Edward C. Ritchie.
Edward L. D. Roach, 2d.
Walter F. Rodee.
James H. Rodgers.
Charles R. Rohweder.
William K. Romoser.
Henry D. Rozendal.
Arthur R. Rule, jr.
Benjamin Van M. Russell.
James S. Russell.
Ernst A. Ruth, jr.
William W. Rutledge.
Tracy B. Sands.
Eugene S. Sarsfield.
George E. Schade.
Frank B. Schaede.
Edwin S. Schanze.
Harper D. Scrymgeour.
Abbott M. Sellers.
Harold M. Shanahan.
George L. Shane.
Louis Shane, jr.
Israel D. Shapiro.
William R. Shaw.
Seth A. Shepard.
John Shoemaker.
James N. Shofner.
Charles E. Signer.
John H. Simpson.
Charles T. Singleton, jr.
William R. Smedberg, 3d.
Ralph D. Smith.
Sidney L. Smith.
Otho P. Smoot, jr.
Charles D. Spencer.
William C. Sprenger.
Walter C. Stahl.
Arthur G. Stanford.
Joseph B. Stefanac.
Frederick C. Stelter, jr.
Oscar Stiegler.
Everett H. Still.
Yates Stirling, 3d.
Herald F. Stout.
Charles L. Strain.
Hubert E. Strange.
Paul D. Stroop.
John A. Strother.
Joseph M. Stuart.
Lennox H. Stuart.
Dennis J. Sullivan.
Daniel J. Sweeney.
John D. Sweeney.
Willard M. Sweetser.
John Sylvester.
Carroll H. Taecker.
Clarence O. Taff.
Ford N. Taylor, jr.
John B. Taylor.
John M. Taylor.
William C. Taylor.
Fondville L. Tedder.
John B. Thomas.
Olin P. Thomas, jr.
Paul H. Tobelman.
Benjamin F. Tompkins.
Samuel M. Tucker.
William Turek.
Mario G. Vangeli.
Louis L. Vodila.
Edwin F. Voit.
Jay H. Vreeland.
Eugene M. Waldron.
John F. Walsh.
James H. Ward.
Samuel C. Ward.
Doyle C. Warren.
Paul W. Watson.
William A. Watson.
George C. Weaver.
Hugh P. Webster.
Edward L. B. Weimer.
George H. Weis.
John K. Wells.
Ralph E. Westbrook.
Thomas M. Whelan.
Walter J. Whipple, 2d.
William White.
William J. Whiteside.
William S. Whiteside.
Charles J. Whiting.
George M. Whitson, jr.
John L. Wilfong.
Joseph H. Willingham, jr.
Solomon D. Willingham.
Beverly E. Wilson.
John A. Winfrey.
Thomas M. Wolverton.
John L. Woodbury.
Wesley A. Wright.
Peter A. Wyckoff.
Ray Zemlicka.
Earl B. Zirkle.
Gerald D. Zurmuehlen.

The following-named midshipmen to be assistant paymasters in the Navy, with the rank of ensign, from the 3d day of June, 1926:

Bion B. Bierer, jr.
Lysle W. Cease.
Mark W. Clay.
Eskil T. Eskilson.
Fred L. Haerlin, jr.
Walter W. Honaker.
Owen T. Rippey.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 7 (legislative day of May 6), 1926

PUBLIC HEALTH SERVICE

Fortunat Achilles Troie to be passed assistant surgeon.

POSTMASTERS

COLORADO

Alice M. Payne, Hudson.

GEORGIA

Edward B. Miller, Calhoun.
Simon T. Brewton, Claxton.
Jessie I. Crichton, Fort Benning.
Mary D. Shearouse, Guyton.
George D. Appleby, Jefferson.
John L. Wilson, Locust Grove.
Sarah K. Scovill, Oglethorpe.
Leila B. Tart, Oliver.
Joel F. Fountain, Ray City.
James M. Wright, Screven.
John D. Baston, Thomson.
Lavonia L. Mathis, Warm Springs.
Wilson S. Williams, Woodbury.
Robert Barron, Zebulon.

NEBRASKA

Bertha J. Widener, Kennard.

PENNSYLVANIA

D. Guy Hollinger, Hanover.
Henry N. Hoff, Mount Wolf.

HOUSE OF REPRESENTATIVES

FRIDAY, *May 7, 1926*

The House met at 12 o'clock noon.

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

Infinite and eternal God, without whom nothing is pure, nothing is good, and nothing can abide, arouse our better natures to greater zeal, greater understanding, and greater devotion, that throughout our country evil may be diminished and the forces of good accentuated. May unselfishness and peace with justice prevail in every part of the Union. We thank Thee, O Lord, for the teachings of the Master and for the marvelous spirit He exemplified in His holy life. Help us through this day. May our behavior, our example and influence be on such a plane that at its close we may find ourselves a day's journey nearer our Father's house. In the name of Jesus. Amen.

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

PUBLIC BUILDINGS BILL

Mr. ELLIOTT. Mr. Speaker, I ask unanimous consent to take from the Speaker's table H. R. 6559, the public buildings bill, disagree to the Senate amendments, and ask for a conference.

The SPEAKER. The gentleman from Indiana asks unanimous consent to take from the Speaker's table H. R. 6559, the public buildings bill, disagree to the Senate amendments, and ask for a conference. Is there objection?

Mr. McKEOWN. Mr. Speaker, reserving the right to object, I want to ask the gentleman what particular change the Senate has made in this bill.

Mr. ELLIOTT. The Senate has attached 14 amendments to this bill, and it is pretty hard to tell exactly what some of them mean. I have not had an opportunity to study all of them.

Mr. McKEOWN. Is there any change in the bill affecting the matter of appropriations?

Mr. ELLIOTT. No; I think not.

Mr. McKEOWN. Well, I was advised that as the bill passed the Senate it left the control of the appropriations in Congress.

Mr. ELLIOTT. I think the appropriations were left in the control of the Congress in the bill as it passed the House, and I think that is so even if that amendment should be adopted.

Mr. McKEOWN. Does the gentleman think that the amendments of the Senate do not improve the bill?

Mr. ELLIOTT. Well, I would not say that all of them are bad amendments. However, I think some of the amendments will need a great deal of study, and it may not be wise to accept them or it may be wise to accept them with amendments.

Mr. McKEOWN. Mr. Speaker, for the present I shall object to the request of the gentleman.

Mr. ELLIOTT. I hope the gentleman will not object to sending the bill to conference.

Mr. McKEOWN. Well, Mr. Speaker, I will withdraw my objection, because I think the gentleman will be fair with the House as to those amendments.

The SPEAKER. Is there objection to the request of the gentleman from Indiana? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. ELLIOTT, KOPP, BRAND of Ohio, OLIVER of New York, and KERR.

OUTLYING BANKS OF CHICAGO

Mr. KING. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the subject of the outlying banks of Chicago.

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

There was no objection.

Mr. KING. Mr. Speaker, in compliance with the leave granted me this morning to extend my remarks in the RECORD, and in order that the membership of the House may know something of the Chicago outlying-banks situation, I am below

attaching a list of such outlying banks as of September 15, 1924, and giving the total deposits of each as of June 30, 1924:

	Total deposits as of June 30, 1924
Aetna State Bank	$3,607,000
Albany Park National Bank	2,866,000
Alliance National Bank	3,372,000
Altrui State Savings Bank	137,000
Ashland Sixty-third State Bank	385,000
Ashland State Bank	1,520,000
Atlas Exchange National Bank	2,052,000
Auburn Park Trust & Savings Bank	709,000
Austin National Bank	2,812,000
Austin State Bank	5,696,000
Bankers' State Bank	755,000
Belmont Trust & Savings Bank	743,000
Beverly State Savings Bank	753,000
Binga State Bank	1,071,000
Boulevard Bridge Bank	7,811,000
Boulevard State Savings Bank	954,000
Bowmanville National Bank	3,645,000
Brighton Park State Bank	475,000
Broadway National Park	1,390,000
Broadway Trust & Savings Bank	1,332,000
Bryn Mawr State Bank	660,000
Builders & Merchants State Bank	1,896,000
Calumet National Bank	7,692,000
Calumet Trust & Savings Bank	1,164,000
Capital State Savings Bank	3,660,000
Central Manufacturing District Bank	7,910,000
Chatham State Bank	119,000
Chicago City Bank & Trust Co	8,081,000
Chicago Lawn State Bank	1,320,000
Citizens State Bank of Chicago	6,919,000
Citizens Trust & Savings Bank	2,548,000
Columbia State Savings Bank	2,097,000
Commonwealth Trust & Savings Bank	752,000
Community State Bank	1,358,000
Cosmopolitan State Bank	10,288,000
Cottage Grove State Bank	2,488,000
Cragin State Bank	637,000
Crawford State Savings Bank	1,543,000
Depositors State Bank	5,431,000
Devon Trust & Savings Bank	889,000
Division State Bank	1,899,000
Douglass National Bank	866,000
Drexel State Bank	8,477,000
Drovers National Bank	14,264,000
Drovers Trust & Savings Bank	7,515,000
East Side Trust & Savings Bank	1,258,000
Edgewater Trust & Savings Bank	364,000
Elston State Bank	939,000
Equitable Trust Co. of Chicago	2,824,000
Fidelity Trust & Savings Bank	3,863,000
First Englewood State Bank	3,611,000
First Italian State Bank	712,000
First National Bank of Englewood	7,130,000
Franklin Trust & Savings Bank	4,363,000
Fullerton State Bank	2,728,000
Garfield Park State Savings Bank	5,933,000
Geringer & Storkan (Inc.)	312,000
Guarantee Trust & Savings Bank	2,751,000
Halsted Street State Bank	3,214,000
Hamilton State Bank	935,000
Harbor State Bank	323,000
Hatterman & Glanz State Bank	808,000
Hegewisch State Bank	713,000
Hill State Bank	2,142,000
Home Bank & Trust Co	9,263,000
Howard Avenue Trust & Savings Bank	652,000
Humboldt State Bank	3,728,000
Hyde Park State Bank	4,967,000
Immel State Bank	1,401,000
Immigrant State Bank	860,000
Independence State Bank	4,188,000
Industrial State Bank	555,000
Inland Trust & Savings Bank	1,554,000
Interstate National Bank	1,119,000
Irving Park National Bank	4,532,000
Irving State Savings Bank	817,000
Italian Trust & Savings Bank	1,091,000
Jackson Park National Bank	371,000
Jefferson Park National Bank	3,428,000
Kaspar-American State Bank	18,194,000
Kenwood National Bank	5,483,000
Keystone Trust & Savings Bank	1,929,000
Kimbell Trust & Savings Bank	3,379,000
Lake Shore Trust & Savings Bank	5,174,000
Lake View State Bank	7,010,000
Lake View Trust & Savings Bank	11,870,000
Lawndale National Bank	6,095,000
Lawndale State Bank	5,000,000
Liberty Trust & Savings Bank	9,307,000
Lincoln State Bank	3,185,000
Lincoln Trust & Savings Bank	3,482,000
Logan Square State & Savings Bank	2,552,000
Madison & Kedzie State Bank	10,228,000
Madison Square State Bank	1,612,000
Market-Traders State Bank	3,038,000
Marquette Park State Bank	1,663,000
Marshall Square State Bank	1,372,000
Mercantile Trust & Savings Bank	7,715,000
Metropolitan State Bank	2,632,000
Mid-City Trust & Savings Bank	13,441,000
Millard State Bank	736,000
Montrose Trust & Savings Bank	94,000
Mutual National Bank	3,671,000
National Bank of Woodlawn	2,640,000
Noel State Bank	8,718,000
North Austin Trust & Savings Bank	550,000
North Avenue State Bank	8,023,000
Northcenter Trust & Savings Bank	$712,000
North Shore Trust & Savings Bank	1,030,000
North-Western Trust & Savings Bank	19,116,000
Novak & Steiskal State Bank	440,000
Ogden National Bank	1,182,000
Papanek-Kovac State Bank	848,000
Parkway State Bank	117,000
Peoples Stock Yards State Bank	16,439,000
Phillip State Bank & Trust Co	3,356,000
Pioneer Trust & Savings Bank	7,566,000
Portage Park National Bank	440,000
Prudential State Savings Bank	3,121,000
Public State Bank	1,100,000
Ravenswood National Bank	1,794,000
Reliance State Bank	8,269,000
Ridgeway State Bank	434,000
Rogers Park National Bank	1,872,000
Robey State Bank	496,000
Roosevelt State Bank	876,000
Schiff Trust & Savings Bank	5,145,000
Schiavone State Bank	398,000
Second Citizens State Bank	1,932,000
Second Humboldt State Bank (organized Sept. 6, 1924).	
Second North-Western State Bank	2,399,000
Second Security Bank of Chicago	5,395,000
Security Bank of Chicago	7,433,000
Service State Bank	361,000
Sheridan Trust & Savings Bank	9,314,000
Sherman Park State Bank	614,000
Sixty-third & Halstead State Savings Bank	2,092,000
Skala State Bank	1,007,000
South Chicago Savings Bank	7,731,000
South Shore State Bank	1,192,000
South Side Trust & Savings Bank	9,588,000
Southwest State Bank	3,249,000
South West Trust & Savings Bank	4,434,000
State Bank of Clearing	554,000
State Bank of West Pullman	1,448,000
Stockmens Trust & Savings Bank	2,408,000
Stony Island State Savings Bank	2,692,000
Superior State Bank	294,000
The Adams State Bank	2,003,000
The Pullman Trust & Savings Bank	6,525,000
The Roseland State Savings Bank	4,658,000
The Stock Yards National Bank	13,594,000
The Stock Yards Trust & Savings Bank	9,204,000
The West Side Trust & Savings Bank	13,332,000
The Wiersema State Bank	4,145,000
Twenty-sixth Street State Bank	1,833,000
Union State Bank of South Chicago	3,102,000
United State Bank	2,729,000
Universal State Bank	2,413,000
University State Bank	1,686,000
Washington Park National Bank	9,957,000
West Central State Bank	467,000
West City Trust & Savings Bank	373,000
West Englewood National Bank	630,000
West Englewood Trust & Savings Bank	5,074,000
West Highland State Bank	396,000
West Irving State Bank	311,000
West Madison State Bank	1,397,000
West Side National Bank	2,222,000
West Thirty-first State Bank	628,000
West Town State Bank	5,134,000
Woodlawn Trust & Savings Bank	8,728,000
	615,329,000

These outlying banks are those lying outside of the "Loop" district in Chicago. They are all unit banks. The purpose of including this list in the RECORD is to show at a glance the terrific and destructive influence which the establishment of branch banks would have in this district. We have an illustration in the District of Columbia, where the Riggs Bank, which in a measure is an agent of the National City Bank of New York and the group of New York international bankers, has by the establishment and operation of branches in the District practically ruined the independent and unit banks where they are operating, as what might reasonably be expected in the outlying districts of Chicago in case the policy of branch banking is favored by Congress.

Fifty years ago there were four so-called outlying banks in Chicago, and to-day there are 173. They are not merely banks in the narrow sense of the word, but really community centers. They each do a tremendous volume of business. They will soon have resources in excess of $1,000,000,000. Chicago to-day has more incorporated banking institutions than any other city in the world. Within the city there are exactly 200 national and State banks; 27 of them are located in what is termed the "Loop," the other 173 are in the so-called outlying sections.

These 173 outlying banks have total deposits of $615,000,000, an average of slightly more than three and one-half millions per bank. They are owned by 22,000 individuals, 95 per cent of whom are Chicago citizens. They have total resources of nearly $700,000,000 and a capital account of approximately $75,000,000. They pay out each year in salaries more than $12,000,000 and give employment to 6,000 persons.

During 1923 they paid to their savings customers, as interest, nearly seven and one-half millions of dollars. These banks have slightly more than 55 per cent of the savings deposits of the people of Chicago. Their stock has a market value in

excess of $110,000,000. They are housed in buildings that have a resale value, together with the land on which their buildings are located, of more than $55,000,000. They are not "additional offices" or branches set up in store buildings—the average outlying bank has a home value in excess of $340,000.

These outlying institutions have kept pace with the growth of Chicago. They have assisted Chicago and its communities to thrive and grow. They are banks of the people, organized and operated for the purpose of assisting the people to prosper. They are not mere tellers' windows—mere suckers of an octopus drawing in the savings of the people and storing it in tremendous reservoirs of power to influence a course of national control. All of this money remains in the community of Chicago. Displace these unit banks by branches controlled by absentee bankers and financiers, and you destroy this helpfulness now rendered to the people of these communities.

We do not have to do this. Why do it?

FARM RELIEF

Mr. DICKINSON of Missouri. Mr. Speaker, I ask unanimous consent to have printed in the RECORD of to-day a one-page letter from a Missouri farmer urging legislation in behalf of agriculture, giving some reasons therefor, and commending the Haugen bill.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. DICKINSON of Missouri. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following:

CAPE GIRARDEAU, MO., *May 4, 1926.*

Hon. C. C. DICKINSON, M. C.,
Washington, D. C.

DEAR MR. DICKINSON: Agriculture is the basic industry of the country. Every other business depends upon it, but the farmers as a class receive less benefits from legislation than any other group. Industry has its tariff that increases the price of manufactured articles above the world level. Labor has its immigration law that keeps out competition and the Adamson law that regulates its hours. The railroads have the Interstate Commerce Commission, "a Government agency," that fixes the price of transportation, and the Esch-Cummins law that keeps rates high enough to give them interest on their investment. The banks have the Federal Reserve Board, "a Government agency," that fixes the price of credit, and the Federal reserve banks that protect them in times of need.

None of these laws would, perhaps, be called economically sound by an expert economist, but each serves its purpose and protects the business of the particular group it was intended to benefit.

The farmers, however, the real producers of the Nation, those noble men who feed and clothe all the balance of the people and who, as a class, form the most important single economic group, have practically nothing. They are expected to produce under high American labor costs, live up to American standards, buy on a tariff-protected market, and then sell on an open, world, or free-trade market in competition with farm products produced by peasant labor on cheap land in foreign countries.

The above statement of facts, together with the further reason that I am interested in agriculture, explains why I am writing to you even though I am out of your district to appeal to you to vote for the Haugen bill embodying the equalization fee, and in that way give the farmers a square deal.

Before the war the Capper-Tincher bill might have served, for at that time we were a debtor nation. We owed billions of dollars to Europe and each year paid our interest, our shipping charges, and other debts by exporting large quantities of farm products. Since the war, however, we have become a creditor nation and the postwar reversal of trade balances, the passage of the Adamson law, the immigration law, the Esch-Cummins law, etc., have placed the farmers at such a tremendous disadvantage with other economic groups that it will not solve their problems or give them the desired relief.

There is nothing in it that makes the tariff effective on farm products. There is nothing in it that puts the farmer on an equality with either industry or labor and there is nothing in it that elevates the American farmer or permits him to elevate himself above the black-skinned farmer in darkest Africa, the peon of Mexico, or the peasant farmers of other foreign countries.

The Capper-Tincher bill provides for a farm board, but all it is authorized to do is to rent a hall, call conferences, and make loans to its favorites, while the farmers want to get out of debt and not deeper in. They want a better price and not more advice. They want justice, not charity. They want equality, not discrimination. They want permanent and not temporary relief, and they want a real genuine and not a fake or counterfeit relief bill.

The Haugen bill will make the tariff effective on farm products and put the farmers on an equality with industry and labor. They are entitled to that and are not asking for more. It is right, fair, and just that they should have it, and as one American citizen to another I appeal to you to give it to them.

Sincerely yours,

JULIEN N. FRIANT.

P. S.—If we continue to neglect agriculture while subsidizing both industry and labor I fear it will not be many years until we will be where England is to-day.

Mr. FULMER. Mr. Speaker, I ask unanimous consent to insert in the RECORD a statement from Mr. Kilgore, of North Carolina, in behalf of the cotton farmers of the South.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

Mr. BEGG. Mr. Speaker, reserving the right to object, we could not hear the request of the gentleman.

Mr. FULMER. My request is to insert in the RECORD a statement from Mr. Kilgore, representing the cotton associations of the South, in the interest of legislation for the cotton farmers of the South.

Mr. BEGG. How long is that statement?

Mr. FULMER. It would not take up over a couple of pages.

Mr. BEGG. Is it the gentleman's idea that every man in the United States ought to be permitted to put a statement in the RECORD?

Mr. FULMER. I will say to the gentleman that some of the Members of the House have stated that men representing the South did not come before the committee, and I want to show that they did not have an opportunity. They bring out very plainly in this statement their views on farm legislation, and I am sure it contains information which the Members of the House would like to have about the cotton situation, and you people from the other sections of the country would enjoy it, I am sure.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. FULMER. Mr. Speaker, under the leave to extend my remarks in the RECORD I include the following:

To Members of Congress:

We present herewith a careful analysis of the fundamental principles of government and economics involved in pending farm legislation.

We ask for it your careful reading and thoughtful consideration.

Very truly yours,

AMERICAN COTTON GROWERS' EXCHANGE.
B. W. KILGORE, *President.*
C. O. MOSER, *General Manager.*

MEMORANDUM ON FARM-RELIEF LEGISLATION

An understanding of the declining position of American agriculture in our national economy is necessary to a correct understanding of the almost universal demand of American farmers for some action by the Government which will place agriculture upon a basis of equality with other industries.

I will not undertake at this time to enumerate the evidences of the decline in agriculture during the last quarter of a century, but refer inquirers to the many reports and publications on that subject, the latest of which is a report of a comprehensive survey made by the Industrial Conference Board, and which should be read by every thoughtful man who concerns himself with the large problems of national welfare.

AMERICA FACES DANGERS OF PEASANTRY

It is well to remind ourselves of the unwelcome fact that farming is a peasant occupation in all the older countries of the world, and only in new countries like the United States, Canada, and Australia do farmers enjoy the status of independent proprietors with full privileges of citizenship and a social status on a par with those engaged in other callings. Modern progress in communication and transportation has made the whole world a community, and the free and independent farmers of the United States are in immediate and direct competition with farm producers in all the world, most of whom are content with lower standards of living and narrower opportunities in life.

We must also recognize that the protective system developed in the United States is much broader than our policy of tariff protection. By the device of a protective tariff, manufacturing industry has been brought within that system; by the device of our immigration laws and other labor legislation, labor has been brought within the American protective system; by the device of the interstate commerce law, the Esch-Cummins law, and other railroad legislation, our great transportation system has been brought within the sheltering provisions of this national protective system; by the Federal reserve act and other banking legislation, the banking system of the country has been brought within that system. By different devices, Federal and State, many other special classes and industries have been included

within this broad protective system, which has become a fixed and definite policy of the Federal Government and of State governments.

AGRICULTURE MUST BE BROUGHT WITHIN THE PROTECTIVE SYSTEM

Without questioning the wisdom of this national policy, we may fairly recognize that it involves cost as well as benefit. American farmers enjoying none of the privileges or benefits of the system necessarily bear their share of its cost. The result is that they operate at a higher unit cost than farmers of other nations. This high cost is due not alone to the cost of the protective system but to the higher living standards of American farmers.

While producing at cost determined by the American protective system and American standards of living, the price of many of our great basic agricultural commodities is determined wholly or partially in world markets and in competition with the products of foreign farmers whose production costs are lower and whose living standards are lower.

A further result of the inclusion of so many industrial groups within the American protective system and the exclusion of farmers from the benefits of that system is the reduced purchasing power of the farmer's dollar measured by its exchange value in commodities produced by other classes.

AGRICULTURAL PRICES MUST BE MADE MORE STABLE

Added to the handicaps of farmers as indicated above are certain inherent difficulties peculiar to the nature of farming. The curse of farming in the United States is instability and insecurity of returns. Until this instability and insecurity gives place to reasonable stability, American agriculture must continue to decline in dignity and importance, and the national welfare will be further and dangerously imperiled.

While the cost of production of farm products is fairly constant from year to year, the price received by farmers varies as much as 100 per cent from one year to the next. No business on earth can be stable and prosperous or can escape decline to peasant conditions in which costs are constant and prices vary, as prices of agricultural products vary from year to year.

This destructive and demoralizing variation in prices results from our practice of vainly endeavoring to adjust one year's supply to one year's demand, which can never be done. The same acreage may produce widely varying yields in different years; hence, certainty of yield can not be attained even by control of acreage, which is itself impossible. Weather, plant diseases, and insect pests are beyond human control. We are, therefore, confronted with the stubborn and inescapable fact that volume of production will vary from year to year in spite of all that man can do.

This simple statement indicates how utterly foolish it is to hope for stable or profitable prices so long as we undertake to equate prices on the basis of one year's supply and one year's demand of our great staple crops.

STABILIZATION IMPOSSIBLE EXCEPT BY DEALING WITH TEMPORARY SURPLUSES

An examination of statistics reveals the interesting fact that while production and demand are badly out of balance in particular years, yet, if we will consider supply and demand over a period of years they will be found to strike a balance. Thus the so-called surplus and carryover of cotton has ranged from 2,000,000 to 6,000,000 bales of cotton a year for the last 25 or 30 years. If this so-called surplus was a real surplus above consumptive requirements, we should have on hand at this time not less than 150,000,000 bales of accumulated surplus cotton. The facts are that we have less than six months' supply. The same is true in varying measures of our other nonperishable and preservable crops.

In one of its fundamental aspects farm-relief legislation as embodied in the Haugen bill represents an effort to shift the basis of the price equation from one year's supply and demand to supply and demand over a period of years, a period within which they may reasonably be expected to balance.

In another of its fundamental aspects this legislation aims to give some measure of protection to American farmers who produce commodities whose price is established in world markets in competition with the products of peasant farmers and in obedience to market conditions which are beyond the reach of our farmers, acting as individuals or as voluntary groups.

In another of its fundamental aspects this legislation aims at creating an opportunity for the producers of each of our great farm crops to themselves set up and manage instrumentalities through which they may own and control the unneeded part of their annual crops and hold it off the market until there is a consumptive demand at fair prices, prices that will maintain the American standard of living and insure our farmers a fair share of the national income.

A basic and essential feature of this plan is the creation of what is referred to as an equalization fund, contributed ratably by all producers and which will be employed to purchase and remove from the market the unneeded parts of crops until they are needed by the consuming world.

EQUALIZATION FUND DISTRIBUTES THE RISKS AND PROVIDES CAPITAL

The principle of the equalization fund is identical with that which underlies the capital of the Federal reserve banks. By the use of this capital and the other devices of the Federal reserve system the money and credit supply of the Nation is quickly and easily adjusted to the varying demand for money and credit, and thus stability is secured.

Theoretically it was possible for the banks of the United States to establish great reservoirs of money and credit which might have accomplished much that the Federal reserve system accomplishes. But it was utterly impossible to do that by voluntary action, and Federal legislation was required to bring about the necessary uniformity and conformity.

In the very nature of things it is utterly impossible for all the producers of a given farm commodity to establish an equalization fund and a stabilizing system, just as it was impossible for all the bankers by voluntary action to establish agencies through which credit might be stabilized and adjusted to demand.

It is equally impossible and utterly unfair for any small group of farmers, through their cooperatives, to undertake the burden of stabilizing the entire industry, in the benefits of which all will share and the cost of which will be borne by a few.

This legislation does not propose that the Government shall stabilize agriculture, but merely that the Government shall provide the mechanism through which producers may themselves do this thing. A simple and familiar case in point is our many State laws governing drainage or reclamation districts. None of these enterprises could be undertaken by even a majority of the progressive citizens of the district; therefore the Government, by law, provides the mechanism and the method by which all who share the benefit shall also share the cost. The principle of the equalization fee in the Haugen bill is as simple as that.

NO NEW PRINCIPLE OF GOVERNMENT INVOLVED

This legislation contemplates no new and novel principle of compulsion. By its terms it can be applied only to crops of which there is a surplus, and then only on the properly expressed request of the producers. It may be applied to some commodities at once; it may not be applied to others for many years, dependent entirely upon the existence of a surplus above immediate requirements, which threatens to imperil the price of the entire crop and depress it to ruinous levels.

If this measure were in operation we would no longer have the paradox of a larger crop returning a less total income to farmers than a small crop. That almost universal economic paradox is an indictment of the common sense and statesmanship of our people. There is absolutely no justification in economics or morals for farmers who give to the world a 16,000,000-bale cotton crop, receiving less for it than they would receive for a 13,000,000-bale crop, or for wheat farmers receiving less for a bountiful crop than for a small crop. In each case the world receives and uses both the large and the small crop. Instead of farmers receiving proper rewards for larger production, which constitutes a national benefit, they are penalized for giving to the public this insurance against famine and want.

The Haugen bill represents a serious effort to put an end to that nonsensical paradox and to make it possible for farmers to be rewarded according to their production and their contribution to the world's supply of usable commodities.

The mechanism created by the bill consists of a farmer-minded national board, chosen by farmers themselves and representing the 12 land-bank districts. This board will serve for agriculture in much the same way that the Federal Reserve Board serves banking and commerce. It will have authority, under proper limitations, to establish equalization funds for each of the basic commodities mentioned in the bill. These commodity equalization funds will be created by the collection of a small equalization fee on each unit of the commodity, and will be used to purchase, store, carry over, export, or otherwise manage seasonal surpluses in a way to stabilize the price at fair levels and to protect American farmers against ruinous competition in world markets.

This Federal board will not itself engage in any commercial activity. It will not buy or sell anything, but will operate through farmers' cooperative organizations. Provision is made for temporarily dealing with commercial agencies until adequate cooperatives may be organized for certain commodities, but after two years it will be limited to operating through producers' own organizations.

OBJECTIONS TO HAUGEN BILL ARE NOT VALID

I wish now to briefly refer to some of the most frequently mentioned objections to this legislation.

That it is revolutionary, paternalistic, and unworkable: Every legislative act which makes a distinct change in existing practice or custom is denounced as revolutionary, and in that sense only is this legislation revolutionary. It is not, however, as revolutionary as was the Federal reserve bank act. Prior to that law our national currency was based on gold and Government bonds. The proposal that we should adopt "asset currency" based on certain kinds of commercial paper was an extraordinarily revolutionary thing, almost as revolutionary as the old sub-Treasury plan of the populists in the nineties. For years prior to 1918 we had been tinkering and tampering with an unsatisfactory cur-

rency and credit system, but we only obtained relief when we adopted the revolutionary plan of the Federal reserve system.

For many years we have been tinkering and tampering with our agricultural problems trying by piecemeal and patchwork to place this important industry upon a better basis. The time for tinkering and patchwork has passed, and this legislation is a serious attempt to deal fundamentally with the real problem and to that extent only is it revolutionary.

The Federal Farm Board with all its powers is not as paternalistic as the Federal reserve system, nor as the Interstate Commerce Commission, nor as the Federal Trade Commission, nor as the Shipping Board, nor as many other Government agencies which are accepted as sound and orthodox by the most conservative and antipaternalistic of our statesmen.

We have as many reasons for believing that it is workable as we had for believing any of our important Federal legislation would be workable. Every principle involved in the bill has in some other form been put into application elsewhere. We can not know in advance just how any law will work, but we can forecast the outcome of the operations of this measure just as accurately as we can forecast the outcome of any other law dealing with complex problems.

That it is a subsidy: This measure does not provide a subsidy in any true meaning of that term. All of its terms and provisions indicate a clear purpose that the cost as well as the benefits will be borne by the farmers who produce the several commodities dealt with. It does, however, provide that during a period of two years the equalization fund of the several commodities shall be supplied from a revolving fund to be provided by the Federal Government. The farmers who are asking for this legislation desired to make the investment and assume the risk of its operation from the beginning. Through no fault of their own they became convinced that Congress would not enact this legislation if the collection of the equalization fee was to begin at once. It is needless to split hairs and debate about why and how they reached that conclusion. Every intelligent and informed man connected with this effort at legislation knows that this statement is true. Conscious of the need for immediate relief and being unwilling to go away empty handed, the farm groups supporting this legislation consented to defer the collection of the equalization fee for a period of two years, but insisted that the bill should contain provisions automatically putting it into operation at the end of that period.

It is the traditional policy of the Federal Government to make investment and assume the risk in developing and pioneering large enterprises for the national welfare which are beyond the ability of its individual citizens. No policy of our Government is more firmly established or supported by more numerous precedents than this one.

When the national welfare demanded the construction of transcontinental railroad systems, the task was beyond the ability or the willingness of private capital and the Government made donations, investments, and assumed risks in behalf of the national welfare. When great irrigation works were needed to develop large unproductive areas in the West, and private capital was not willing to take the risk, the Government stepped in, made the investment, assumed the risk, and demonstrated the feasibility of reclamation by irrigation.

The Government is to-day making investments and taking the risk of developing our merchant marine; it is spending millions of dollars in scientific and other investigation and research into problems of national well-being which private enterprise will not assume.

The Government is spending millions of dollars annually to pioneer scientific research into the production problems of agriculture. How, then, does it become a subsidy when the Government makes an investment and takes the risk of pioneering in the vastly greater and vastly more important undertaking of stabilizing its most essential industry? That is the principle involved in the relatively small investment and still smaller risk which the Government takes in pioneering this project of stabilizing agriculture, the results of which will have a far-reaching effect not only upon the welfare of farmers now living but upon the whole future of agriculture and the future of our Government and its free institutions. And let it not be forgotten that for a quarter of a century the Federal Government has spent many million dollars annually to stimulate increased production of farm products.

The United States Department of Agriculture, the Federal and State experiment stations, our Federal and State agricultural colleges, and our great National Agricultural Extension Service have all been engaged in stimulating production.

It is not too much to say that the Government is in large measure directly responsible for a large part of our surplus problem to-day. If we could deduct from the sum total of our annual production that part due to the stimulation of the Government through the agencies named and to the irrigation and reclamation policy of the Government, the surplus problem of American farmers would shrink to very small proportion, if, indeed, it did not disappear entirely.

That it will foster a dangerous paternalism: There is no paternalism in this measure. The Federal board provided will be chosen from nominees of farmers themselves and will be responsible to farmer sentiment and not to governmental or political influence. Again, the working out of this law will bring into being great, strong, intelligently managed organizations of farmers, which will place them in position to successfully resist any encroachment by the Government or by other agencies upon their independence and their freedom. In their relatively unorganized condition to-day they are without such protection. So that instead of fostering paternalism this measure builds up self-help agencies of farmers capable of resisting paternalism.

I dare to make this challenge: Place on the table side by side the Federal reserve act, the Interstate Commerce Commission act, the Esch-Cummins law, the Federal Trade Commission law, the Shipping Board legislation and the Haugen bill. Take a blue pencil and underscore the paternalistic provisions of each, and you will discover many times as much paternalism in each of these laws as you will find in the Haugen bill.

That this legislation is demanded by radicals and demagogues: The leaders advocating this movement are not only representative of agricultural sentiment in the Nation, but they are generally recognized as the ablest and the most unselfish leaders agriculture has ever sent to Washington. Any fair man who wants Congress to know the truth can easily learn who these men are and who and what they represent. Taken individually or collectively they represent the best in American agriculture.

Every important national farmers' organization which concerns itself with large economic problems of agriculture is supporting this measure. Included in this group are the officers of business organizations of farmers which do a business of many millions of dollars annually and which enjoy as fine trade standing as any group of business organizations in the land. It is remarkable evidence of the universality of the need for this legislation that it is supported by farm organizations in all parts of the country, producing all of our great staple crops. It is not only interesting but highly significant that men from the North, West, and South are making common cause for a truly national policy for agriculture, which addresses itself courageously to the basic needs of the industry.

It has long been the policy of Congress to consult representatives of an industry when legislation affecting that industry is under consideration. Bankers are consulted on banking legislation; labor is consulted on labor legislation; railroad managers are consulted on railroad legislation. When representatives of one of these great groups unite in their opinion with respect to legislation much weight is given to their opinion.

Why should not agriculture be accorded the same respectful consideration? The Haugen bill represents the best judgment and united opinion of all the large organized groups of farmers producing and marketing our basic crops of wheat, corn, cotton, hogs, etc. Certainly all these men and all these great organizations can not be blind and not accept, or if they did accept would be dangerous to them.

SOME OBJECTIONS TO THE TINCHER BILL

The Tincher bill does not address itself to the problem of farm relief. It does not touch any of the fundamental problems of agriculture. It proposes no plan for dealing with the surplus problem. It leaves all problems untouched.

The utmost that the Tincher bill proposes is to give farmers some free advice and to loan cooperation money on terms which they can not accept; or if they did accept, would be dangerous to them.

Farmers are tired of free advice. They have learned that it is worth just about what they pay for it.

FARMERS' CHIEF NEED IS NOT MORE CREDIT

Farmers are also tired of being told when they ask for real relief that the thing they need is more credit granted on unusual and extraordinary terms.

Proper credit is essential to agriculture, and there was a time when the credit facilities of American farmers were wholly inadequate. But within recent years there has been established the farm-loan bank, the intermediate-credit bank, and the Federal reserve system has liberalized its policy, and to-day farmers individually and through cooperative associations are able to obtain adequate credit on reasonable terms.

As a matter of fact, the Tincher bill does not propose a reasonable credit system for farmers.

It will give no aid to those farmers who, by reason of special circumstances, are compelled to pay exorbitant interest rates for credit with which to produce a crop, because it will make no loans to individuals.

It will be of no aid to cooperative-marketing associations in financing their current and ordinary marketing operations, because they are now able to obtain from the intermediate-credit bank and from commercial banks all the credit necessary for these purposes on fair and reasonable terms.

A careful examination of the bill reveals that it is not intended to provide additional credit either for production purposes or for the ordinary and current marketing operations of cooperatives. This is further evident in the amount of the revolving fund. It is wholly inadequate in amount to serve any of these needs. The cotton associations require between $80,000,000 and $100,000,000 credit annually for their current operations. The wheat, rice, tobacco, and other cooperatives require many times that sum. So it is apparent that the $100,-

000,000 revolving fund proposed in the Tincher bill is not intended to supply any present or prospective need of the cooperatives for marketing credit; and if it was so intended, it would fail utterly on account of inadequacy.

THE FALLACY OF LONG-TIME LOANS FROM REVOLVING FUND

What, then, is the loan feature of the Tincher bill, and what did its authors have in mind when they wrote it?

In the original draft of the first bill introduced by Mr. Tincher the central thought expressed in its credit operations was that this revolving fund should be loaned to cooperative associations for periods up to 20 years and secured by a charge upon all of the commodity handled by the association throughout that period.

When representatives of cooperatives appeared before the House committee they quickly exploded the fallacy of that idea. They showed very clearly why a cooperative association could not afford to borrow money from the Government for present purposes and collect a charge from all the commodity handled throughout a period of 20 years; they said bluntly that farmers would not join cooperatives which adopted such a practice; that it would be unfair and unjust to put a tax on the crops of farmers who would join the association many years hence for loans obtained and expended for the benefit of present members.

The entire idea of amortizing marketing loans over a period of 20 years by assessing a charge upon the products of a changing membership is so utterly unsound and fanciful that the author revised this provision in the second draft of his bill. But although the language is changed somewhat, the idea remains in the bill in these words, "Any association receiving a loan shall provide for the payment thereof, including interest thereon, in a manner provided by the commission, during a period not exceeding 33 years."

CONFLICTING STATEMENTS

The advocates of the Tincher bill quote more freely from the testimony and statements of Secretary Jardine than they do from the bill itself, and this is highly significant.

Secretary Jardine has stated in his testimony before the House committee that he expected that the revolving fund provided in the Tincher bill woud absorb losses on loans made to cooperatives. That statement has been made by Secretary Jardine so many times that there can be no question about it.

But Mr. TINCHER did not write Secretary Jardine's purposes into his bill. There is not a word or syllable in the bill which even intimates that its revolving fund may be employed to absorb losses on loans to cooperatives.

Secretary Jardine's interpretation would make the Tincher bill a subsidy pure and simple, without any redeeming feature; hence it is not surprising that Mr. TINCHER did not have the courage to write into the bill what he says is intended by it. This is why all the advocates of the measure quote the statements of the Secretary to farmers and quote the language of the bill to those who oppose a subsidy.

Accepting Secretary Jardine's testimony before the House committee at its face value, the Tincher bill says to cooperatives, in effect, "The Government will loan you money; if you lose it, the Government will stand the loss."

The language of the Tincher bill explicitly says that all loans shall be repaid with interest.

THE BILL WOULD NOT MEET THE NEEDS OF EITHER WHEAT OR COTTON GROWERS

If the law is passed in its present form any board which undertook to do what Secretary Jardine and Mr. TINCHER says was intended would be subject to removal from office, because there is nothing in the bill which authorizes them to assume losses of cooperatives.

Every borrower from the Government under the Tincher bill must execute a note or other obligation to the Government. The obligation thus incurred can be canceled only by an act of bankruptcy or an act of Congress, and it is worse than folly for the advocates of this bill to attempt to lull farmers into accepting it on any other basis.

If we are to disregard what Secretary Jardine says the bill will do and look to the language of the bill itself, we discover how utterly inadequate its provisions are for dealing with the great problems which confront American farmers to-day.

Under its provisions wheat farmers or their cooperatives could do nothing to make the tariff effective on wheat, nor could they use any of the revolving fund for that purpose.

Under its provisions no cotton cooperative would or could borrow money to carry over seasonal surpluses of cotton. No funds would be available under this bill for taking surplus corn off the market and carrying it until it was needed. In a word, none of the things which farmers want to do to stabilize their industry can be done with the funds provided by the Tincher bill.

If cooperatives should borrow money under this bill to take a temporarily unneeded surplus off the market, or to engage in export operations with a view of getting some benefit under the tariff—if they should do any of these things, the cost and the risk would be assumed by the relatively few members of the cooperatives and the Federal farm commission would have power under the Tincher bill to require an assessment upon all the commodity handled by the association for the next 33 years to repay such loans.

When the author of the bill was reminded of some of these things, he inserted in the last draft a provision that the farmers' marketing commission might make "unsecured" loans to cooperatives.

Let the record show and let the world know that no representative group of American farmers has ever asked the Government to make unsecured loans to anybody.

And never again should the author of this bill and the men who are supporting it charge American farmers with asking unsound and uneconomic legislation. They should be forever estopped from bringing any such charge against farmers by themselves proposing the extraordinarily unsound thing of offering unsecured loans to farmers as a remedy for a great economic difficulty.

A careful examination of the entire Tincher bill reveals that its net benefits to farmers would be some free advice and some unsecured loans.

BRIDGE ACROSS THE DETROIT RIVER

Mr. DENISON. Mr. Speaker, I call up the conference report on H. R. 8771, a bill to extend the time for commencing and completing the construction of a bridge across the Detroit River within or near the city limits of Detroit, Mich.

The SPEAKER. The gentleman from Illinois calls up a conference report which the Clerk will report.

The Clerk read the conference report.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8771) to extend the time for commencing and completing the construction of a bridge across the Detroit River within or near the city limits of Detroit, Mich., 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 amendments numbered 1 and 2.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted in said amendment insert the following:

"SEC. 2. That the said American Transit Co., its successors or assigns, shall within 90 days after the completion of the bridge constructed under the authority of this act file with the Secretary of War an itemized statement under oath showing the actual original cost of such bridge and its approaches and appurtenances, which statement shall include any expenditures actually made for engineering and legal services; and any fees, discounts, and other expenditures actually incurred in connection with the financing thereof. Such itemized statement of cost shall be investigated by the Secretary of War at any time within three years after the completion of such bridge, and for that purpose the said American Transit Co., its successors or assigns, in such manner as may be deemed proper, shall make available and accessible all records connected with the construction and financing of such bridge, and the findings of the Secretary of War as to the actual cost of such bridge shall be made a part of the records of the War Department."

And the Senate agree to the same.

Amendment numbered 4: That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment as follows: In line 1 of said amendment strike out "4" and insert "3"; and the Senate agree to the same.

Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted in said amendment, insert the following: Page 1, line 12, strike out "2" and insert "4"; and the Senate agree to the same.

E. E. DENISON,
O. B. BURTNESS,
TILMAN PARKS,
Managers on the part of the House.

W. L. JONES,
JAMES COUZENS,
HIRAM BINGHAM,
DUNCAN U. FLETCHER,
MORRIS SHEPPARD,
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 Senate to the bill (H. R. 771) to extend the time for commencing and completing the construction of a bridge across the Detroit River within or near the city of Detroit, Mich., submit the following written statement in explanation of the effect of the action agreed upon by the conference committee and submitted in the accompanying report:

On No. 1: The house bill was a short form bill simply extending the time for beginning and completing the construction of the bridge across the Detroit River, the consent of Congress for the construction of which had heretofore been granted and extended on two former occasions.

The bridge will cost from fourteen to sixteen million dollars and it has required several years' effort to provide for financing the project. It seems that the parties are ready to begin construction and the time for beginning having expired under existing law, this bill was filed to extend the time for beginning and completing the construction of the bridge. Senate amendment No. 1 inserted a provision granting the construction company who is to construct the bridge the right to condemn property needed in connection with the construction of the bridge and its approaches. Such a provision is ordinarily inserted in bills granting the consent of Congress for the construction of bridges over interstate navigable waterways in this country. But Congress has no right to authorize anyone to condemn property in a foreign country, and one-half of this bridge will be located in the jurisdiction of the Dominion of Canada. The construction company has options on the property that will be needed on the American side and, therefore, the clause giving the right of eminent domain was unnecessary; and upon this amendment the Senate receded.

On No. 2: The Senate inserted in the bill as amendment No. 2 a provision which would give to the State of Michigan or any of its political subdivisions the right to acquire the bridge at any time by condemnation, and after 20 years from its completion to take it over by condemnation under a limited measure of damages. Such provisions are now ordinarily inserted in bridge bills where Congress grants its consent to private individuals for the construction of toll bridges over interstate navigable waterways in this country. It is not within the power of Congress to grant to the State of Michigan or to the city of Detroit or any other political subdivision of that State, the right to condemn an international bridge, a part of which is located in the Dominion of Canada. The bridge is being financed largely by people residing in Canada, one-half of the bridge is owned outright by a Canadian company, and the bonds for the structure are to be guaranteed by the Government of Ontario. A provision for recapture of such a bridge might lead to complications in our friendly relations with the Canadian Government and would certainly interfere with financing the bridge, and was disapproved by the State Department. Therefore the Senate receded from its amendment No. 2.

On No. 3: The House receded from its disagreement to Senate amendment No. 3, and agreed to the same with an amendment. The substance of this amendment is that the company that constructs the bridge will be required within 90 days after its completion to file with the Secretary of War a sworn itemized statement of the cost of the bridge, including expenditures actually made for engineering and legal services and discounts and other expenditures actually incurred in connection with the financing thereof. Such statement will be investigated by the Secretary of War and his findings in relation thereto will be made a part of the records of the War Department. It was thought advisable to include a provision of this kind in the bill in order that there might be an official finding and record as to the cost of the bridge, for the purpose of determining the reasonableness of tolls that may in the future be charged for passing over it.

On No. 4: The House recedes from its disagreement to Senate amendment No. 4, and agrees to the same with an amendment, the amendment consisting simply in changing the number of the section from 4 to 3.

On No. 5: The House recedes from its disagreement to this amendment and agrees to the same with an amendment, which consists merely in changing the number of the section from 2 to 4.

E. E. DENISON,
O. B. BURTNESS,
TILMAN PARKS,
Managers on the part of the House.

Mr. CRAMTON. Will the gentleman from Illinois yield for a question?

Mr. DENISON. Yes.

Mr. CRAMTON. How does the agreement that has been reached leave the question of recapture?

Mr. DENISON. Mr. Speaker, there is no provision for recapture in this bill. This is a bill to construct a bridge across the Detroit River, which is an international river. It is being constructed one half by an American company and the other half by a Canadian company, and the Canadians are furnishing most of the money to build the bridge, and it was not practicable to put a recapture clause in this bridge bill.

Mr. CRAMTON. Did the conference give consideration to the question of a provision for recapture through joint action worked out by the two governments?

Mr. DENISON. No; there was no application for such a provision, and the committee was informed that if any provision for recapture was inserted in the bill by this Government it would kill the bill and prevent the construction of the bridge.

Mr. Speaker, I move the adoption of the conference report.

The conference report was agreed to.

PUBLIC BUILDINGS BILL

Mr. GARRETT of Tennessee. Mr. Speaker, a few moments ago, by unanimous consent, the public buildings bill went to conference. The Speaker announced conferees on the part of the House out of their usual order of rank. I know of only one instance in which this has been done. I know of no reason why the ranking Democratic member should not be a conferee upon this board of conference. If the matter has not gone too far, I very much hope the Speaker will reconsider the appointment and follow the usual custom of putting the ranking minority member upon the conference. It is not a matter of individual concern or of pride to the ranking Democratic member, but it is a most unusual procedure. I have never known it to be done but once before.

The SPEAKER. The Chair recognizes the fact that this is a somewhat unusual procedure, but he will call the attention of the gentleman from Tennessee to the fact that the ranking Republican Member is not upon the conference. It seems to the Chair that in a case of this sort, where there is a substantial difference between the House and the Senate, where the House sent to the Senate a bill passed by a very large majority, a bill which the gentleman from Texas [Mr. LANHAM] very bitterly fought, it is really fairer to the House to have as representatives of the House men who are in sympathy with the action taken by the House.

Mr. GARNER of Texas. Will the Speaker permit a question?

The SPEAKER. Yes.

Mr. GARNER of Texas. My experience here has shown me that in a number of instances conferees have been appointed when they are opposed to the bill passed by the House. What I complain about is this: If the Speaker or the ranking Republican member [Mr. ELLIOTT] had notified this side of the House they did not intend to place on the conference committee the gentleman from Texas [Mr. LANHAM], the ranking Democratic member, we would have had notice of that fact, and we could have adapted ourselves to whatever remedy we might have in order to carry out what we think ought to be the policy of the House with reference to representation of our side. In this instance the gentleman asked and obtained unanimous consent to send the bill to conference, and then, without the slightest notice, the Speaker appointed some one entirely out of line with the usual procedure of the House. I do not believe that is entirely fair to this side of the House, because no notice was given. If the gentleman from Indiana [Mr. ELLIOTT] had given the gentleman from Texas [Mr. LANHAM] notice, or had given the minority leader [Mr. GARRETT of Tennessee] notice that he intended to ask for the appointment of conferees out of the usual order, that would have been perfectly proper; and if we had granted unanimous consent for the appointment, that would have been all right; but, under the circumstances, it does not seem to me it is exactly giving fair notice to our side of the House to adopt a procedure of this sort.

The SPEAKER. The Chair was not advised by the gentleman from Indiana [Mr. ELLIOTT] whether he had consulted gentlemen on that side of the House. The object of the Chair in announcing the conferees was to do the fair thing, as the Chair saw it, by the House.

Mr. GARNER of Texas. That is all right, Mr. Speaker; but let me make this suggestion to the Speaker, if I may. In the future, in order to protect ourselves, speaking from the Democratic viewpoint, we must have notice before we let a bill go to conference by unanimous consent. We must know whether the Speaker is going to follow out the usual and long-established practice as to representation on the conference committee or else we will not agree to the unanimous-consent request. I

think that is a fair statement to make to the Speaker and to the gentlemen who may have such matters in charge on the other side of the House. It is unfair to us to get unanimous consent to send a bill to conference and then not give us the representation on this side in the usual way.

The SPEAKER. The Chair thinks the gentleman from Texas [Mr. GARNER] has made a perfectly fair statement. The Chair thinks he is absolutely correct, however, in appointing on conferences men who represent the position of the House. Under the circumstances, however, the Chair not having been apprised in advance that this appointment would meet with opposition from the leader of the minority party, the Chair will ask unanimous consent to withdraw for the time being the appointment of conferees until further consultation. [Applause.]

There was no objection.

WITHDRAWAL OF PAPERS

Mr. WILLIAMSON. Mr. Speaker, I ask unanimous consent to withdraw from the files of the House of Representatives certain letters, papers, and documents filed by myself in connection with the bill H. R. 6705, being a pension bill which was introduced by myself and rejected by the committee. We would like to have the papers back.

Mr. CHINDBLOM. Mr. Speaker, reserving the right to object—and I do not know that I shall object—I want to call attention to the fact that the usual order for the withdrawal of papers contains the sentence: "No adverse action having been taken thereon." I do not know why that is the usual rule. Perhaps somebody more familiar with the ancient history of the House may know.

Mr. WILLIAMSON. My recollection is that no action one way or the other was taken on the bill. At any rate, I know that favorable action was not taken. The bill was introduced at the last session of Congress.

Mr. CHINDBLOM. I understood the gentleman to say that the bill was rejected.

Mr. WILLIAMSON. There has been no action taken that amounts to a rejection because it was introduced in the last Congress and died with that Congress and has not been reintroduced.

Mr. CHINDBLOM. Mr. Speaker, I have made the reservation of objection merely to ascertain the history and the precedents of the House in the matter. I do know that such orders heretofore during my service have always carried with them the proviso that no adverse action has been taken upon the bill.

Mr. WINGO. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. WINGO. Has there ever been leave granted by the House to withdraw papers where there has been an adverse report?

The SPEAKER. The custom, of course, is that the statement is definitely made accompanying the request that no adverse report has been made.

Mr. WINGO. The request, of course, as I understood it, was to withdraw papers filed in connection with a bill now on the calendar with an adverse report from the committee. I may be in error about it. I know nothing about the matter, and I would like to accommodate the gentleman, but there must be some reason for such action.

Mr. WILLIAMSON. Mr. Speaker, I withdraw my request for the present in order that I may ascertain the facts in the matter.

Mr. CHINDBLOM. If I may be permitted to make a statement, I understand the reason for this practice is this: If adverse action has been taken, it is the desire of the House to preserve the papers and make it impossible for any change to be made in the record as preserved in the House.

CORRECTIONS

Mr. LUCE. Mr. Speaker, I ask unanimous consent to correct the RECORD. On May 6 I made the statement that the consent for autopsies of veterans could be secured or must be secured from parents, other relatives, or the guardian. I have since been informed that by the regulations of the Veterans' Bureau a guardian's power terminates with the death of his ward and that I was in error in stating such permission could be secured for an autopsy. I ask that th ewording be changed to read from its present form to "from parents or other relatives."

Mr. BLANTON. Mr. Speaker, reserving the right to object, and I shall not object, may I ask the gentleman from Massachusetts whether he should not correct the other errors in his speech?

Mr. LUCE. I shall be delighted to correct any errors that may be pointed out to me.

The SPEAKER. Is there objection?

There was no objection.

CORRECTING THE RECORD

The SPEAKER. The Chair desires to make a statement for the convenience of Members. The Chair observes and it is very apparent that much time is taken during the day by gentlemen asking to correct the RECORD. In some cases it is necessary and in others it is not. Under the rules of the House verbal or typographical errors in the RECORD may be corrected at the Reporters' desk without calling it to the attention of the House. Gentlemen will save a great deal of time, if the change is merely verbal or typographical, if they will arrange corrections in that way. [Applause.]

EVENING SESSION

Mr. TILSON. Mr. Speaker, with reference to the further consideration of the bill H. R. 11603, the agricultural relief bill, I ask unanimous consent that the Committee of the Whole House on the state of the Union may at any time prior to 5.30 o'clock this afternoon take a recess until 8 o'clock p. m., and that they may continue in session not later than 11 p. m. tonight, no business to be transacted other than general debate.

The SPEAKER. The gentleman from Connecticut asks unanimous consent that the Committee of the Whole House on the state of the Union may recess at any time before 5 o'clock and 30 minutes p. m. until 8 o'clock p. m., to continue not later than 11 p. m., no other business to be transacted other than general debate. Is there objection?

Mr. BLANTON. A point of order, Mr. Speaker. I make the point of order that the committee can not recess without going back into the House under the precedents of the House.

Mr. TILSON. It can if the House gives unanimous consent.

The SPEAKER. If consent is given; it can not be done by the committee itself.

Mr. CHALMERS. Reserving the right to object, I would like to say to the leaders and the membership of the House that to-night at 8 o'clock, in the Congressional Club, Col. Theodore Roosevelt will give his first public lecture on his trip to Asia. A good many Members will want to accompany their wives to hear that address. I shall not object to this request, but I wanted the membership of the House to know that the lecture is to take place at the Congressional Club to-night.

Mr, GARRETT of Tennessee. The gentleman does not think that is going to help agriculture, does he? [Laughter.]

Mr. CHALMERS. It might.

Mr. CHINDBLOM. Reserving the right to object, it is not intended that the committee shall rise before the recess?

The SPEAKER. The Chair understands that the request is that the committee shall recess as a committee.

Mr. CHINDBLOM. That obviates the necessity of maintaining a quorum of more than 100.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Craven, one of its clerks, announced that the Senate had passed bills of the following titles, in which the concurrence of the House of Representatives was requested:

S. 3997. An act to amend section 301 of the World War veterans' act, 1924; and

S. 2858. An act to fix the salaries of certain judges of the United States.

The message also announced that the Senate had insisted upon its amendment to the bill (H. R. 10055) entitled "An act to amend section 77 of the Judicial Code, to create a middle district in the State of Georgia, and for other purposes," disagreed to by the House of Representatives, had agreed to the conference asked by the House on the disagreeing votes of the two Houses thereon, and had ordered that Mr. CUMMINS, Mr. BORAH, and Mr. OVERMAN act as the conferees on the part of the Senate.

The message also announced that the Senate had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate Nos. 46 and 62 to the bill (H. R. 6707) entitled "An act making appropriations for the Department of the Interior for the fiscal year ending June 30, 1927, and for other purposes."

SENATE BILL REFERRED

Senate bill of the following title was taken from the Speaker's table and referred to its appropriate committee, as indicated below:

S. 3997. An act to amend section 301 of the World War veterans' act, 1924; to the Committee on World War Veterans' Legislation.

ENROLLED BILL SIGNED

Mr. CAMPBELL, from the Committee on Enrolled Bills, reported that the committee had examined and found truly enrolled bill of the following title, when the Speaker signed the same:

H. R. 6707. An act making appropriations for the Department of the Interior for the fiscal year ending June 30, 1927, and for other purposes.

COMMITTEE ON THE DISTRICT OF COLUMBIA

Mr. GIBSON. Mr. Speaker, I ask unanimous consent that the Subcommittee of the Committee on the District of Columbia may sit during the session of the House this evening.

The SPEAKER. The gentleman from Vermont asks unanimous consent that the Subcommittee of the District of Columbia Committee may be in session during the session of the House to-night. Is there objection?

There was no objection.

ENROLLED BILLS PRESENTED TO THE PRESIDENT FOR HIS APPROVAL

Mr. CAMPBELL, 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 bills:

H. R. 4034. An act granting consent of Congress to Texas-Coahuila Bridge Co. for construction of a bridge across the Rio Grande between Eagle Pass, Tex., and Piedras Negras, Mexico;

H. R. 5691. An act granting the consent of Congress to Charles L. Moss, A. E. Harris, and T. C. Shattuck, of Duncan, Okla., to construct a bridge across Red River at a point between the States of Texas and Oklahoma where the ninety-eighth meridian crosses said Red River;

H. R. 9511. An act authorizing the Postmaster General to remit or change deductions or fines imposed upon contractors for mail service;

H. R. 10244. An act to extend the time for the construction of a bridge across the Fox River in the State of Illinois on State Road No. 18, connecting the villages of Yorkville and Bristol in said county;

H. R. 10470. An act granting the consent of Congress to the city of Little Falls, Minn., to construct a bridge across the Mississippi River at or near the southeast corner of lot 3, section 34, township 41 north, range 32 west;

H. R. 10169. An act granting the consent of Congress to the Gallia County Ohio River Bridge Co. and its successors and assigns to construct a bridge across the Ohio River at or near Gallipolis, Ohio;

H. R. 10198. An act 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, 1927, and for other purposes;

H. R. 8264. An act making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1927, and for other purposes; and

H. R. 6707. An act making appropriations for the Department of the Interior for the fiscal year ending June 30, 1927, and for other purposes.

JOSEPH G. CANNON

The SPEAKER. Under the order of the House a brief period will be taken in eulogy of a great American, one of the three living former Speakers of this House. A man who, in his day, was one of the influential and forceful public men of his time; a man certainly at that time one of the most popular public men that ever lived in America. To-day is his 90th birthday. He has retired from public life, but his popularity has in no way diminished. [Applause.] He is beloved by all who ever knew him and by millions of American citizens who have never met him. He may well be called to-day, I think, America's grand old man. [Applause.] The Chair asks the Clerk to read the following telegram:

The Clerk read as follows:

DANVILLE, ILL., *May 4, 1926.*

The SPEAKER, REPRESENTATIVES MADDEN and GARRETT,

House of Representatives, Washington, D. C.

I regret exceedingly that I can not be with you to-day and speak the words that are in my heart. One of the greatest pleasures I have in my retirement is the memory of our long association, and that the House pauses in the midst of its strenuous duties to recognize my birthday is a source of keenest gratification. I am glad to have this opportunity to tell you that although no longer a Member of the House, my interest in you, each and every one, is unflagging, and I am proud of the work you have so splendidly performed.

J. G. CANNON.

Mr. MADDEN. Mr. Speaker, it is a proud privilege to stand here and say a word in commendation and in behalf of one of the greatest men, still living, who ever served his country for more than 50 years. Uncle Joe Cannon was a representative of the American people for half a century. During that period he earned and had the confidence and affection of all Americans. He left public life four years ago after that long service during which, I suppose, he did more to advance the interests of America than any other single individual of his time. [Applause.]

He was a most conspicuous factor as a Member of this House. He was foremost in every effort made for the amelioration of conditions among the American people. He was a truly representative American. He is to-day 90 years old, full of vigor, full of life, full of interest, watching the progress of the Nation and of the world with as keen an interest as he did when he was a Member of the House. What a proud thing it must be for a man to live to that ripe old age and witness the progress of the greatest Nation in the world, as he witnessed it, and, more than that, to witness that progress with himself as one of the leading factors in the creation of the things that made the progress. Few men have such privileges. Few men live through such opportunities as were afforded him, and few men live to see in their declining years the fruits of the labor which they so graciously performed in the interest of the Nation. He saw the Nation grow great and prosperous and powerful, until to-day it is the beacon light that leads the way for the betterment of humanity everywhere throughout civilization, throughout the world. It is a wonderful thing to live in a land where every citizen is a sovereign, where every man, every woman, and every child is free to worship God according to the dictates of his or her own conscience; to live in a land whose inventions lead the world, where the printing press and the church follow close upon the march of empire; where labor is exalted to comfortable homes; where caste is ignored; where the humblest child of poverty may aspire unrebuked to the highest place in the gift of the Nation. These are the conditions which produced such a man as Joseph G. Cannon, in whose honor we stop for a moment in the press of the Nation's business. Joseph G. Cannon in his day and through his life and through his work did more to make the word "American" mean more than it ever meant before. He did more to make the American flag respected in every land and upon every sea than any man I know who has been in public life during his time. So it is with pride and pleasure that I stand here to-day and pay this word of tribute to this grand old man, whose life is wrapped up in America and whose work has helped to make America what it is to-day. [Applause.]

Mr. GARRETT of Tennessee. Mr. Speaker, I think it is particularly appropriate that we pause for these few moments, and I think it is especially appropriate that the dean of the Democratic side, the gentleman from North Carolina [Mr. POU], who served so long with Mr. Cannon, be recognized for a few moments. [Applause.]

Mr. POU. Mr. Speaker, for 22 years it was my privilege to serve with the Hon. Joseph G. Cannon as a Member of this House. The record of the man to whom we do honor to-day is most interesting. He served altogether 46 years as a Member of this House. He never knew defeat in his own party. For 50 years no Republican in his district in Illinois had an opportunity to vote for any other man for Congress than Joseph G. Cannon, and but for the fact that during his long service there were two Democratic landslides, he would have served exactly 50 years as a Member of this body. I believe that record is almost without parallel throughout the world. My friend TOM MCKEOWN has handed me a volume entitled "Among the Public Men of To-day," published in 1882, 46 years ago. I find in that volume the name of Joseph G. Cannon. The author, after saying that Mr. Cannon was elected to the Forty-third, the Forty-fourth, the Forty-fifth, and the Forty-sixth Congresses and was reelected to the Forty-seventh as a Republican, has this to say also:

Mr. Cannon is not a talkative man in Congress, but has positive views upon all important questions coming before the House, and in his quiet manner does much to have them incorporated in the legislation of that body.

It is thus seen that 46 years ago our friend was a national figure and a leader in this Chamber. I came to admire Mr. Cannon very greatly during our service. He was a man of genuine courage. [Applause.] He was a man who would not sacrifice his principles and his convictions for the sake of political expediency on any occasion or under any circumstances. I remember well the scene of the so-called Cannon revolution here in March, 1910. There has never been a finer exhibition of courage in America than when Mr. Cannon noti-

fied the House that he would entertain a motion to declare the Speaker's chair vacant. [Applause.]

Although I have been on the opposite side of the aisle from him, and while, of course, we have differed upon questions of public policy, I say that I have never known a man of finer courage; I have never known a man more loyal to his convictions. The day probably will never come when this House will include in our membership a more useful or a more influential Member. [Applause.]

Born in my State, I am proud to-day to do honor to this great American.

On this his ninetieth birthday from each and every Member of this body on both sides of the aisle we send him an expression of affectionate regard, coupled with the hope that he may be blessed with good health and that he may be spared to America for years to come. [Applause.]

Mr. TILSON. Mr. Speaker, I can not allow this opportunity to pass without speaking my word of affection and admiration for the man whose ninetieth birthday we celebrate to-day. I came here in the heyday of his power as Speaker of this House, and, although but a new Member, I had the satisfaction of believing that I was one of his trusted friends and supporters. While he was still at the zenith of his power there had already begun an attack upon that power which ended, as we all know, in the so-called Cannon revolution, referred to by the gentleman from North Carolina [Mr. POU], and it will ever remain as one of my most vivid memories how Joseph G. Cannon, as Speaker of the House of Representatives, bore himself through that great ordeal. It resulted in taking away from that great office a part of the power it once possessed, but nothing could take from the individual the power and influence that was his by reason of his own personality.

He continued to be a force in this House even after he had ceased to be Speaker. After his party had lost the election of 1910 he came back here and took his place in the ranks and again assumed a place on the Committee on Appropriations, of which he had formerly been the chairman, where he did some of the greatest service that he ever rendered to his country. [Applause.]

The attacks made upon Speaker Cannon were all directed along lines of his official power. He was called a czar; he was accused of being an autocrat, but with the greatest bitterness of those attacks there was never anything that attached any stain of dishonor or dishonesty to him as a man or a public servant. [Applause.] And I am glad that he has lived to the day when all of those charges have been blown away like chaff. To-day he stands admired and beloved by every man of this House, regardless of party, who has ever served with him and by millions of other people throughout the country who have known him only through his good work. [Applause.] I am glad to join to-day in this celebration of his ninetieth birthday and hope that he may still continue with us as long as he can retain the vigor of that wonderful mind which he used so long in the service of the people and for the betterment of his country. [Applause.]

Mr. HOLADAY. Mr. Speaker [applause] and gentlemen of the House, it is impossible within a reasonable time to mention all of those great attributes of character that caused Mr. Cannon to attain and hold the place in the public estimation that he now holds. One of those attributes that enabled him to command the respect and admiration of friend and foe alike was his loyalty to his friends. To illustrate that principle of his character, I will relate this circumstance. During the closing months of his service in this House some friends representing the Republican Party from one of the counties in the district came to me and asked my assistance in obtaining Mr. Cannon's recommendation for a certain man who was an applicant for a post-office position. They told me that this particular man had received the unanimous indorsement of the local and the county Republican organizations, and that there was no good reason that they knew why he should not receive the recommendation; but, strange as it may seem, Mr. Cannon appeared unwilling, or at least backward, about giving that recommendation. I took the matter up with Mr. Cannon, and explained that the man indorsed by the organization was well along in years, was well qualified, had a large family, and had very recently suffered a very severe financial loss. When I was through he said:

> I can not appoint their man. The father of this other man was my friend one time when I needed a friend.

Then he related this story: During his first campaign in the days of the Civil War, when local feeling and passion were running high, he had been announced as a speaker at a meeting, and in that particular section there was considerable division of opinion. Those opposing the Union cause had announced that Mr. Cannon would not be permitted to make a talk. Those opposed to Mr. Cannon came in large numbers. His friends also came in large numbers. Both sides were armed, and there was prospect of very serious trouble. He said that the father of the man not indorsed by the organization, who was chairman of the meeting, advanced to the front of the platform. He was a colonel, home from his command. Pulling out a revolver, he said to the crowd:

> I understand that threats have been made that this young man will not be permitted to talk here to-day. I want to say to you that in a minute I am going to introduce the young man, and if any man interferes with him that man will never have an opportunity to listen to another speech. [Applause.] Mr. Cannon will now speak.

Uncle Joe said he delivered his speech, and that the colonel sat on the front of the platform with his revolver in his hand. Mr. Cannon said to me:

> I do not care if every Republican in that county indorses the other man, he will not get the place.

And he did not. [Applause:]

Mr. BRITTEN. Mr. Speaker, I desire to have read at this time a telegram which has just been sent to Uncle Joe Cannon by Mr. BUTLER, chairman of the Committee on Naval Affairs.

The SPEAKER. Without objection, the Clerk will read the telegram.

The Clerk read as follows:

MAY 7, 1926.

Hon. JOSEPH G. CANNON, *Danville, Ill.:*

Thirty years ago you made the impressive remark to me that I would be thought better of by the people when I realized that the Federal Treasury was not my individual property. I have never failed to remember that instruction and from which you never departed. You must be gratified when you look back upon your long and useful life, now when the whirlwind which always surrounded you has gone down, to see the evidences of affection held out to you by the American people.

They know but one Joseph G. Cannon, and I doubt whether they will ever accept another to take your place in legislative performances. Indeed, I know of no one who claims to be your understudy. It is a cause for rejoicing among your associates that the public, which you tirelessly served, unanimously accord you a place in its high esteem, but, moreover, acknowledge you to have served it unselfishly, with an unchallenged integrity and with a naturalness worthy of imitation. Your friends earnestly hope that the sky line over which we must all cross may be removed so that your life will be prolonged.

Your friend, THOMAS S. BUTLER.

[Applause.]

Mr. CHINDBLOM. Mr. Speaker, I offer a House resolution and ask unanimous consent for its present consideration.

The SPEAKER. The gentleman from Illinois asks unanimous consent for the present consideration of the resolution, which the Clerk will report.

The Clerk read as follows:

House Resolution 259

Resolved, That the Speaker be requested on behalf of the Membership of the House of Representatives to send a telegram of hearty congratulations to former Speaker Joseph G. Cannon, upon his ninetieth birthday, and that the Clerk be directed to send to him a copy of the CONGRESSIONAL RECORD showing the proceedings of to-day.

The SPEAKER. The question is on agreeing to the resolution.

The question was taken, and the resolution was unanimously agreed to.

FARM RELIEF

Mr. HAUGEN. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 11603.

The motion was agreed to.

The SPEAKER. The gentleman from Michigan [Mr. MAPES] will please take the chair.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 11603, with Mr. MAPES in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 11603, which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 11603) to establish a Federal farm board to aid in the orderly marketing and in the control and disposition of the surplus of agricultural commodities.

The CHAIRMAN. The Chair recognizes the gentleman from Kansas [Mr. TINCHER].

Mr. TINCHER. Mr. Chairman, I yield 30 minutes to the gentleman from Minnesota [Mr. NEWTON].

The CHAIRMAN. The gentleman from Minnesota is recognized for 30 minutes.

Mr. NEWTON of Minnesota. Mr. Chairman and gentlemen of the committee, those of us who were in attendance at the session of the House late yesterday evening were at least somewhat entertained, if not informed, by the remarks made near the close of the session in favor of the bill that is before us by the gentleman from Oklahoma [Mr. McKEOWN]. You will recall that, after telling us that he was for the measure he went on to ridicule arguments that had been made here as to the economic soundness of the measure. He made fun of the economists, and then went on to say that he himself made no claim to being an economist.

Of course, in view of his remarks that was hardly necessary. It was apparent, I was reminded last night—and I am glad my friend from Oklahoma has come in—I was reminded of the gentleman's position on another occasion.

When the House was considering the tax bill of December, 1925, we were told by the Treasury Department that the Treasury would stand a reduction of about $300,000,000 in taxes, and the Committee on Ways and Means, after a great deal of deliberation, unanimously reported a bill embodying that reduction to the House. While it was under discussion the gentleman from Oklahoma offered an amendment, as I recall it, reducing the corporation income tax 4½ per cent. While he was addressing himself to the question some one rather innocently asked him how much that would cost the Treasury, and our good friend promptly answered that he did not know. Then the gentleman from Georgia [Mr. CRISP], being present and being a member of the Committee on Ways and Means, made the observation to the gentleman from Oklahoma that he knew what it would cost. It would cost the Treasury $400,000,000, a little bit more than the amount to be appropriated under the provisions of the Haugen bill. But the gentleman from Oklahoma was not at all discouraged at that. He promptly answered back that he was for it anyway.

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

Mr. NEWTON of Minnesota. In just a moment. The gentleman is for the Haugen bill, just as he said, sound or unsound, economy or uneconomy, because he is for the farmer.

Now I yield to the gentleman.

Mr. McKEOWN. The gentleman will recall that I asked the gentleman from Georgia if we were not in the reduction business, and said that that was what we were trying to do, to reduce the taxes, and I did not want to leave out the corporations.

Mr. NEWTON of Minnesota. Yes. The gentleman was willing to make the reduction without regard to how it would affect the Treasury. We were then in the "tax-reduction" business. Now the gentleman's answer will be, "We are now in the farming business. We are helping the farmer. Therefore we ought to help him, without regard to the soundness of the legislation, how it will affect the farmer or its effect on the Treasury."

Mr McKEOWN. Mr. Chairman, will the gentleman yield again?

Mr. NEWTON of Minnesota. Yes; I yield to the gentleman.

Mr. McKEOWN. The Treasury said we could not stand any more reduction, but the evidence now before us, in the face of all their prophecies, is that we are getting more money under this reduced tax bill than we got before.

Mr. NEWTON of Minnesota. Yes; and the gentleman is still running true to form. With a bare intimation that it has not all been spent he runs in to make sure that there is not a dollar left.

Mr. McKEOWN. I took it from the performances of this Congress, with the Army and the Navy rushing in to get theirs. I wanted the farmer to get his. [Laughter.]

Mr. NEWTON of Minnesota. Yes. The gentleman wanted to beat the Army and the Navy and let the farmer and everybody get into the Treasury. The gentleman was frank last night, and he is equally so to-day.

Mr. McKEOWN. I am coming to the conclusion that the farmer is far behind and will not have any chance to get his own.

Mr. NEWTON of Minnesota. The gentleman is not discouraged about devising new ways and means, and in view of the observation which the gentleman got from the gentleman from Georgia on tax legislation, whose suggestion he did not follow, he might ask the gentleman from Georgia a question in reference to this legislation and reverse himself, and then follow the judgment of the gentleman from Georgia.

Mr. McLAUGHLIN of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. NEWTON of Minnesota. Yes.

Mr. McLAUGHLIN of Nebraska. Did the gentleman make this same argument when he supported a $2,000,000,000 grant to the railroads?

Mr. NEWTON of Minnesota. The gentleman did not vote for any two billion grant to the railroads.

Now, it was an unprecedented argument that was made last night, but it was made to meet an unprecedented situation. What have we here? We have a diagnosis of a disease in our country and the question is as to the remedy. It was turned over to the Committee on Agriculture, and that committee is composed of some of the hardest working, most able Members of the House. They have been members of that committee, many of them, for many years. This was not a new affair to them. When the question was again presented to them they went to work early, and they worked day and night, and when they had concluded their deliberations, as has been said on the floor here, there was not a single bill that could command the support of 11 of the 21 members.

Now, mind you, that after all of the deliberations by the experts of the House, assisted by every conceivable kind of adviser from every part and portion of our country, covering practically every commodity, 11 members of that committee of 21 could not agree upon the remedy and could not agree upon a bill. We have before us, therefore, a bill that could not get the support of even 11 members of the committee. Yet it is submitted to the House with the idea that it is going to get the support of 218 Members of the House. This action was unprecedented, so far as I can recall. It has never occurred during my service here that a report has been made to the House for the consideration of the House which did not command the support of at least a majority of the committee.

Now, that was unusual, but the bill itself is unusual. What is this problem anyway? It is a combination of a problem of production and distribution, the two being very closely interrelated. Now, the bill before us, with its subsidy of $375,000,000, is an invitation to make the present acute problem of overproduction more acute, for it is an invitation to every farmer to go out and produce more because the Government agency is there to buy his surplus regardless of what it is. At a time when we have a surplus to dispose of making the marketing and distribution so important this bill seeks to meet that situation by a scheme that is highly experimental. Even its friends must say that. It is a bill which seeks to build up a highly experimental distributing machine. In doing so they destroy the present machinery which has been in existence in this country for many years. We now have a system that has been built up by the laws of trade. It is in every part and portion of the country.

It pertains to each and every one of these different commodities, and the commodities are handled differently. This bill would wreck and destroy that existing machinery and put into its place something that all must admit is highly experimental. In my judgment, this would be a mistake.

The purpose of this measure is to raise the domestic price to that of the world price plus the tariff and freight. To assist in accomplishing this it grants a subsidy of $375,000,000 and sets up a new piece of governmental machinery as a part of the scheme. In my judgment, this bill is more unsound economically than the McNary-Haugen bill. The theory of the McNary-Haugen bill was that the plan would finance itself. This bill requires a subsidy of $375,000,000 to start it. The existing grain-marketing machinery in the United States is the result of over 50 years' development of a very highly competitive system. So efficient is it considered that it has served as a model for the systems adopted by both the Argentine and Canada. These two countries constitute two of the world's greatest grain-producing countries. If we adopt the plan of this bill we would abandon this proven system, with its competitive features, for an untried, wholly experimental, and monopolistic system.

Mr. McKEOWN. Will the gentleman yield?

Mr. NEWTON of Minnesota. Certainly, I yield.

Mr. McKEOWN. The gentleman is not in favor of continuing the disparity between the prices paid by the consumer and the prices obtained by the producer, is he?

Mr. NEWTON of Minnesota. No. The gentleman wants some sort of a remedy, if a remedy can be provided in a legislative way. He wants to see that curve brought up or, at least, the other curve brought down, so that there is no disparity.

Mr. McKEOWN. I will say that I am very much interested in what the gentleman has said, because I have great regard

for his ability as one of our Members, and I would be glad to listen to what he has to offer.

Mr. NEWTON of Minnesota. I thank the gentleman, and I am going to try to show what I believe to be some of the fallacies in this bill. I shall discuss several sections.

Now, the unprecedented situation which again comes to us is found in section 1 of the bill, which has in it a declaration of policy. That is something new and novel in legislation. Mind you, this declaration of policy must not only be construed in connection with the plan proposed but as a precedent as a legislative principle; it will be construed not only in connection with the bill before us but it will be construed as a legislative policy of Congress, so that if the remedy provided by the Haugen bill does not meet the situation, then even more highly experimental and more drastic legislation will be in order, so as to maintain the principle declared. Now, what is it?

It is hereby declared to be the policy of Congress to enable producers of agricultural commodities to control a supply of such commodities, etc.

To control the supply and to control the marketing. The laws of supply and demand are to be wiped out as a legislative policy of Congress. Control of production and of distribution is to be turned over to the producers of the commodity. Mind you, it is not the producers plus anyone else, but it is the producers alone. Mind you, this control is to be the control by means of the machinery that this bill sets up. The machinery and the scheme for carrying it out show the nature and extent of the control exercised over production and marketing.

Mr. PURNELL. Will the gentleman yield?

Mr. NEWTON of Minnesota. Yes.

Mr. PURNELL. I want to ask the gentleman whether he does not think it would be more fair if he would read the remaining part of the sentence?

Mr. NEWTON of Minnesota. I shall be glad to read it. I called attention to the section and the Members have it, so I supposed they would read it. If I had the time, I should be glad to read it.

Mr. PURNELL. Industry is able to control its products, is it not?

Mr. NEWTON of Minnesota. Industry is prohibited from controlling. Industry, manufacturing establishments, and so on are prohibited from getting together and controlling their supply and their marketing.

Mr. PURNELL. I am speaking about the individual organization. I am speaking about industry itself and I am not talking about monopolies or trusts. I am saying that the individual manufacturer can very largely control his production; he knows very largely in advance what sale he will have; he is not confronted with weather, pests, and the unexampled situation with which the farmers are confronted. Six and a half million farmers can not organize and control their production nor their sales.

Mr. NEWTON of Minnesota. Of course, a manufacturer can say whether he is going to manufacture or not.

Mr. PURNELL. And when a manufacturer lays down a binder, a plow, a suit of clothes, or a bicycle, he says to the public, "This is the price you pay for it if you get it."

Mr. NEWTON of Minnesota. Yes; and if he can not get that price he must sell it at a lower price.

Mr. PURNELL. But he usually gets that price.

Mr. NEWTON of Minnesota. And if he can not get that lower price then he finally sells it for what he can get.

Mr. PURNELL. But 6,500,000 farmers occupy the unusual position of raising crops, with all of these uncertainties before them, and they lay down those crops before the public and ask "What will you give for them." That is the situation we are trying to remedy with this legislation.

Mr. NEWTON of Minnesota. I do not object to the farmers being given a privilege that the business man does not have, a privilege we granted him in the passage of the Capper-Volstead Act. I do not object to that.

I am glad he has that privilege, but what I am now questioning is the wisdom of setting forth a legislative policy of control. Such a precedent will come back to plague us in the future. I am questioning the wisdom of granting control of supply and distribution to the party interested and especially control of the character set forth in the provisions of the bill.

Mr. KNUTSON. Will the gentleman yield?

Mr. NEWTON of Minnesota. Yes.

Mr. KNUTSON. Did I understand my colleague to say that section 1 does not contain any limitation as to these activities?

Mr. NEWTON of Minnesota. I did not say anything about any limitation, so far as I recall.

Mr. KNUTSON. If the gentleman did I would like to call his attention to the word "sufficient" in line 6.

It is hereby declared to be the policy of Congress to enable producers of agricultural commodities to control a supply of such commodities sufficient to stabilize—

And so forth.

Mr. NEWTON of Minnesota. Yes; but who is going to construe the word "sufficient"? Does the gentleman think that the word "sufficient" acts as any limitation?

Mr. KNUTSON. Does not the gentleman think that "surplus" would mean that when you get beyond a surplus you would be beyond a sufficiency?

Mr. NEWTON of Minnesota. That is true; but the gentleman will find later on in the bill, as I shall point out, that this board after establishing control can maintain that control just as long as it wants to, without regard to prices, market conditions, or anything else; and they will not be permitted as a practical proposition to ever take off the control. That is what I mean by saying that the word "sufficient" does not mean anything in this section.

Mr. KNUTSON. It means the surplus, surely.

Mr. NEWTON of Minnesota. Yes; but I mean in its practical effect, under the operations of this bill.

Mr. CARTER of Oklahoma. Will the gentleman yield?

Mr. NEWTON of Minnesota. Yes.

Mr. CARTER of Oklahoma. Does the gentleman seriously think that there is never any understanding among other producers to regulate their supply? Does the gentleman really seriously state that to the House?

Mr. NEWTON of Minnesota. I know there have been understandings——

Mr. CARTER of Oklahoma. I know what the law is. I am not talking about that. I am asking if the law is being followed strictly.

Mr. NEWTON of Minnesota. I know there have been understandings in the past, but the experience of all of us is limited, necessarily, and men who have had "understandings" have got into trouble through such understandings and have either gone to prison or else have paid very substantial fines.

Mr. CARTER of Oklahoma. Does not the gentleman have the idea there have been some understandings about which nobody has got into any trouble and which have worked out to the perfect satisfaction of certain producers?

Mr. NEWTON of Minnesota. Yes; but not with satisfaction to the consumers, I may say.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. NEWTON of Minnesota. Yes.

Mr. CHINDBLOM. And not under a declaration of legislative policy indorsing, commending, and promoting such a scheme. This bill declares a legislative policy exempting agricultural producers from every kind of restraint or restriction upon the control of production.

Mr. CARTER of Oklahoma. Do we not exempt them now from the operations of the antitrust law?

Mr. CHINDBLOM. We do.

Mr. CARTER of Oklahoma. Then how does this differ from our present policy?

Mr. CHINDBLOM. This is a further declaration.

Mr. CARTER of Oklahoma. It is the carrying out of our present policy and an extension of it.

Mr. NEWTON of Minnesota. No; this is a declaration coupled up with the furnishing of a governmental agency to carry it into effect and without any restraint whatever.

Mr. CHINDBLOM. And furnishes the machinery to carry it out.

Mr. NEWTON of Minnesota. Exactly.

Mr. BLACK of New York. And the money also.

Mr. NEWTON of Minnesota. Yes; and the money too.

Mr. KNUTSON. Will the gentleman yield?

Mr. NEWTON of Minnesota. Yes.

Mr. KNUTSON. How would it be possible for 6,000,000 farmers to get together and control production? The gentleman does not mean to convey the impression that the large steel interests in this country do not have an understanding as to production so as to prevent a glutting of the market?

Mr. NEWTON of Minnesota. The gentleman knows nothing about the steel industry at all.

Mr. KNUTSON. But the gentleman has never heard of a surplus of steel products, has he?

Mr. CHINDBLOM. Yes.

Mr. KNUTSON. The gentleman only knows by hearsay, but he does know that the steel interests, just like every large business interest, repeatedly have surpluses that they have difficulty in disposing of. Is it not a fact they operate at 100 per cent or 75 per cent or 60 per cent of their capacity as the needs of the market demand?

Mr. NEWTON of Minnesota. I do not know just the extent——

Mr. KNUTSON. The gentleman knows that because he reads in the papers at frequent intervals that the United States Steel Corporation, for instance, is operating at 65 per cent of capacity.

Mr. NEWTON of Minnesota. The gentleman from Minnesota does not know that.

Mr. PURNELL. Will the gentleman yield?

Mr. NEWTON of Minnesota. Yes.

Mr. PURNELL. Just for the sake of the argument let us assume that the steel interests do have surpluses, the difference between the steel company and the farmer is this. The surplus fixes the price of the domestic sales by the farmers, while the surplus of steel does not fix the domestic price.

The steel companies are able to maintain the domestic price, and what little any one of them has left over he can be pretty sure to know about in advance, and if it is sold at a loss it is charged off and absorbed in the business, because on the bulk of his product he gets a good, round price which always includes a profit, and that is what we want to do for the farmer.

Mr. NEWTON of Minnesota. I differ with the gentleman on that, but I do not differ with him on this proposition. I want to devise some ways and means whereby it can be met, but I at least want to exercise my own judgment as to the means, and I do not think the bill that is here before us, which could not command the support of 11 members of the gentleman's committee, does meet the situation. [Applause.]

Mr. CHINDBLOM. Will the gentleman yield further?

Mr. NEWTON of Minnesota. Yes.

Mr. CHINDBLOM. An industrial producer, as a matter of fact, is not able to anticipate demands. He sometimes finds himself with a surplus, and then he is able to curtail production for the present.

Mr. PURNELL. Which the farmer is not able to do.

Mr. CHINDBLOM. But everybody knows that every industrial concern in the country very frequently finds itself with very large surpluses on hand because it can not measure the necessities far in advance.

Mr. KNUTSON. Will the gentleman yield just half a minute?

Mr. NEWTON of Minnesota. I yield to the gentleman.

Mr. KNUTSON. The gentleman knows that when a large business concern finds itself with a surplus, it shuts down, but the farmer can not shut down and has to keep on operating.

Mr. NEWTON of Minnesota. Yes; but the business concern has an overhead to keep up which is very substantial.

Mr. CHINDBLOM. And the industrial concern takes its losses and recoups them the best it can, and does not come here asking an appropriation by the Government.

Mr. KNUTSON. The industrial concern recoups its losses by raising the price.

Mr. FORT. Will the gentleman yield?

Mr. NEWTON of Minnesota. I yield to the gentleman from New Jersey.

Mr. FORT. Is it not a fact that the industrial concern handles its surplus through its financial ability to carry the surplus at the same time that it reduces or suspends additional production?

Mr. NEWTON of Minnesota. The gentleman is correct.

Mr. FORT. And is not that therefore the solution of the difficulty of the farmer in like degree?

Mr. NEWTON of Minnesota. That would certainly go a long way toward reaching that situation.

Mr. BURTNESS. Supplementing what the gentleman from New Jersey has said, is not this true, that Congress has adopted a legislative policy with reference to the surplus that industry may gather when it passed the Webb-Pomerene Act, entirely leaving out the Sherman antitrust law with reference to such surplus and permitting industry to combine and sell the product abroad without coming into contact with the domestic price?

Mr. NEWTON of Minnesota. Yes; but the gentleman will not claim that there is any possible resemblance between the Webb-Pomerene Act, or any other similar act, and the Haugen bill.

Mr. BURTNESS. Very much the converse of the proposition. The Webb-Pomerene Act permits industry to handle their domestic surplus in a certain way, and they are able to combine, and Congress has said to them you can not combine in any way to handle the products in the United States, but when the time comes, if you have a surplus to dispose of abroad you can combine and put it into the hands of one person and sell it or do anything you like.

Mr. NEWTON of Minnesota. The gentleman must not take too much of my time. Now I must proceed. Now, how is this legislative policy to be established. We have first a Federal advisory council composed of 48, 4 of them from each Federal land bank district distributed throughout the country. How are they appointed? They are elected by the bona fide farm organizations and cooperative associations. The law says "bona fide" farm organizations and cooperative associations." All right. How do they elect them? Who comprise the associations? Then comes the Secretary of Agriculture into it. Here comes the possibility of partisan politics. The Secretary of Agriculture under this bill designates the cooperative association and the farm organization that will be permitted—the word "eligible" is used—"eligible to elect representatives in their respective regions to this advisory council."

The Secretary of Agriculture fixes the number of delegates, the number of votes that the farm organization or cooperative association may cast in the election of the members to the advisory council.

The Secretary of Agriculture fixes the date of the meeting and he can fix the date of one cooperative association to-day, another next week, and a third the week following. No cooperative, no farm organization, can participate in the election of members to the advisory council unless they have been declared eligible by the Secretary of Agriculture.

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

Mr. FORT. Mr. Chairman, I have been delegated by the chairman to yield the gentleman 10 minutes more.

Mr. NEWTON of Minnesota. Now, I wanted to know just what qualifications and restrictions there were on the Secretary of Agriculture designating these things.

Mr. TYDINGS. As I understand the gentleman, he is against the Haugen bill.

Mr. NEWTON of Minnesota. I am against the Haugen bill.

Mr. FULMER. Will the gentleman yield?

Mr. NEWTON of Minnesota. Yes.

Mr. FULMER. Does the gentleman think that the Secretary of Agriculture, Mr. Jardine, is not interested in cooperative associations and that he would do everything to promote the interests of the farmers?

Mr. NEWTON of Minnesota. The gentleman from Minnesota has full confidence in the ability, honesty, and integrity of the present Secretary of Agriculture, but when we write laws here we have to write them knowing that the man who is now Secretary may not be Secretary to-morrow. Furthermore, we are setting precedents.

Mr. FULMER. Does the gentleman think that the Secretary will mix up the proposition by calling a meeting on one day of one organization and a meeting of another organization next week, and so on?

Mr. NEWTON of Minnesota. I am not saying that the present Secretary will do it; I am not saying that any Secretary will do it. I am saying that we are writing a law which will permit any Secretary in the future to do it. There is no definition given. There is no requirement as to membership either in numbers or in any other way. It may be composed of 3 members or 3,000 members, as far as this bill is concerned.

They may farm 1 acre apiece or 30,000 acres, like one gentleman in Nebraska. It is with that machinery started under way that we are carrying on this legislative control policy. What do they do? Among the duties of this advisory council is the selection of the Federal farm board, which is going to carry out this act in its terms and provisions. There are 12 members of the Federal farm board, one from each of these regions. The four members from a particular region caucus together and nominate three from that region, and these three names are sent to the President. He must select one of the three nominees. He has no other choice.

Mr. MORTON D. HULL. Is any member of the four excluded?

Mr. NEWTON of Minnesota. No. They are at liberty, as far as this bill is concerned, to toss a coin, eliminate one of them, and then send their own names to the President. One out of three is bound to be appointed. If they are appointed, the appointment makes them ineligible to further serve on the advisory council, but there is $10,000 a year for a member of the farm board and $20 a day for service on the advisory council, so that there will not be any difficulty probably about getting resignations.

Mr. BLACK of New York. Why does not the committee call this a soviet and be done with it? Why not be honest about it?

Mr. NEWTON of Minnesota. Oh, I do not care to give it any term—merely to describe it.

Mr. BLACK of New York. But it is the truth.

Mr. NEWTON of Minnesota. I am merely giving the set-up so that gentlemen will see how this thing is tied together and what the consequences will be. Let me speak to the minority

a minute. You know what this would mean to a minority party if we should adopt that principle. This plan would put every basic commodity within the power of the party in control of affairs at Washington.

Mr. CONNALLY of Texas. Mr. Chairman, will the gentleman yield?

Mr. NEWTON of Minnesota. Yes.

Mr. CONNALLY of Texas. Does the gentleman think that President Coolidge and the ruling party now would do us in that way?

Mr. NEWTON of Minnesota. No; I do not; but while I have no desire to have the gentleman's party come in power, yet if I did happen to be in the minority party I am not so sure that we would be as safe in that respect as the gentleman would now be with the present occupant of the White House.

Mr. CONNALLY of Texas. Mr. Chairman, will the gentleman yield further?

Mr. NEWTON of Minnesota. Yes.

Mr. CONNALLY of Texas. The only reason for my interjection was because the gentleman addressed the minority. I agree with the gentleman. I do not think it would be safe to trust the present administration with the appointment of these men.

Mr. NEWTON of Minnesota. And that is the point wherein the gentleman and I differ. I would trust the present administration.

Mr. CONNALLY of Texas. I am wondering just what the gentleman has in mind, because, of course, we have suffered that suspicion here, and we do not have that faith and trust in the President. I congratulate the gentleman upon his boldness in saying what was in the heart of all of us.

Mr. CHINDBLOM. Of course, the gentleman was talking about a permanent minority.

Mr. NEWTON of Minnesota. But leaving all joking aside, we must all admit that we are legislating not only for a day, but we are establishing legislative precedents, and we ought not to take up any great industry in the country and put a political machine in charge of it in this fashion. It ought not to be done. It is bad whether our party is in power or your party be in power, and I can not believe that any farmer wants anything of that kind to come to pass.

Mr. HARE. Does not the gentleman think the farmers of the country can elect their members of the board just as successfully as they elect their Members of Congress?

Mr. NEWTON of Minnesota. If they are given an opportunity; yes.

Mr. HARE. I understood the gentleman was objecting upon the ground that the farmers were not in a position so that they would be capable of selecting men to act upon this board.

Mr. NEWTON of Minnesota. Oh, the gentleman did not get my meaning at all.

Mr. FORT. Suffrage under the bill is in the farm organizations and not in the farmer.

Mr. NEWTON of Minnesota. It rests in the Secretary of Agriculture.

Mr. FORT. He must designate the organizations, and the nonorganization farmer has no suffrage.

Mr. NEWTON of Minnesota. Yes; and the farmer who belongs to an unrecognized organization has no more vote than a lawyer or anyone else on the outside.

Mr. HARE. Of course, the organization can be no stronger than the individuals who represent it.

Mr. NEWTON of Minnesota. That is true; but if the organizations of the farmer are not designated as eligible to participate, they are not going to be very effective in this plan, and their right to participate rests solely in the Secretary of Agriculture.

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

Mr. FORT. Mr. Chairman, I yield five minutes more to the gentleman.

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

Mr. NEWTON of Minnesota. I must decline to yield further.

What are the duties of the board? In brief, they are as follows:

(1) Obtain information.

(2) Disseminate same to cooperative and other farm organizations.

(3) To advise those organizations as to crop adjustment; that is, as to what and how much to plan on producing.

(4) Ascertain probability of surplus in basic commodities.

(5) To take action on disposition of the surplus.

In ascertaining the probabilities of a surplus this would, of course, have to be done several months in advance of the harvesting of the crop. You cotton men know that the Department of Agriculture has erred in its prediction on the cotton crop. We of the wheat country know that the experts in the Department of Agriculture have made several serious mistakes in forecasting the wheat crop. Take wheat, for example: The board would have to issue declarations of probable surplus about the 1st of June, certainly not later than that. At that time there is little information obtainable as to the grain and wheat crop. Between the 1st of June and the 1st of August adverse conditions can work havoc to both winter and spring wheat crops. The board has a real task, then, in forecasting the crop and determining the question of a probable surplus.

The jurisdiction of the board would extend to cotton, wheat, corn, butter, cattle, and swine, which are called basic agricultural commodities.

The board can put the plan into effect upon the finding of certain facts.

Let us first discuss cotton. First, find a probable surplus above and beyond not only the domestic requirements but the ordinary world requirement as well. We export about 60 per cent of our cotton, so that there is always a surplus over and above the domestic requirement. The board must also find that a substantial number of cooperatives or other organizations are in favor of putting the plan into effect. My information is that the cooperative cotton producers control only about 6 per cent of the production. Therefore, a substantial number would mean about 3 per cent of gross production. This would seem to be a very small percentage of the total crop that would be affected by the plan if it were put into effect.

This also should be considered. What is going to be the attitude of our foreign customers in reference to this control over cotton? I am informed that five years ago 75 per cent of the cotton manufactured at Manchester was American cotton, and that to-day it is but 65 per cent. Therefore, we have competition. We ought to be careful about doing anything which may still further reduce that percentage.

Mr. QUIN. Does not the gentleman think that applies on account of the increased manufacture of cotton in the South—113 factories in one county in North Carolina?

Mr. NEWTON of Minnesota. The gentleman was not here when I said that I could not yield further.

I will now take up wheat, corn, butter, cattle, and swine. Rye is more or less of a substitute for wheat. Therefore it is a mistake to put wheat in the bill and leave out rye. Oats are more or less of a substitute for corn. It is a mistake to put in corn and leave out oats. The fact is that about 26 per cent of the oats produced in this country are shipped out of the county in which they are produced, while the percentage of corn is about 19 per cent. Furthermore, the price of oats at the present time is unremunerative, and I understand that a substantial portion of last year's yield will be carried over.

To put the plan into effect in reference to these commodities of wheat, corn, and so forth, the board must find the following:

(1) A probable surplus above domestic requirements.

(2) That the price in the United States is materially lower than the foreign price plus tariff and freight.

(3) That this condition renders inoperative to some extent the tariff upon such commodity.

On finding the above facts the plan is then put into effect and once put into effect the plan continues in operation "until terminated by the board."

The present price of wheat in this country, while higher than that in Canada, is considerably less than the Canadian price plus the tariff of 42 cents and the freight charges on that wheat from Canada to this country. The present price of corn in this country is such that the price of corn in the Argentine plus the tariff of 15 cents per pound and the freight here is higher than the price of corn in this country. Therefore, the plan could be put into immediate effect as to both wheat and corn.

In its work of control and disposition of the surplus it is made the duty of the board to assist substantially in the following manner:

(1) The making of agreements with cooperatives, corporations created by them, and persons engaged in processing such commodities—the miller and packer—and other agents to be created by the board.

(2) These agreements are to contain provisions for the payment to these cooperatives, millers, packers, and so forth, of the payments out of the equalization fund of the given commodity of the amount of the losses, costs, and charges—charges and profits—of such cooperatives by reason of their purchase, storage, or sale of such commodity.

It is extremely difficult, from a reading of this portion of the bill, to ascertain just what price the farmer himself is going

to receive from the operation of the plan. Our principal wheat competitor is Canada. The principal market in Canada is Winnipeg. The difference between the price of wheat at the present time at Winnipeg and the present price of wheat at Minneapolis is about 10 cents; that is, the Minneapolis price is about 10 cents higher than the Winnipeg price. I use Minneapolis because it is the greatest primary wheat market in the world. The present price of wheat is around $1.50 per bushel. Therefore, for purposes of illustration, let us assume that on October 1 next the price of wheat at Minneapolis is $1.60 per bushel and that the price of wheat of a similar grade at Winnipeg is $1.50 per bushel. The tariff amounts to 42 cents. Let us estimate the freight to be 8 cents—it would be more than this. Therefore, on October 1 the Winnipeg price plus tariff and freight would be $2, while the price at Minneapolis would be $1.60. Therefore, there would be a differential of 40 cents per bushel. Under the terms of the bill the plan would be put in operation, in order to give the American farmer, therefore, the benefit of a domestic price which would equal the world price plus the tariff and the freight.

Generally speaking, we have a surplus of wheat of about 25 per cent of our total yield of winter and spring wheat. A good average yield would be about 800,000,000 bushels per year. Therefore, there would be a surplus of at least 200,000,000 bushels.

It would be the duty of the board to enter into these agreements to the end that this surplus could be promptly bought up and shipped abroad so as to bring the domestic price up to the world price plus the tariff and freight. Just how would this be done? By the parties entering into these agreements with the board. On October 1 would they then go into the market, buying wheat at the prevailing domestic price? By buying 200,000,000 bushels the price would gradually increase to that of the world price plus tariff and freight. That is, using our illustration, until it reached the figure of $2 per bushel. In other words, would these agents of the board start in paying $1.60 per bushel until gradually the price reached $2 per bushel, or would they commence at once paying the sum of $2 per bushel until they had purchased the amount necessary to maintain the price equal to the world price plus tariff and freight? This is important. But it is impossible to find out by reading the bill just what would be done. If you ask some proponents of the plan, they will tell you one thing, while others will tell you another. For example, one of the chief proponents of the plan outside of Congress says that they would commence buying at $1.60 per bushel. Upon the passage of this bill that individual would undoubtedly have much to do toward influencing the policies of the board, while there are Members on the floor here who feel that the board would immediately commence paying the rate of $2 per bushel. For the farmers who market early this would make a very material difference. It would be especially true as to the Kansas and Oklahoma wheat farmers.

The United States Grain Corporation found it necessary to maintain the price by buying up 35 per cent of the entire crop, which was way above the surplus. But they found it necessary to go up to that figure in order to maintain the price. In this connection it must be borne in mind that the grain corporation did business when the whole world was in need of our wheat. The Federal farm board will be doing business under far less favorable conditions. In the judgment of men who are experienced and who ought to know, the Federal farm board will probably have to buy up from 40 to 50 per cent of the crop in order to maintain the price.

The Grain Corporation had a capital of $500,000,000 and unlimited credit by reason of it being a governmental corporation operating in war times. The entire subsidy granted by this bill to all the commodities is $375,000,000. Of this amount $100,000,000 goes to cotton. The remaining figure will have to be apportioned out to the other commodities. It is an absolute certainty, therefore, that the subsidy will not be sufficient to permit the Federal farm board to make a sufficient purchase in order to maintain the world price plus freight and tariff without coming to Congress for an additional subsidy.

Again using my price illustration, if the purchases are to be made by starting in at the $1.60 price, arrangements can be made with several exporters, like Julius H. Barnes and others, to go out and buy a sufficient quantity of wheat to take it out of the domestic market. However, if this is done, it is difficult to see just how the producers are going to get the benefit of any advance in price.

In two years, when the equalization-fee plan is supposed to go into effect, the farmer who sold earlier at $1.60 per bushel could be called upon to pay an equalization fee just the same as the farmer who received $2 per bushel. This would hardly be fair, and it can well be imagined what the farmer receiving only $1.60 instead of $2 per bushel would have to say regarding it.

If every purchase made by the agents of the Federal farm board is at the rate of $2 per bushel, then it would necessarily mean the setting up of a great buying agency like the Grain Corporation. When the Grain Corporation went out of business in 1920 its organization comprised not only thousands of employees but the following:

Licensed elevators	21,490
Flour mills	10,105
Corn-meal mills	2,100
Commission men	13,339

In addition there were a large number of terminal elevators. Furthermore, in the purchasing of grain for the Grain Corporation these agents supplied their own funds. Notwithstanding this, the corporation was compelled to use its capital of $500,000,000, and, in addition, to make use in an enormous way of its unlimited borrowing power.

There is not any question but what those who enter into the agreement with the Federal farm board for purchase and disposition of this surplus have their losses, costs, and profits to take care of out of this subsidy and later out of the equalization fund which is paid in by the farmer.

The Federal farm board can, of course, make contracts with any cooperative, any corporation created by a cooperative, any packer or miller, and in default of a cooperative capable of carrying out the contract with any other agency. Think of the tremendous possibilities growing out of this power which is lodged with the board and which means the control of the disposition of a great substantial portion of the wheat crop of the country, which runs into hundreds of millions of dollars annually.

Under this bill we establish the principle of permitting this kind of control. Gentlemen, it ought not to be done.

Let me call your attention now to the equalization fee, provision for which is made in section 9 on page 13. It is fully anticipated that this surplus will have to be sold abroad at less than the world price plus tariff and freight. Who is going to stand the loss? Losses, of course, have to be paid out of the equalization fund. During the first two years this fund consists of a subsidy of $375,000,000 made by the Government out of the Treasury. One of the functions of the board is to estimate the probable loss from the time they put the plan into effect and commence purchasing the wheat or the other commodities. They then estimate how this loss is to be apportioned. How much is each commodity to stand?

Take wheat, for example. Every bushel of wheat sold will have to bear its portion of this loss. It does so through the payment of an equalization fee. It is essentially a tax that is levied against every bushel of wheat that is marketed, whether for domestic or world use. How is it to be collected? From the farmer who produces it? The merchant who presents his wheat for sale? No. This would apparently bring the farmer very close to the fact that he is paying a tax. To maintain this experiment he might be rather dubious as to whether or not he was receiving any benefit from it. Under the provisions of the bill the equalization fee is to be collected as far away from the farmer as possible. Of course, the farmer pays, for it is made the duty of the purchaser or the processor to collect and issue to the producer a receipt evidencing the payment of the equalization fee and of the interest of the producer ultimately in a participation in the equalization fund.

Gentlemen, in my judgment the equalization plan set forth in the Haugen bill is unworkable and impracticable. I believe the proponents of the measure themselves are extremely doubtful as to just how it will work and that that is the principal reason why they have been anxious to get the collection as far away from the farmer as possible. However, I do not know that it is necessary to pay any more attention to the equalization fee, for it is my judgment that it will never be put into force and effect.

If during the first two years of this act it is carried on with a governmental subsidy of $375,000,000, at the end of the two-year period we will be asked to provide a further and additional subsidy. It will then be even more difficult than it is to-day to turn the request down. As has been repeatedly brought forth in the debate up to the present time, we have a striking example of disastrous results following the denial of the renewal of a subsidy in the situation in which Great Britain finds itself to-day. That nation granted a subsidy to the miners several years ago. Recently a request for a renewal was denied. The lesson is obvious.

Furthermore, I want to call the attention of the Members to the reading of section 9, on page 13. It is as follows:

SEC. 9. In order that the producers of each basic agricultural commodity may contribute ratably their equitable share to the equaliza-

tion fund hereinafter established for such commodity; in order to prevent any unjust discrimination against, any direct burden or undue restraint upon, and any suppression of commerce in basic agricultural commodities and their food products with foreign nations in favor of interstate or intrastate commerce; and in order to encourage and stimulate the normal and usual current of foreign and interstate commerce in basic agricultural commodities—there shall be apportioned and paid as a regulation of such commerce an equalization fee as hereinafter provided.

Note the strained effort on the part of the person drafting this section of the bill to bring the provision within the commerce clause of the Constitution. The equalization fee was originally called a tax by practically every proponent of the measure. It was justified as a tax. Doubt was expressed by some people as to its constitutionality. As the question was further considered the proponents finally came to the conclusion that there was no power in Congress to levy an equalization fee as a tax. How could it be done? They then thought of the commerce clause of the Constitution. Congress is given power to regulate commerce among the several States and with foreign nations.

What is the purpose of the equalization fee? Clearly, as it has been announced from time to time, to absorb the loss caused by the necessity of selling the surplus at less than the world price plus tariff and freight. That is the purpose of the equalization fee, nothing else. The fee, therefore, has nothing whatever to do with the regulation of interstate or foreign commerce. Those who drafted this section must have known this. That, therefore, must be the reason for the peculiar phraseology used in section 9. Where is there any "burden" on commerce that has been shown here? No one has suggested any "restraint" or "suppression" of commerce, either foreign or interstate.

The whole question is the disposition of a probable surplus crop and at an advantageous price. Therefore a recitation of isolated phrases taken from textbooks on interstate and foreign commerce will hardly suffice to bring the equalization fee within constitutional limits. The purpose of the equalization fund is set forth in paragraph (c) of section 12, on page 16 of the bill.

Before closing, let me say this further with reference to the subsidy out of the Treasury of $375,000,000. Who is to loan this money? The Federal farm board. Who is to make agreements for the paying out of this subsidy for losses, profits, and so forth. growing out of the purchase, storage, and disposition of the surplus of these basic agricultural commodities? The Federal farm board. It is Government money, paid by the taxpayers of the Nation into the Treasury. But it is loaned and disbursed, not by Treasury officials, but by the borrowers themselves. It is comparable only to the case where the discount committee or the loan committee of a bank would be composed, not of the depositors or the directors of the bank, but by the borrowers. That practice is not sound. It would not be permitted under the laws of any State in the Union or under our national bank law.

Before closing let me call attention to the fact that after this plan has been put into effect upon any given commodity the board has a right to continue it just as long as they see fit to do so. This is true without any restriction or limitation whatever. It makes no difference what the world price might be after the plan got into effect. It simply occurs to me that the board would be against tremendous pressure from the interests affected whenever they made any attempt to withdraw the control.

Furthermore, a tremendous responsibility is conferred upon the President by section 18 of this act. Whenever he finds that the importation into this country of any commodity, or any derivative thereof, or competitive substitute therefor is likely to increase materially the losses payable out of the equalization fund on such commodity, he shall so find and declare. Immediately thereafter an embargo on that commodity, derivative, or substitute goes into effect. Embargoes have always been extremely unpopular in this country, if my recollection of history is correct. Furthermore, they provoke retaliation abroad. A people with a surplus of commodities to sell abroad ought so to conduct themselves in their trade relations as not to provoke retaliatory action.

Mr. Chairman, I firmly believe that this bill would not command support of more than a dozen Members of this House if they knew that their support would be the determining factor in putting the bill into effect.

I say so because I know that they are dealing with a most important problem. They want to solve it wisely. They must realize that this plan is highly experimental, and, so realizing, I feel that they could not support it if they thought that they themselves were casting the deciding vote. They simply could not get themselves, under those circumstances, to shoulder the tremendous responsibility. The adoption of the plan of operation set forth in the Haugen bill would automatically put an end to our grain futures market and consequently to hedging, or price insurance, upon which our present market system is dependent. The ease with which the merchandising of our grain crop is financed is due to the protection against loss resulting from price fluctuations which is available to buyers. This is of particular value to smaller dealers with limited capital who to-day operate more than half of the grain warehouses located at country points. Without hedging facilities, upon which the dealer is directly or indirectly dependent, the small dealer would be put out of business. Our present markets reflect a composite picture of the divergent views of all classes of dealers, producers, millers, and exporters as to the price levels justified by supply and demand. They reflect a present value based upon anticipated conditions. The Haugen plan eliminates supply and demand as price-making factors and individual judgment as to value would obviously be worthless. The course of the markets would be dependent upon the policies and decisions of the Federal farm board and not upon demand and the availability of the supply.

The instability of price resulting from this situation would greatly curtail the buying power of the existing marketing agencies and increase the difficulties attendant upon financing the marketing of our grain crop. As a result of this condition, subsidized cooperative organizations, or their agents referred to in the bill, would be called upon to finance the greater part of the marketing operation. The marketing of grain crops is of necessity seasonal. The demand, whether for export or domestic consumption, is periodic. From harvest time until a new crop is available ample supplies for consumption must be carried and this entails storage and consequent financing. To maintain an artificial price level such as is advocated, a shortage in supply must be created through abnormal exports, and this operation would lower the world price level upon which it is proposed to base our domestic price. The result of all this would be the ultimate destruction of the present existing marketing machinery. This would be done at a time when the farmer has a real marketing problem before him. He must dispose of his surplus. To assist him in doing so he must rearrange his production of commodities, and the moment that this bill is passed there is a promise upon the part of our Government to pay every wheat farmer a premium of 42 cents over and above the world price on every bushel of wheat produced here in excess of our needs, regardless of how many excess bushels are produced. This constitutes an invitation to the farmer to do this. The result of this bill will be to increase his troubles, not to lessen them.

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

Mr. NEWTON of Minnesota. I am sorry I can not obtain more time.

Mr. ASWELL. Mr. Chairman, I yield 40 minutes to the gentleman from Kentucky [Mr. KINCHELOE]. [Applause.]

Mr. KINCHELOE. Mr. Chairman and gentlemen of the committee, I do not know what you think about this pending legislation, but from the study I have had an opportunity to give it, I am clearly convinced that the agricultural interest of America is in a sad and deplorable condition. I think this should be a solemn hour to us when we come to deal with legislation affecting the great basic industry of America, which as I say is in such a deplorable condition. The Agricultural Committee of the House sat around the table for about seven weeks hearing from practically every part of the United States the ideas of men as to what they thought was a solution of the agricultural problem.

For seven weeks, as I thought, the members of the committee sat around for the purpose of gaining information to give to our busy colleagues on the floor of the House who are interested in other matters and members of other committees, but when it wound up and the committee went into executive session and finally reported three bills instead of one, the most unheard-of thing I have ever known. In other words, the members of the committee are saying to you gentlemen, "We have had these hearings for seven weeks and got some ideas; but notwithstanding we have attended these hearings for seven weeks, we do not know what is best for the farmer; we will throw all in a pile on the floor and let you fellows take it"——

Mr. CARTER of Oklahoma. Pass the buck.

Mr. KINCHELOE. Pass the buck absolutely, nothing else. I voted against all this procedure. I have a high regard for the intelligence and standing of the great Agricultural Com-

mittee of this House; and if that Agricultural Committee can not function intelligently, how can we as members of your committee ask you to function intelligently when you shall have heard the debate on this question? No; the Agricultural Committee brought to you what we call triplets. [Laughter.] Well, they had a good reason, for if they had not brought triplets there would have been an abortion and the Tincher bill would have never been born, and in order to prevent that they brought triplets for you to decide which one is your favorite. I want to say to you in my candid judgment that the Haugen bill as written and the Tincher bill as written are afterthoughts and are presented here as a matter of political expediency. I make that statement advisedly. The President of the United States has no patience with that kind of legislation in the Tincher bill or in the Haugen bill; that is, if he stands where he stood last December. In his December message to Congress here is what he said:

It has appeared from the investigations that I have been able to make that the farmers as a whole are determined to maintain the independence of their business. They do not wish to have meddling on the part of the Government or be placed under the inevitable restrictions involved in any system of direct or indirect price fixing which will permit the Government to operate in the agricultural markets.

The President said further:

Government control can not be divorced from political control.

He is absolutely right about it. He was right then. But he seems to have surrendered. He further says:

The farmers are opposed to submitting themselves to a great Government bureaucracy. They prefer the sound policy of maintaining their own freedom and initiative as individuals. They do not wish to put the Government into the farming business.

That is what the President said at that time. Let us see what his Secretary of Agriculture, Mr. Jardine, had to say in his report as Secretary of Agriculture. I read:

It seems obvious that supervision and control are not desirable—

Speaking of the farmers. Then he goes on:

Cooperative associations are business concerns. Like other business concerns they must eventually stand or fall by themselves. They can not be fairly asked to accept a degree of direction and control from which private distributing agencies are exempt. * * * It might be fatal to their efficiency, but certainly would not encourage men of executive ability to ask magisterial positions in the movement.

Then, later, in a speech that he made, speaking of wheat, he said:

Our wheat problem will be eliminated when we cease to be exporters of wheat in competition with such new wheat-producing centers as Canada, Australia, and Argentina. Then, and only then, will the 42 cents a bushel tariff work in the interest of all the wheat growers. We have passed the day in America when we can grow wheat for export in competition with those countries. Canada, Argentina, and Australia have almost unlimited acreage and virgin prairie soil adapted to wheat production, and for many years to come they will be able to produce an ample world supply of wheat. Our only hope is to cease to be an exporter of wheat. The farmers are filled up on advice from the outside.

That is what Mr. Jardine said at that time. They want to be let alone and work out their own problem. I submit that in the light of the utterances of the President and the Secretary of Agriculture that I have just read, they never dreamed of going as far as the Tincher bill goes—to appropriate $100,000,000 out of the Treasury.

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

Mr. KINCHELOE. Yes.

Mr. AYRES. Has the Secretary changed his mind since then, and is it possible that the President has changed his mind?

Mr. KINCHELOE. Yes. I think he has changed his mind to the extent of $100,000,000. Why the change? The truth is, that when Congress met, the President and the Secretary of Agriculture never intended to pass any farm legislation, except to pass the cooperative marketing bill that this House passed early in the session. But afterwards a political cyclone started up in the West. At Des Moines there was a meeting of bankers and some farmers, and they have put the fire under the President of the United States and his Secretary of Agriculture so hot that now they have come, at the last hour, with the Tincher bill, and say, "Oh, yes; we want to help the farmer. We want to loan him $100,000,000 out of the Treasury of the United States."

I am showing that that bill came forth as a matter of political expediency and afterthought only.

Of course, Mr. Jardine has no trouble in changing his opinion. He travels hither and thither. He has just got back from the South, telling the people of the South what a great bill this Tincher bill is. He has been nodding and bobbing and bowing and cajoling and coddling and rabbit-tracking on everything he does. They do tell me that he is the greatest songster in the whole Cabinet grove.

He winds in and he winds out,
And leaves the farmers all in doubt
As to whether the Jardine that made the track
Was going north or coming back.

In view of the above utterances, how can any American farmer take him seriously?

And he is proud of his job, as any American country boy ever was of his first pair of red-top boots.

I want to show you what these boards provide. I am not discussing this question from the political standpoint. I have the honor of representing on this floor one of the most diversified agricultural districts in the United States. In that district we raise all the commodities that any of you raise, with the exception, probably, of sugar. In a proposition as serious as this I do not propose to play politics with my farmers and I do not propose to be stampeded and vote for a proposition which I know to be economically unsound. If every Member on this floor on both sides would vote only on propositions here that were economically sound and at some time be of real help to the farmer, neither the Haugen bill nor the Tincher bill would get enough votes to sing bass at a funeral when the final vote came.

I have quoted to you the statements of the President and the Secretary of Agriculture to show how inconsistent they now are in indorsing the Tincher bill. What about the Haugen bill? The equalization-fee proposition has been before the Committee on Agriculture for practically four years. When the McNary-Haugen bill came here two years ago it was debated on the floor of the House; but they have abandoned every principle in this bill for which they stood in the last four years. What did they always tell us? I did not agree with them, but I thought they were sincere; and I want to stop here long enough to say that I think the gentleman from Iowa [Mr. DICKINSON] is and always has been sincere.

He has been consistent and he is now. He stands for the principle for which he has stood ever since this agitation has been before the Agricultural Committee. [Applause.] They came and said they wanted an equalization fee for two purposes. First, that the farmers of this country do not want any subsidy out of the Treasury. They want to stand their own losses. And they said, second—which to me was more forcible than the first—that whenever you stimulate the price of an agricultural commodity you stimulate its production, and the only way you can prevent a stimulation in the production of that article is by levying an equalization fee back on the individual farmer. So the Des Moines conference met. They indorsed the bill of my good friend DICKINSON. They heralded everywhere, "We are for the Dickinson bill." But let us see whether this bill before us now is not a matter of political expediency and an afterthought. What was the original Dickinson bill? It provided these basic agricultural commodities; it provided for an equalization fee levied on all of them, and it did not appropriate one red cent out of the Treasury in the way of a subsidy. The only money that was appropriated was to get this bill in operation. That is the Dickinson bill, and that is the bill the gentleman from Iowa now stands for. So, after that conference they came down here and the Agricultural Committee was waiting for them to get here. We got around the table with these representatives from the Des Moines conference, these representatives from the Corn Belt and the committee of 22. After they got here, did they stand for the Dickinson bill? Oh, no. They abandoned that.

The first thing the Agricultural Committee told those gentlemen was that they ought to put their ideas in the shape of a bill. Well, these Corn Belt representatives got down here and they said, "All right; we will present a bill to you." In a few days they did. That bill named these basic agricultural commodities; but, notwithstanding the fact that these fellows were down here for corn and the corn raisers, they said, "Oh, no; we do not want any equalization fee on corn, but we want a subsidy of $100,000,000 out of the Treasury for our corn people, and not pay a cent of it back in the way of an equalization fee." They said, in substance, "Let the raisers of other commodities stand the losses in the way of an equalization fee." They came before us and they got shot out of the water. That is what they got on that proposition. They found they could not pass this bill that way; that these

raisers of the other commodities are not going to stand for that. Then they got the representatives of you cotton fellows up here. They said, in substance, "In order to put this over we have got to get the cotton fellows, and we can not get them on an equalization fee to start with, because they are too smart for that." They conferred with the cotton fellows and said, in substance, "If you will come and go with us, we will put cotton in as a basic commodity and appropriate $250,000,000 as a subsidy out of the Treasury." And here came the representatives of the cooperative marketing associations of cotton before the committee. They saw that $250,000,000 dangling on the end of a string out of the Treasury of the United States, and they said, "If you will put that over, we will go with you." So that was another amendment to the bill.

Mr. COLE. Will the gentleman yield?

Mr. KINCHELOE. Yes.

Mr. COLE. Will the gentleman state who made those propositions?

Mr. KINCHELOE. Oh, I do not think that your representatives of the Corn Belt were very far away at the time of the meeting behind closed doors, if that is what you mean. They were there encouraging, abetting, and inciting all of this, and they are still here. They were in such a bad fix on corn that they wanted $100,000,000 and not pay a darned cent back on it in the way of an equalization fee.

Mr. McLAUGHLIN of Nebraska. Will the gentleman yield?

Mr. KINCHELOE. Yes.

Mr. McLAUGHLIN of Nebraska. Does the gentleman mean to give out the impression that the representatives of the Corn Belt committee sent for the representatives of the cotton people?

Mr. KINCHELOE. No; and I do not know how they got here. They just seemed to drop down here, but they did get here. However, I do not care how they got here.

Mr. COLE. Will the gentleman yield for a statement?

Mr. KINCHELOE. I will yield for a question, but not for a statement.

Mr. COLE. All right; I will ask a question. Does not the gentleman know that there is not a farm organization in the State of Iowa that has ever asked to be exempted from the equalization fee?

Mr. KINCHELOE. If they did not, then the representatives that those fellows sent down here ran amuck after they got here. I do not know how that was; I am simply telling what happened before our committee. They brought that before us, and they continued to favor that idea on that. Then they found out that if they voted $250,000,000 out of the Treasury for cotton and $100,000,000 for corn these other fellows who raise other commodities would not stand for the equalization fee being levied back on them.

We completed the hearings and went into executive session for two or three days, and like a clap of thunder out of a clear sky they came in there and said, "We are going to take the equalization fee off of all these commodities for two years and appropriate $350,000,000 out of the Treasury, and we will defer the levying of the equalization for two years."

Then, unknown to us—and I did not know it until the bill was printed—they put butter in the bill, although that had never been mentioned by anybody. They evidently said in their secret meetings, "When VOIGT hit the old McNary-Haugen bill a solar-plexus blow two years ago he put the Wisconsin delegation all against it. Now, if we can put butter in there, we may go out and get this Wisconsin delegation, and if we can get the Wisconsin delegation, all the corn people and the cotton people, with their $250,000,000, we will just simply clean up on the floor of the House and pass this bill and let the two years take care of themselves."

Mr. McLAUGHLIN of Nebraska. Will the gentleman yield?

Mr. KINCHELOE. Yes.

Mr. McLAUGHLIN of Nebraska. I would like to ask the gentleman two very short questions. First, whom did the gentleman hear in the committee say:

> We will get the Wisconsin delegation by putting in butter?

Mr. KINCHELOE. I am not talking about the committee. We were seeking information, and the gentleman knows that butter was not in there until after that last round in executive session, just before we reported the triplets out.

Mr. McLAUGHLIN of Nebraska. I know when butter was put in.

Mr. KINCHELOE. It was not put in before, was it?

Mr. McLAUGHLIN of Nebraska. No; it was not put in before.

Mr. KINCHELOE. No; absolutely not. I am not saying that the gentleman had anything to do with butter and I do not think any member of the committee had anything to do with it.

Mr. McLAUGHLIN of Nebraska. Let me ask the gentleman this other question: Who came before the committee and asked for an appropriation of $375,000,000 for two years?

Mr. KINCHELOE. I do not think anybody did.

Mr. McLAUGHLIN of Nebraska. The committee did that itself and the members of the committee knew about it.

Mr. KINCHELOE. No; the committee was stampeded in executive session. My friend, the gentleman from Illinois, TOM WILLIAMS, knows, if nobody else does, that this happened in the last days, when they brought in these letters, signed by these representatives, saying they would stand for it.

Now, let me show whether they had any idea of a subsidy long before the end of the hearings. Mr. Thompson, president of the Farm Bureau, is a splendid man, and he is a good organizer.

I was asking him some questions and I asked about the Sinclair bill. He had said they wanted to put the farmers on the same basis economically as the manufacturers, laborers, and so forth. I said to him, "Mr. Thompson, if you propose to do that, you can not do it by levying an equalization fee back on the farmer and having him stand his own losses; that would be raising him up by his own bootstraps, and that would not put him on the same level." I told him that there was a bill before the committee called the Sinclair bill which provided for a board to buy the surplus of all these basic commodities, to pay for them out of the Treasury, and whatever loss was sustained was to come out of the Federal Treasury. I said to him that that might put the farmer on the same basis as the manufacturer. Then here is what I asked Mr. Thompson to find out what he thought about it:

> I am just asking for your opinion. Why could we not do that and why would not that put the farmer on a parity with everybody else?

I was referring to the Sinclair bill. Here is what Mr. Thompson said:

> Well, we have thought the best way we can accomplish the thing is by some method that would not require a subsidy.

All going to show that throughout the hearings nobody dreamed of a subsidy of $350,000,000 to be taken out of the Federal Treasury. You are being bombarded with telegrams from everywhere. I talked with a Member of Congress only day before yesterday who was getting these telegrams sent to him collect, and I said:

> Are you paying for them?

He said:

> After I received about 100 of them I called up the telegraph office and told them I did not want any more sent to me collect.

The telegraph office told him—listen to this—

> You are not going to pay for them, the Government is not going to pay for them; they are going to be paid for by a gentleman here in Washington.

Yet they are bombarding the Members from the cotton sections and everybody else around here, having the telegrams sent to them collect and they are being paid for here in Washing, and these people are not paying for them for their health, I may say to some of the gentlemen who seem to be excited by this propaganda.

Now, take the board provided under the Tincher bill and the board provided under the Haugen bill. They are the same except they differ in numbers. They are selected in the same way, except under the Tincher bill there are six members of the board representing that many commodities, and under the Haugen bill there are 12 members, one from each Federal land-bank district. I want to call your attention to this board and show you the language of the bill, and I want you to say on your own conscience when you shall finally cast your vote, whether you propose to deliver the farmers of your district into the control of a Federal political board in Washington, because that is what you are going to do; do not disabuse your minds of that fact. Let me read subsection (b) of section 2 of the bill.

Mr. WINGO. The Haugen bill?

Mr. KINCHELOE. There is the same language in the Haugen bill and the Tincher bill in that regard.

> The Secretary of Agriculture shall annually, with the advice of such farm organizations and cooperative associations as he considers to be representative of agriculture—

What shall they do—

> (1) Fix the date on which such convention shall be held.

That is the convention to elect this council. Now, listen to this:

(2) Designate the farm organizations and cooperative associations in each district eligible to participate in such conventions.

And you do not stop there—

(3) Designate the number of representatives and the number of votes to which each such organization or association shall be entitled.

In other words, the Secretary of Agriculture is going to name the electorate, and after he names the electorate he is going to fix their representation. If you let me name the electorate and the representation of any organization in the world, I will control it, and every man on the floor knows it will be so controlled.

As I have said, the Secretary designates the organizations that are going to elect members of the council, and he is going to fix the representation. Not only that, but under the Haugen bill there are four members from each of the Federal land-bank districts, and they are going to recommend the three members from each land-bank district for the President to select one of them as a member of this board.

There is no provision in the bill that the members of the council shall not be eligible for membership on the board. Why, my friends, when you get these 48 members of the council who have been selected at the homes of the Federal land banks, where the poor "one-gallus" farmer will never get because he has not money enough to pay his railroad fare to the Federal land bank, these members of the council will each be a candidate for membership on the board.

Do not be mistaken about that, and every fellow when he gets on the council the height of his political ambition is going to be to get on this board, and then he is going to begin hobnobbing and electioneering with the other members of the council and saying to them, "You scratch my back as the representative from my land-bank district and I will scratch yours." It is true the President has the right to name one of the three, but I can understand what will be the situation with respect to that board. If I am one of them and I have agreed that with respect to my land-bank district they are going to put me No. 1 and in consideration of that I will agree to put another member of the council as No. 1 from his district, then we will go to Mr. Jardine and through him to the President and say, "Of course, the President has the right to select any one of these men, but this man No. 1 is the man the council has agreed upon, or this man Kincheloe from another land-bank district is the one the council has agreed on." In this way you will have a continual political fight in this council for different members to be elected as members of this board to draw, under the Haugen bill, $10,000 a year, with more power than any political board that ever walked the soil of this Republic ever had.

Here is your board, 12 of them. They are to say when they are going to an operating period on any of the basic commodities. They can put it on one and they need not put it on the other. When they do it they can put an equalization fee on the producer or on the processed commodity. Now let us see what the basic commodities are in this act. I want to call your attention to some of them to show you why they did not put an equalization fee on corn and did not want to put it on cotton. The basic commodities are wheat, cotton, butter, cattle, and swine. Now, suppose they had put an equalization fee on corn. These fellows down here were smart, do not you forget that—I mean the fellows that were lobbying around here. They knew that it was a joke. Why? I want to analyze this equalization fee.

The statistics show that only 5 per cent of the hundreds of millions of bushels of corn raised in this country ever leaves the farm and goes into interstate commerce, much less in export. Only 5 per cent is sold. Now, that would be a great surplus to take care of to put an equalization fee on! You could not levy an equalization fee on 95 per cent, because it is never sold; it is fed and consumed on the farm. So you have got a great commodity here with only 5 per cent of it going into interstate commerce that is subject to an equalization fee, and of course it would be a fallacy and an insult to the intelligent corn people, and these smart fellows around here knew it.

I am talking about the economical soundness of the proposition. Of course they did not do it because they knew it was a fallacy. They knew that they could not deceive these smart fellows from the South with an equalization fee on cotton. Why? Sixty-five per cent of the cotton on the average is exported, and only 35 per cent is consumed in this country. How will it help—and I would like to have some mathematician answer me—to levy an equalization fee on 35 per cent of the domestically used cotton in this country to stand a loss on 65 per cent. You would have to take most of the 35 per cent for part pay on the loss of the 65 per cent exported.

Mr. GARRETT of Tennessee. Will the gentleman yield?

Mr. KINCHELOE. I will.

Mr. GARRETT of Tennessee. In levying the equalization fee on cotton are the grades of cotton to be taken into consideration?

Mr. KINCHELOE. That is left to the board to work out.

Mr. JOHNSON of Texas. Will the gentleman yield?

Mr. KINCHELOE. Yes.

Mr. JOHNSON of Texas. I would like to ask the gentleman, since he is a member of the committee, and some discussion was probably had as to the equalization fee, what was the range of the rates of equalization fee on cotton?

Mr. KINCHELOE. The most optimistic was that it would be about 3 cents a pound. There are 500 pounds, I believe, in a bale, and that would make $15 per bale. When I asked them as to the practical proposition of levying an equalization fee on 65 per cent, they said we will levy it on all of it. I said all right, suppose you do. If you levy it on the 65 per cent exported, your loss would be all the greater, and where else could it be made up except on the 35 per cent?

Mr. LAZARO. Will the gentleman yield?

Mr. KINCHELOE. I will yield to the gentleman from Louisiana.

Mr. LAZARO. I take it that a good many farmers do not understand what is meant by the equalization fee on cotton. Is it not a direct tax on every bale of cotton collected at the gin?

Mr. KINCHELOE. Absolutely. The board would fix the unit, and say they levied an equalization fee of 3 cents a pound. They would levy it on the first sale.

Mr. FULMER. How are you going to separate it, if you levy it on the first sale?

Mr. KINCHELOE. You are not going to separate it; but if you levy the equalization fee on all of it, then your loss is so much greater on 65 per cent, and so it will have to come out of the 35 per cent that is consumed here at last.

Mr. FULMER. The gentleman from Kentucky knows a good deal about tobacco, but I think he knows very little about cotton. I do not think it would be as high as 3 cents a pound.

Mr. KINCHELOE. I do not know much about cotton, I will admit, but the gentleman does not dispute my figures that 65 per cent of cotton is exported, on the average.

Mr. FULMER. That is right. I do not think the equalization fee would amount to more than $5 a bale.

Mr. KINCHELOE. Oh, that is the optimistic view of the gentleman; it will be $15 or $20 a bale.

Mr. FULMER. We would never have an equalization fee of more than $5 a bale if we get this measure through.

Mr. KINCHELOE. Oh, no; not if you can get it out of the Treasury of the United States.

Mr. WHITTINGTON. I understand that instead of levying this equalization fee on the 65 per cent of export, that the fee will only be levied on that part domestically consumed. I understand that it has been suggested that that fee will be levied and collected at the spinner rather than at the gin. I would like to have the views of the gentleman on that.

Mr. KINCHELOE. I do not care where it is levied, the producer is going to pay for it. That does not make any difference. Suppose it is levied on the spinner. Do you think that the spinner is going to stand the equalization fee? Oh, no. It is just like the protective tariff, the consumer may not know it, but he pays the tariff just the same.

Mr. WHITTINGTON. The gentleman understands that I merely want his views on that question.

Mr. KINCHELOE. I understand.

Mr. UPSHAW. Is there a maximum equalization fee, or what is the limit?

Mr. KINCHELOE. Oh, the board will fix that—the men selected from the gentleman's district. The blue sky is the limit. I say to you cotton fellows that under that situation you may get by for two years with a hundred million dollars, if you can convince the majority of this Congress and the President of the United States; but pay day is going to come. I would like to see one of your poor cotton farmers with a mule and a bale of cotton going up to the gin and see what his expression is when the buyer says that he will give him a certain price on that, but that he has got to take out 3 cents a pound, $15 out of the price of the bale, and in return for it will give him a beautifully engraved receipt, printed down here by the Bureau of Printing and Engraving. I can imagine how popular the Members of Congress will be with that constituent when he hears that he has got to give up $15 on the bale to pay the loss on the 65 per cent export. He is going to want to know who put that on him, and if somebody says the gentleman

from Georgia [Mr. UPSHAW] put it on him, then he is going to be looking for that gentleman, especially at election time two years hence. You can not fool him; he knows that it is not going to help him.

Mr. STEVENSON. Is it not practically the same thing to give a board the right to fix the price and not say what it is? Is it not more of a pig in a poke for the cotton people than it is now?

Mr. KINCHELOE. Absolutely; and I want the attention of the gentleman from South Carolina.

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

Mr. ASWELL. Mr. Chairman, I yield 20 minutes more to the gentleman.

Mr. KINCHELOE. I want to go a little further with this cotton. As I say, the Haugen bill provides that whenever the domestic price is not higher than the world's price to the extent of the tariff and the freight, then they shall declare an operation period; that is, they will levy an equalization fee.

In wheat, then, they would raise the domestic price 42 cents a bushel plus the freight, because the tariff on wheat is 42 cents and on corn it is 15 cents; but when they get down to cotton, what are they going to do? There is no tariff on that, and when is the equalization fee going to take effect? You do not get the benefit of this tariff, because there is no tariff.

Mr. FULMER. Does the gentleman want me to answer that?

Mr. TINCHER. Oh, no. I would rather the gentleman would answer that in his own time.

Mr. FULMER. I can give the gentleman some information.

Mr. KINCHELOE. Because I am not one who can turn a double somersault in two years on a bill where the principle involved is exactly the same, like the gentleman did. The gentleman I know knows more about the acrobatic end of it than I do.

So we have got no benefit on that. Consequently your cooperative fellows came up here, knowing it would not do any good on cotton anyhow, but if they have the $100,000,000 they said they would go in. When you get telegrams of the cooperatives representing an infinitesimal number of cotton raisers in the South I want to show you how the tobacco people will help you people raise more cotton.

Mr. HUDSPETH. Will the gentleman yield for a short question?

Mr. KINCHELOE. I will yield.

Mr. HUDSPETH. I see we have an equalization fee on cattle. We do not export any beef. Mr. Murphy, in response to an inquiry, said it would not raise the price of cattle or hogs, and he did not want to raise the price——

Mr. KINCHELOE. Wanted it reflected on corn?

Mr. HUDSPETH. But said they were going to buy corn. I was going to ask the gentleman, What are you going to do with the equalization fee they levy on cattle? And they say they do not propose to raise the price?

Mr. KINCHELOE. According to Mr. Murphy, that is going to stimulate the price of corn.

Mr. HUDSPETH. In other words, take the equalization fee from the cow and buy corn to fatten cattle.

Mr. KINCHELOE. Yes.

Mr. HUDSPETH. That is a good proposition. I think that will win every cattleman. [Laughter.]

Mr. KINCHELOE. Now, there is an equalization fee——

Mr. LOZIER. Will the gentleman yield?

Mr. KINCHELOE. I will.

Mr. LOZIER. A few years ago the cotton farmers of the South published in all the great metropolitan newspapers an advertisement to buy a bale of cotton to enable the cotton men to make another crop. If the revolving fund of $100,000,000 had been available then does the gentleman believe it would have been necessary for the people in the Middle West and all over the United States to be asked to buy a bale of cotton in order to enable the southern farmer to produce——

Mr. KINCHELOE. If the amount out of the Treasury was big enough they could buy it and burn it up.

Mr. LOZIER. But would not that $100,000,000 have relieved that situation very materially, and some people would not have had to buy a bale of cotton.

Mr. KINCHELOE. If they had taken $100,000,000 at that time and would have paid off the loss to help out and that $100,000,000 came out of the pockets of the corn taxpayers of Missouri, I imagine that the gentleman would have hollered "subsidy." Now, it is a subsidy when you scratch my back and I scratch yours. Now, I want to get on with my speech. Now, let us take cattle.

First I want to talk about swine. There is an exportable surplus of swine all the time in this country. There is a provision in this bill which provides this board shall buy these varied commodities through cooperative marketing associations if they are available and financially able, but if they declare an operation period on any commodity, and there is no cooperative marketing association that is responsible and capable of handling it, then this board has got the right to choose from any other agency that it may determine to handle it. Now, here you have a surplus of hogs, here you have declared an operation period. They have got to get rid of the surplus. You can not export hogs on foot. They have to be processed. No cooperative marketing association in this country is able to process hogs. Oh, no. You go back to the five big packers, and they are the fellows who are going to process these hogs. This board is impotent and helpless in their hands to get rid of the surplus, because it has to be processed. What will they do? They will go to the packers and say that they have got hundreds and thousands of hogs that have to be processed for the purpose of export. They ask them what they will charge for processing. They will state the price. The board will say that is too high, that they can not do it. "All right, get somebody else," the packers will say. Who are they going to get? There has never been a voice heard against this bill from the packers, and I do not blame them. They are going to name their price, and this board is going to pay it, too. They are going to pay it with equalization fee, and it will be taken out of the poor hog raisers. It is just coming on poor Reuben in this bill when the fee operates. The packer is going to clean up and name his own price. These five packers have got cold-storage products in their plants now that are worth millions of dollars.

As soon as this operating period is declared and this board levies its equalization fee and buys up this surplus, up goes the domestic price of pork, and, of course, they will at once proceed to turn their millions of dollars' worth of prepared products, which they have already got into the market, to the consumers of the country, and you and I will pay it, and the farmer stands all the loss out of his own pocket. [Applause.]

Ah, that is great stuff for the farmers! What a wonderful benefit it will be to the hog raisers of the country!

Mr. PEERY. There are only four big packers now since the Morris combine. They want this bill passed?

Mr. KINCHELOE. Yes. They want this bill to pass. Wilson & Co. have been in the hands of a receiver for some time.

Now, gentlemen, the same thing will apply to cattle when there is raised an exportable surplus. When the farmer wants to get rid of it it has to go through the packing plants, and they will hold it up not alone for the enormous profit they will make on it, but also for the sale of the millions that they have already processed that will be consumed domestically.

Mr. BURTNESS. Are there independent packers in this country? And they are in competition with the five big packers?

Mr. KINCHELOE. If the gentleman thinks that, he ought to vote for this bill.

Mr. BURTNESS. Does the gentleman contend that there is?

Mr. KINCHELOE. I do not think that there is any at all. The reports of the Trade Commission under a Democratic administration would show there was none. I hope the gentleman will read them.

Mr. BURTNESS. How many independent packers are there?

Mr. KINCHELOE. There are a few.

Mr. HUDSPETH. Does the gentleman think there would be any difference in the price offered for livestock by the packers in Omaha and the price offered by the packers in Chicago?

Mr. KINCHELOE. When the farmer ships his cattle at Omaha they will wire the price to Chicago, and they get the same price.

Mr. TINCHER. You do not think the packers would have any serious trouble in dividing the $375,000,000 pro rata?

Mr. KINCHELOE. None in the world.

Mr. TINCHER. It must be loaned to a corporation authorized to do business under the Capper-Volstead Act, and not one dollar of it could be paid out otherwise?

Mr. KINCHELOE. No.

Mr. LAGUARDIA. Could not the same thing be done under the Tincher bill?

Mr. KINCHELOE. They are fed up on this loan proposition. What will happen? I have demonstrated the fallacy of this proposition with respect to cotton, corn, and your cattle raised for export. But remember, my friends, for two years no equalization goes back.

In regard to cotton production, what will happen in this country? Your maximum cotton crop is 16,000,000 bales. We people in the tobacco-growing section of the country are left

out of this bill. Why? The tobacco raised in my section of the country is largely exported. Eighty per cent of all that is raised in the dark-tobacco section is exported.

You can not fool my tobacco farmer and levy an equalization fee on 20 per cent of the tobacco used at home to pay the loss on 80 per cent sold abroad. There is not a place in the Virginias, in the Carolinas, or in Kentucky, or Tennessee where we can not grow wheat and cotton both. Our farmers give the best land to tobacco, but if need be they can put it into wheat. If this bill is enacted into law, as it is now, we will show you a 26,000,000-bale crop of cotton.

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

Mr. KINCHELOE. Yes.

Mr. QUIN. Does the gentleman think it will raise the price of cotton?

Mr. KINCHELOE. If Uncle Sam will pay the loss, I would answer "Yes." Is the gentleman for this subsidy?

Mr. QUIN. I am for the farmer now and all the time, subsidy or no subsidy. [Applause.]

Mr. KINCHELOE. That is the usual elusive answer the gentleman gives. If the gentleman is in favor of a subsidy you ought to have voted for the Harding ship subsidy. Then, instead of having your wheat crop of 650,000,000 bushels or 750,000,000 bushels a year, you will have a billion bushels in the second year. Why? There are millions of acres of fertile land in this country into which a plow has never been stuck that can raise wheat, and we all know it.

It is an economic proposition as sound as anything in the world that when you stimulate the price of a commodity you stimulate its production. They talk about buying this stuff and handling it through the cooperative associations. I make the prophecy now that if this bill becomes a law, in two years' time there will not be a responsible cooperative marketing association left in the United States handling these commodities.

Why do I say that? When a farmer goes into a cooperative marketing association there is a great expense attached to it. There is an overhead not only for the salary of the officers but for the cost of storage and warehousing of its products. Do you think any intelligent American farmer would be fool enough to go into and stay in a cooperative marketing association and bear his share of the overhead expense when the farmer on the outside, if this bill becomes a law, with this subsidy out of the Treasury, will get just as much for his product as the man who gets in, because Uncle Sam will take care of all the loss for two years?

No. The intelligent farmer will say, "There is no need of my going into a cooperative marketing association and bearing my share of the overhead expense when the man outside gets as much out of the Treasury as I am getting." Of course they will not remain in those cooperative marketing associations, and thus you will tear down the nucleus of farm cooperative organizations by the enactment of this measure.

That is why, gentlemen, I am in favor of the Aswell bill. To be sure, it may not do everything that is claimed for it, but so far as it goes it is absolutely constructive. I am not going to say to my farmers that I favor the Haugen bill, when I feel and know that with this subsidy out of the Treasury at the end of two years you will find American farmers with 26,000,000 bales of cotton and a billion bushels of wheat and no telling how many million pounds of extra pork and surplus of cattle. In what condition will the American farmers be two years from now when you levy this equalization fee on his overhead?

To my way of thinking, gentleman, you will absolutely destroy the economic life of the agricultural interests of this country.

Mr. SNELL. Will the gentleman yield?

Mr. KINCHELOE. Yes.

Mr. SNELL. Which one of the three bills, if any, is the gentleman for?

Mr. KINCHELOE. I am for the Aswell bill, and I will tell you why I am for the Aswell bill. It does not take a dollar out of the Treasury. [Applause.] It is constructive. What does it do? We have cooperative marketing associations for the various products in every State in the Union now struggling around and doing the best they can. Lots of them have done splendid work. Talk about credit. I am against the Tincher bill because I am opposed to that political board. It is exactly like the board provided in the Haugen bill. I am not going to vote to put the American farmer at the tender mercies of that board. There is no political board in the Aswell bill. It sets out the farm organizations that shall elect the members of the board. And I will say to you that if you do not think that is enough, put some more on the board, so that all of agriculture will be represented. What are they going to do after they get started? They are going to have a national association and help the struggling cooperative marketing associations of every product in America. Uncle Sam, up to now, has not helped them, except by a loan through the War Finance Corporation. Then this national association is going to create zones. In other words, they are going to try to put into one gigantic cooperative association all the commodity that is raised in the United States of that specific kind.

How does it help if, in their struggling way and with no system, the potato growers of Maine are in a cooperative marketing association and the potato growers of Minnesota are in another one? They can not help each other, because they do not know each other and are probably selling in competition.

Mr. FUNK. Will the gentleman yield?

Mr. KINCHELOE. Yes.

Mr. FUNK. How long, in the opinion of the gentleman, will it take to get the Aswell bill so it will render any help to the farmer?

Mr. KINCHELOE. It may take a little longer than it will to ruin the farmers under the Haugen bill. I do not know. [Laughter.] I think probably it will take a little longer. What are they going to do?

Mr. FUNK. Will the gentleman yield further?

Mr. KINCHELOE. Yes.

Mr. FUNK. I asked for the gentleman's opinion in all seriousness and I would like to have a fair answer.

Mr. KINCHELOE. I want to be courteous, and I will say to the gentleman that I think it will start to help immediately after it becomes a law and the American people understand it. Why? Because the first thing this national association is going to do is to create these zones. They are going to elect their directors and these directors are going to get together. They are going to understand each other, and the potato growers of Maine and the potato growers of Minnesota are going to get together. Under the operations of the Aswell bill the corn growers of your State and of mine can get together, the tobacco growers can get together, and the cotton growers can get together.

It will be a national movement, and it will be of great help with this $100,000,000 fund for loans and with the strong arm of Uncle Sam back of them. Uncle Sam is going to say to these farmers who elect their own board, "You have been struggling in your own way and in the right direction for all these years, but you need the strong arm of Uncle Sam, with his finances and counsel, back of you in order to give you a national aspect." That is why I think it is going to help. I think it is constructive. I think you can have a national cooperative marketing association of farmers as well as you can have a national association of the American Federation of Labor. I think the farmer is as intelligent as the laborer, and I think this will be constructive. I think it will help him, and I am going to vote for it.

Of course, I do not think this is going to be a panacea for the farmer. If I had my way about it I would have some different legislation from this. Why, gentlemen came before our committee as witnesses and showed that discriminatory legislation is what put the farmer on the bum. They say that the tariff law and other laws have discriminated against the farmer, and I think that is true. I think the agricultural interests of this country have been practically bankrupted on account of the iniquitous protective tariff system of this country. [Applause.] I tell you the American farmer is not going to prosper as long as he is compelled to sell everything he raises in a world market and buy every manufactured product he buys in a protected market. You have decreased the purchasing power of his dollar from $1.01, when that bill became a law, to 60 cents.

I say to you, with all due respect, that I do not believe you can help the farmer under a protective-tariff system. But I think this Aswell bill will do it, because it will put him into a national cooperative marketing association; it will assist him in marketing his products more directly from the consumer to the producer better than through any other legislation I know of.

In 1922 the American farmer only got $7,500,000,000 for the food products he had raised, and the American consumer paid $22,500,000,000 for them. Do you not think it is fair that the farmer at least ought to have gotten half of that? [Applause.] If you are going to give it to him, how are you going to do it? What is more constructive than this Curtis-Aswell bill in order to cut out many of 3,000,000 retailers, wholesalers, and jobbers who are handling the farmers' products and for which the consumer is paying and which the farmer is losing.

I would also help the farmer and increase the purchasing power of his dollar by reducing the tariff on steel, aluminum, sugar, cotton goods, woolen goods, and many other goods he

buys for himself and family. I do not mean free trade, but I would increase the purchasing power of the farmer's dollar by making cheaper the things that he buys.

I do not believe you can increase the purchasing power of the farmer's dollar by some artificial stimulus by which you are trying to give him more money to buy at prohibitive prices.

I think you can help the farmer if you will increase the export demands for his products. How are you going to increase the export buying power in Europe unless you give the European manufacturer the right to ship some of his products over here and sell them in competition with the American manufacturer in order to get American dollars with which to buy the surplus products of our farms and take them back to their consumers? You can not do it. England and the other foreign countries owed us $14,000,000,000. There is only one of two ways they can pay it, either in gold, which they have not got, or in exchange of commodities. We demand of them, as Shylock of old, that they pay this money, and I think they ought to pay it, but they say they have no gold, and then we say that we will build a tariff wall around this country so high they can not ship their commodities into this country, and still we are blaming the European countries because they do not pay us this indebtedness. It is no wonder the foreign demand for our products is not greater.

As I have said, I would be before the Committee on Ways and Means asking for relief.

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

Mr. KINCHELOE. I yield to the gentleman.

Mr. DENISON. I am asking this question for information, and I think the gentleman can at least give me a good opinion. If there is any reason why this equalization fee should be postponed two years and a subsidy granted now, will there be any less reason for postponing it two years more and granting a new subsidy when the two years have expired?

Mr. KINCHELOE. No; but the fellows who are here lobbying for this bill know that if you make the equalization fee effective as provided under the Dickinson bill, they would not get enough votes in this House next Monday or Tuesday, whenever the vote comes, to wad a shotgun. They know the cotton fellows are too smart to grab at a thing like that because it would not work. They are smart enough to know that the corn fellows will not grab at a thing like that because they know it will not work on corn. Certainly, they will not do that, and that is the reason they have put in butter and all these other things in order to get enough votes.

In conclusion I want to say to my friends, the great Democratic Party has seen the birth and has heard the funeral dirge of every political party that has come and gone in this great Republic. We hear some of our good Republican friends talking about the tariff. Why, the Democratic Party had a tariff before the Republican Party was ever born. [Applause.] But they did not have it to create gigantic monopolies or to fix prices in this country to rob the consumers. They had it for the purpose of raising revenue, and how many of you have always said that a high protective tariff robs the consumers of this country and does not help the American laborer. That it helps the American laborer is the most complete fallacy, to my mind, in the world. Does it help the carpenter, does it help the bricklayer, does it help the hodcarrier, does it help the coal miner? It certainly does not help the textile workers up here in New Jersey. I am sure they do not think so with this strike on, with all the protection this industry has.

I want to say to my Democratic friends from the South that when you vote for this Haugen bill you are doing more than voting for a tariff. You are not going to stop there; you are going to vote to give this board, through the President, the right to declare an embargo, and when your consumers begin to complain about the prices they have to pay for manufactured products under the Fordney-McCumber bill, do not come back and cuss the Fordney-McCumber bill, because you have gone them one better and put on an embargo. [Applause.] Do not come here any more and cuss the Republican Party for favoring a subsidy out of the Treasury for the shipping interests and other things of that sort, because you have knocked the barrel head out of the Treasury on this proposition, which, in my judgment, is going to redound to the ruination of the American farmer.

I am going to stand for the Aswell bill, because I think it is right. I am not going to sacrifice my political principles. I am not going to be stampeded into voting for a bill that is held out as a temporary measure, which I think is going to ruin the agricultural interests of this country. You can say to your cotton farmers what you please, but I am not going to say to my tobacco farmers that I voted for a bill of this kind which takes $350,000,000 out of the Treasury in the way of a subsidy, part of which comes out of their pockets, because they have paid it into the Treasury of the United States. I do not know whether you ever thought of it or not, but tobacco is the only farm product on which there is a revenue to the Government of about $400,000,000. I am not going to say to my tobacco farmers, "You know an equalization fee would not do you any good; but I voted for a bill to take $350,000,000 out of the Treasury, a part of it your money, in order to put over an artificial bill which in the end is going to be the ruination of the American farmer. My tobacco farmers are not only not included in the bill, but a part of the taxes they pay into the Federal Treasury will be taken out to help pay the loss on the basic commodities named in the bill.

I am going to stand on the principle of favoring a reduction of these prohibitive-tariff rates, and I am going before my people consistently, and I want to see the Democratic Party in the coming congressional election go before the consumers, the farmers of the West and Northwest, and show them how they have been ruined by the discriminatory tariff law passed under a Republican administration. I am going to remain a consistent Democrat, and I hope to have the pleasure some time of having the gentleman from Oklahoma [Mr. GARBER] in my audience when I discuss this subject. [Applause.]

Mr. ASWELL. Mr. Chairman, I yield 30 minutes to the gentleman from Arkansas [Mr. PARKS].

Mr. PARKS. Mr. Chairman and members of the committee, for more than an hour we sat here and attentively listened to a speech by the distinguished gentleman from Kentucky [Mr. KINCHELOE] on the bills now pending, which, in my humble judgment, is absolutely unanswerable. I feel a great hesitancy in following that splendid, statesmanlike utterance and in asking your attention for even a moment.

During my years of service here I have become thoroughly convinced that it is usually a waste of time to discuss on the floor of the House pending legislation. It has been my practice to do my work in the committee and express my views on the floor by my vote only.

The rule and the practice in the House has been to give to the committee full credit and to follow its recommendation. On party measures the party in power has followed the committee and on nonpartisan measures the committee has always controlled. One notable exception to this practice, however, was when the House refused to accept the Mellon bill and followed the lead of that courageous, able, and patriotic statesman from Texas [Mr. GARNER] and rejected the Mellon bill, and brought relief to millions of taxpayers under the Garner plan. [Applause.]

That the arguments on the floor have usually proved futile is evidenced by the fact that when the recent revenue bill was brought to the floor of the House approximately a million words were uttered in debate, at an expense to the taxpayers of $10,000 for printing alone, and yet not a single amendment was adopted to that measure except the amendments suggested, offered, or indorsed by the committee.

To-day I would not take the time of the House to discuss this measure if the Committee on Agriculture had brought in a bill with a recommendation for its passage. I dare say in the annals of legislation no such situation ever confronted the House of Representatives as that presented now. The Committee on Agriculture is composed of men of courage, ability, and character, and yet this great committee dared not assume responsibility for any bill. The idea of the cartoonist when he depicted the Committee on Agriculture leaving three foundlings on the doorstep of Congress and then fleeing before it could be discovered who the father of the illegitimates was, does not have my full approval. However, I can not deny there is some point in it.

It is not my purpose to discuss section by section the Haugen bill, but every man here recognizes that it is our old friend, "Miss Mary Haugen," in a new bonnet and dress of the 1926 model. She is parading to-day to catch a beau for the fall election and wrapped in a tariff shawl; she has some of our Democratic leaders carrying her train and holding her parasol while she gives her smiles and bestows her favors on her Republican suitors. [Applause.]

Oh, my friends, I marveled to-day as I saw Democrats, lifelong Democrats, disciples of the great Jefferson, students of political economy, sit and cheer repeatedly the statement of a standpat, high-protective-tariff Republican when he declared that this indeed and in truth is nothing but a subsidy to be taken out of the Treasury of the United States.

Under the old McNary-Haugen bill the party in power, fresh from a 7,000,000-majority victory, never dreamed that Democrats would join in a tariff stand and only asked that prices be fixed under a certain index system running over a period of years. To-day the Republican Party, feeding fat and bold on power, throws her arm around the farmer with a deceitful

statement on her lips, and challenges the party of Jefferson and Jackson to strike its flag and surrender to the tariff barons of the land.

The Haugen bill embodies the most vicious policies of the Republican Party. Not in the history of the Democratic Party have we ever stood for a subsidy, although we may have given gratuities in the time of war. The Haugen bill not only boldly declares for a subsidy, but it adds to it the most vicious tariff policy that the Republicans have dared to foist upon the people in 50 years.

This bill, however, is the most abject confession of the failure of the Republican Party, and the report of the chairman of the Committee on Agriculture is the most terrific arraignment of the Republican administration that I have ever read.

Four years ago the Republicans brought into this House the most vicious tariff measure ever proposed and offered it as the harbinger of a new civilization, and when the author of the measure took the floor to declare its virtues the Republican Members arose from their seats and hailed him as another Moses come to lead us out of the shadows of the valley of business depression onto the tops of the sunlit peaks of the world's greatest prosperity.

And yet after four years of the Fordney-McCumber tariff law the Republicans come and say we have the greatest business depression we have had in this country since the Civil War. [Applause.] After four years they come to you and say they have the greatest problem with respect to the farmer, after years of high tariff, they have ever had in the history of this Government. [Applause.]

After four years under a Republican tariff, the chairman of the Agricultural Committee, a stand-pat, reactionary, patron saint of high protective tariff, brings to this House a criticism of his party that is without parallel.

The years 1917 and 1918 brought to the American farmer the greatest prosperity he ever enjoyed, to the American flag a new glory, and to the world the hope of everlasting peace. This prosperity and this glory came under a Democratic administration and under the leadership of the world's most altruistic statesman and the guidance of the Nation's most majestic mind.

The gentleman from Iowa [Mr. HAUGEN] on page 10 of his report says:

> The decline in the economic position of agriculture has been the chief cause of the enormous number of bank failures in the United States since 1920, without parallel in any previous period in our history.
>
> The number of bank failures in 1924 (915) was 42.5 per cent larger than the number of failures in 1893 (642).

The Republican chairman of this committee dares to put in writing that under the highest tariff bill ever written the financial disasters in the United States were 42.5 per cent larger than the number of failures in 1893, under the Cleveland administration, which is acknowledged to be the year of the greatest depression ever under a Democratic administration. From 1920 to 1925 we have been going back to "normalcy," and yet we are told in this report that under the Fordney tariff bill—under a Republican administration, backed by the boasted 7,000,000 Republican majority—

> the number of bank failures for the period of 1920 to 1925, inclusive (2,494), was greater than the number of failures during a period of 26 years prior to 1920 (2,424).

In other words, the Republican Party comes here to-day and confesses that in 26 years prior to the Harding administration we only had 2,424 bank failures—10 years under the Underwood tariff law—while under the Fordney-McCumber tariff law, which was supposed to have brought prosperity to the land, we have had 2,494; and this does not include the banks that failed and reopened.

In four years under the Fordney-McCumber tariff law we had nearly 2,500 bank failures, with liabilities a little short of a billion dollars, and we are now asked to bring this one little relief of a tariff increase to the farmer and permit him to share in this prosperity period of banks and participate in their bankruptcy that they have enjoyed under this present tariff law.

But let us walk a little further with the chairman of this committee as he shows us the way to greater prosperity to the farmer under a Republican tariff law.

On page 11 of his report he declares that in 1920 a total value of all farm property prior to the passage of the Fordney-McCumber tariff law was $79,607,000,000 and that four years of high tariff, and after the passage of the emergency tariff law, farm values had shrunk to $59,154,000,000, a loss under the Republican rule of $20,555,000,000 to the farmer. Can we trust that party to lead the farmer?

All farm property in the United States in 1925, after five years of Republican control, had but 84.4 per cent of the purchasing power it had under the Wilson administration before the war.

On page 13 of this report you find language to which I direct especially the attention of my Democratic colleagues, as follows:

> Ever since we made the fight for the McNary-Haugen bill the farm organizations have taken the position that they do not want a subsidy; that if given a measure that will make the tariff 100 per cent effective for agriculture we will be more than glad to absorb the losses—

And so forth.

> But if it be necessary to go further to show you where the "nigger in the woodpile" is, you have only to refer to page 2 of the bill, which declares its purpose to be to protect domestic markets against world prices and assure the maximum benefits of the tariff upon agricultural commodities.

Will some man from a cotton-growing State advise me that if even he were willing to join with the Republicans in the levy of a protective tariff, how he could benefit the cotton grower when we import no cotton?

I represent, Mr. Chairman, not only the people who belong to the cooperative associations, headed usually by business men and bankers, but I represent the business men, the workers, the consumers, and, above all else, the real farmer who follows the plow, bends his back to the noonday sun, but has not the money to join a cooperative association or farm organization, and can not employ a representative to come here and present his views to Congress. He can only exercise the right given to him under the Constitution to elect a Representative to Congress to speak his sentiments. So long as I am here, not by my vote shall the Constitution of this land be violated and a direct tax laid upon his property in order that the tariff barons of this land may further pillage and plunder the consumers of America. [Applause.]

Never by my vote will I consent that a revenue agent of the Federal Government shall sit in the gin houses of the South and collect a tax of from $5 to $20 a bale on cotton in order that a bill might be passed that would make the tariff effective for the wheat and corn growers of the great Middle West.

As I said in the beginning, I do not impute impure motives to any man, but this bill is brought in at this time by the Republican Party under the leadership of the gentleman from Iowa [Mr. HAUGEN] that he may go to the wheat and corn growers of the West and Middle West before the fall election and say to them that their prophecy for the Fordney-McCumber tariff bill is untrue. But they will now come and bring you this great subsidy, paid by an unconstitutional tax on farm products, that you may continue the Republican Party in power.

Under the Fordney tariff law farmers have grown poorer and poorer, and under the mandate of the Republican Party enacted into law it has taken from the mouths of your babes the price of the food that you had earned for them and has given it to the tariff robbers that they might make you a false price on the things that you ate and the things that you used. You have been compelled to build them mansions in New York, castles in Spain, and villas in France, and when the day of judgment has come and you have read the record of the last four years, and can be fooled no longer, they say to the taxpayers of America in the hour of their travail that the three hundred and eighty-odd million dollars in taxes we saved you this year will now be taken away from you and put in a subsidy for political purposes. [Laughter and applause.]

Their only excuse is that in time of war you subsidized the railroads, and have subsidized other industries, and argue because we have been committed to a policy by the Republicans of robbing the many to enrich the few, that we will justify ourselves in this instance.

I warn you now, my Democratic colleagues, that this is not a policy indorsed by the farmers, and this Committee on Agriculture and this House dare not face the issue and compel the farmers to pay a tax on their cotton to raise $100,000,000 to $250,000,000 to take care of the surplus until after the election. [Applause on the Democratic side.]

You can not materially affect the price of cotton by withdrawing from the market temporarily less than two and a half million bales. To do this will require a tax upon the cotton of the farmer of the South of from $10 to $20 a bale. Persons who have encouraged this legislation have boldly declared to me that if this equalization fee was made effective they hoped to control production by announcing on the 1st of January, through this board, that if the estimate of the Secretary of Agriculture on July 1 showed a production of more

than 12,000,000 bales that an equalization fee of $15 to $20 a bale would be collected, thereby confiscating a fifth of the earnings of the cotton farmers of the South. [Applause.]

All the authorities and all the arguments of man can not convince me that the framers of the Constitution intended to give to a board in the city of Washington the power to tax the property of the farmers of Arkansas and other States.

The author of this bill knows that it is not possible to be done. In order to dodge the Constitution the report of this committee declares that it is exercising a right given to us under the Constitution to regulate interstate commerce.

Mr. Chairman, I would like to hear some man who supports this legislation tell a farmer who has followed a mule all day long through the hot cotton furrows of the South that he was engaged in interstate commerce, and that a kindly Congressman he elected and a beneficent Government had wrapped themselves in the Constitution of our fathers and taken from him, as a direct tax, the earnings that belong to his children and family. [Laughter and applause.]

After recording the dismal failure of the Republican tariff measure, the chairman of this committee proceeds to invite us to join the Republican Party, as he says, on page 2 of his report:

> * * * Our present tariff, to a very large extent, is inoperative. The effect of the world price upon the entire crop can be removed by removing the exportable surplus, so that the domestic price will be protected by the tariff.

And I shudder to think that Democrats, without a single blot on their party integrity, have yielded to the song of the siren and are turning their backs on the principles of Jefferson and are indorsing not only the high tariff bill of the Republican Party but will vote to centralize in the hands of the President of the United States a power never given to any human being in this land, even under the stress of war.

I do not mean, Mr. Chairman, to impugn the motive of any man or to criticize any individual. I have reached that period of life where the shadows have begun to lengthen, and in the ripeness of years and the maturity of age I stand aghast at my many weaknesses and my faults glare up at me throughout the livelong day. I find so many men so much stronger, so much wiser, and so much better than I that I "dare not hurl the cynic's band" or criticize one of my colleagues.

I recognize that every man on this side of the Chamber has but one purpose, and but one hope, and but one ambition, and that is to serve his people, and in order to serve them he must serve the farmer.

But I grieve that any man on this side of the aisle finds that in order to help the American farmer he must yield to the party of special privilege and must strike the flag of Democracy and admit that the economic salvation of the American people depends upon a high tariff.

I do not intend in my limited time to discuss all the sections of this horrible bill, but I want to devote what I say mostly to that feature with reference to the marketing of cotton.

Never before did I believe that the farmer of the South must come to Congress and plead to be delivered from his friends. If this bill becomes a law, automatically at the end of two years a board sitting in the District of Columbia, that will be composed mostly of men who never saw a growing boll of cotton except from a window of a Pullman train, will levy upon the cotton farmer of the South a sum sufficient to buy a million to two and a half million bales of cotton, and this sum will be extorted from him at the gin, under the authority of the Federal Government, without his consent and without his having contributed to the election of this board.

Mr. CRISP. Is it not true that the board will be constituted with 10 members from the nonproducing cotton States and only 3 from the States that produce cotton?

Mr. PARKS. I thank the gentleman for his correct statement of that fact.

Mr. McLAUGHLIN of Nebraska. Will the gentleman yield?

Mr. PARKS. I will.

Mr. McLAUGHLIN of Nebraska. The gentleman has referred to the masterful speech of the gentleman from Kentucky [Mr. KINCHELOE], in which the gentleman from Arkansas concurred, but it seems to me he is not in agreement with the gentleman from Kentucky, because he says that if they ever get their hands into the Treasury it will never go into effect, and the gentleman from Arkansas says it will.

Mr. PARKS. Of course, the gentleman is familiar with Holy Writ, and he knows there is nothing in the four Gospels that is so convincing to us of the truth of them as the fact that the writers of those four Gospels on immaterial things differed often. [Laughter.]

A million bales of cotton taken off of the market temporarily will but slightly affect the price, while an actual shortage of a million bales of cotton would have a tremendous effect on the price. I mean to say that 15,000,000 bales of cotton would bring a far greater price than 16,000,000 bales of cotton with 2,000,000 bales temporarily held as a surplus.

It will require $250,000,000, paid for by a tax on the farmers' cotton, to handle the surplus to materially affect the price. As the years go by this surplus will increase.

But I digress. Let us go back, you Democrats, and see whether under the guise of aiding the farmer we are going to abandon the policy under which the Democrats have fought every battle they have ever won since the days of Jefferson—and that is the tariff.

On page 10, line 18, of the bill we find—

> That the price of any such commodity * * * in any principal market of the United States is materially lower than the price thereof in the principal export market of the principal competing foreign country (as determined by the board) plus the amount of the tariff duty thereon and plus the charges normally incurred in transportation—

And so forth.

In the hours of the first days of the great and horrible World War one of the most brilliant, daring, and chivalrous young men who came out of the hills of Scotland fell on the field of battle—the son of that sweet singer, that great patriot, Harry Lauder, whom you all heard here after the war. As that young man lay dying, with his vision dimming, his blood flowing, and his life ebbing, he said to those who bent about him, "Carry on! Carry on!"

My Democratic colleagues, I take from the lips of this dying young highlander the battle cry of the Democratic Party to-day, the battle cry of a greater America, the battle cry of the farmer: "Carry on! Carry on! Carry on!" [Prolonged applause on the Democratic side.]

Again on page 11, line 4, of the bill we find that the board is empowered to—

> assist producers of cotton in controlling the quantity in excess of requirements for orderly marketing—in maintaining domestic prices, which yield maximum benefits of tariff thereon, etc.

Mr. Chairman, can any Democrat delude himself into the belief that he is aiding the farmer, or is he giving to the Republican Party a weapon to destroy the only party that has ever fought special privilege and the doctrine of plundering the many to enrich the few?

It is true, I confess, that our splendid party of the people year after year has fallen under the assault of the recipients of bought favors and has been beaten down by the spears of gold at the ballot box.

But I can look down through the vista of years and see that while only now and then we have been in power that history tells us the greatest benefits that have come to the American people have come under a Democratic administration and under a tariff for revenue only.

But the tariff is not the greatest vice of this measure. Thomas Jefferson made his greatest reputation as a statesman and as a friend of man in fighting centralized power and a centralized Government, and yet this bill provides, in section 18, that the President, by proclamation, may forbid the importation into the United States, when he deems it advisable, of any commodity named in this bill. But that is not all. It further provides that he may forbid the importation into this country of not only the commodities but any derivatives thereof.

That, Mr. Chairman, includes everything on earth that a man eats or wears.

You can not forbid the importation of cotton, because we import no cotton, and that would not raise the price of cotton to the southern farmer. But you can forbid the importation of the derivatives of cotton, which is cotton cloth, and so forth, and thereby compel the cotton farmer to pay an enormous tribute to the cotton manufacturers of the United States.

But it is not alone the question of tariff about which I complain here, but it is the violation of the Constitution and the centralizing in any one man such power as this. No such power was ever given to any president and but few monarchs.

But let us turn aside from that and see some other provisions of this bill. Nowhere do I find that any farmer has any voice in the election of this board or the fixing of the fee or the delegation of power under this bill. The only time the individual farmer is mentioned, as I recall, is on page 15 of the bill, line 6, when it says that the board is empowered "to collect the equalization fee from the producer."

Ah, Mr. Chairman, the farmer is never mentioned until pay day comes. "Old Man People" is never consulted until he is

called on to pay. Everywhere else in this bill the cooperative organizations and the farm associations are the ones who elect the men to draw the salary, fix the fee, and collect the tribute from the toiling masses of our country.

Let me give you good Democrats a little information gained from an editorial in the Washington Post of yesterday morning, which of course is information you already had:

FARMERS AND TAXES

One great trouble with agriculture is State and local taxes, over which the Government and Congress have no control.

Direct and indirect taxes paid by farmers and owners of farm property in 1913 aggregated approximately $624,000,000, or about 9 per cent of the gross agricultural income. In 1922 this had risen to approximately $1,436,000,000, or about 13 per cent of the gross agricultural income. Thus State and local taxes on farms and farm property increased about 133 per cent in nine years.

Direct taxes on farm property, amounting to about $265,000,000 in the period between 1909 and 1914, mounted to $891,000,000 in 1924 and 1925. The most acute situation arose in 1920 and 1921, the very years of greatest agricultural distress and depression, when total taxes on farm property increased from $596,000,000 to $848,000,000, or about 42 per cent.

This shows that while Congress has lifted the Federal-tax burden from the American farmer and others of the United States, amounting to nearly $400,000,000, State and local taxes have kept his nose to the "grindstone." And now this Congress comes in under the leadership of a stand-pat Republican, turns down a bill by that student not only of economics but of the problems of the farmer from a practical standpoint, Doctor Aswell, of Louisiana, a stalwart Democrat. He has given the best years of his life to the study of farmers and farmers' problems. Day in and day out he has opened his window and looked out toward Jerusalem and prayed that he might be able to devise some legislative plan for the relief of the farmer, and I to-day invite you men from the cotton States to stand by him on a nonpartisan measure and against the most vicious Republican high tariff measure which has ever been conceived by the mind of man. [Applause.]

Do I exaggerate this situation? Have I worried the Members of this Congress in long-winded speeches in order to protract my stay here? My people have been content to leave it to me, and in a little while I hope to go back to them and say I have kept the faith, I have fought the fight, I have done the best I could. The sun is beginning to golden for me in the west, and in a few years some younger and more energetic man must take up the fight where I left off, but I shall go out as I came in—a Democrat—100 per cent. [Applause.]

I have never voted for a tariff or subsidy; I have never voted for an increase in taxation anywhere in my life.

I will probably fail in this fight, but I am going down flying the flag of the American farmer and the American consumer.

Just a little bit more and I shall be through.

Have you any doubt that the Washington Evening Star is a Republican paper? I grant you that it is one of the fairest and strongest and ablest edited Republican papers that I know. It probably calls itself an independent, but it lives on a high plane and says the things it believes are right, and I have not known it to stoop to little and contemptible things to gain a point, and one of its writers fairly states the case of the Haugen bill. May I read it to you?

It says:

The Haugen bill creates the familiar Federal farm advisory council and Federal farm board, the latter would be a part of the Department of Agriculture and to consist of 12 members, with salaries of $10,000 each. An appropriation of $375,000,000 from the United States Treasury is placed at the disposal of this board, and after it gets the money its conscience is its guide, if any.

The money is to be loaned by the board to cooperative associations or other agencies for the purpose of buying up crop surpluses in order that prices shall be maintained at world price—plus tariff, plus transportation—level. * * * It is on this basis that the board is to function for two years after the passage of the act. * * *

The "equalization fee" is a device borrowed from the McNary-Haugen bill, with some modifications. It is supposed to be collected from all producers of any crop, etc.

Permit me to quote a little further from this newspaper:

A good deal of surprise has been expressed on Capitol Hill that Democratic Members of Congress should be supporting the Haugen bill, for its passage would mark the first time in history when the protection afforded by the tariff was an absolute and positive guaranty of price, unregulated by domestic competition. The bill frankly seeks to guarantee that the world price, plus the tariff, plus transportation, shall be the minimum price for farm products.

Again referring to section 18, this language is used:

An analysis of section 18 in connection with other provisions of the bill leads to the conclusion that something like this might happen.

Conditions are unusually favorable in this country for wheat, and the summer harvest shows that the United States will have an exportable surplus of 300,000,000 bushels. At the same time conditions in Canada, in France, in Hungary, and Rumania, and other producing regions in the Northern Hemisphere are unfavorable, and it seems there will be a world shortage. The Federal Farm Bureau decides that $2 a bushel will be a "fair and reasonable price" for American wheat and advances the money to buy up the surplus at that figure. In the meantime Europe and other wheat-importing areas are husbanding their short supplies and not buying American wheat until they have eaten up their short supplies; Australia and the Argentine and other wheat-growing regions in the Southern Hemisphere have harvested a bumper crop and have an exportable surplus more than sufficient to meet Europe's needs.

Under normal conditions there would be importations of wheat into the United States to break the artificially maintained American price, but under the Haugen law the President would declare an embargo, and the American people would eat their $2 wheat, while the rest of the world had wheat at $1, and in addition would go into their pockets to make up the losses on the 300,000,000 bushels held in storage.

The one person who would not suffer directly as a result of this condition would be the wheat grower. On the contrary, $2 wheat would look so good to him that next year he would largely increase his acreage, producing a still larger surplus to add to the surplus carried over from the year before. Why not when a beneficent Government, with money derived from general taxation, is going to protect him against loss—

Until we collect the equalization tax.

This, my Democratic colleagues, comes from a Republican paper. While no wheat grows in my district, I would be a disgrace to the people who sent me here if I did not consider the interest of the wheat farmer, but under this legislative price-fixing bill the cotton farmer who can not be protected by the tariff, even under the powers of the czar given to the President to exclude imports, must feed his children on $20 a barrel flour in order that you may return a Republican Congress to power and maintain a Republican administration.

May I call your attention once more to the bill itself, which provides—

whenever the board finds, first—

Not when the farmer finds—

that there is or may be, etc., a surplus above the domestic requirements, etc., for the orderly marketing of cotton; and, second, that a substantial number of cooperative organizations or other associations, etc.

This gives absolutely no consideration to the individual farmer.

In other words, if every farmer in America should plead with this board to take action it would be without effect unless some cooperative organization or association asked it.

Mr. Chairman, there is no use to disguise the object of this bill. It can be effective but in one way on earth, and that is to limit production. We of the South have for years begged the cotton farmer to plant less cotton and reduce his production, but we recognize that he has a constitutional right to plant all the cotton and cultivate all the land he desires, and there is no power vested in the Federal Government to compel him to do otherwise.

Why should not the proponents of this bill have the courage to bring in a bill giving this board the right to say how many acres of land each farmer should cultivate and what he should plant? It would be as just and as much within the Constitution as this bill.

May I call your attention to the fact that a few weeks ago farm organizations of the country met at Chicago and in a resolution roundly denounced the Republican tariff that favored the manufacturers at the expense of the consumers?

To-day this Congress is about to answer that appeal of the farmers by making this "tariff more effective."

Very recently President Coolidge said in a speech in Chicago—

Government control can not be divorced from political control.

Recently in a letter to the President, Mr. B. F. Yoakum, one of the greatest thinkers of this country and one of the greatest friends of the farmer, said, in referring to the bill before us:

The dangerous Haugen bill would destroy existing farm cooperative associations, which have been built up, as stated by you, "as the result of centuries of struggle."

When any farm commodity is placed under "operation" by the Federal farm board, the equalization fee on that commodity would be paid under regulations prescribed by the board.

The board would require every person, individual, partnership, corporation, or association engaged in processing or purchasing any commodity placed under "operation" to file returns under oath in respect thereof, and to show the amount of equalization fee thereon, and all facts in connection with its payment or collection.

Anyone who fails to collect from the producer and pay to the Federal board the equalization fee is liable for such fee and a penalty equal to one-half of the amount of such fee.

Some of the advocates of the Haugen bill estimate that the equalization fee on wheat would be about 8 cents a bushel. Under the enormous machinery the board will build up it will be nearer 25 cents.

An enforced compliance with the provisions of the Haugen bill would require as strict supervision and as large an army of Government inspectors—probably at as great expense—as is now required to enforce prohibition.

The Haugen bill is so impracticable, so unworkable, and so uneconomic that it would be destructive not only to the farmer but every business of the country, big and little.

I will not undertake to go further into detail. I will go directly at the reason why it is desirable by large interests to have it enacted into a Federal law.

You will observe that the Haugen bill has not a word or a remote suggestion toward bringing the producer and consumer, whose interests are inseparable, in closer contact in a manner that would increase the farmers' income and reduce the consumers' cost of living.

On the contrary, the Haugen bill would compel the 84,000,000 people who do not produce foodstuffs to pay more than the present exorbitantly high prices they are forced to pay.

One of the chief results of the Haugen bill would be to develop a powerful political machine to control the supporting industry of the country, thereby creating a central and powerful government of bureaucracy, destroying the government of democracy.

The phraseology of the Haugen bill is full of disguises and deceptions. It is drafted in such a manner as to cover up its real intent and use to which it can be applied.

In connection with entering into agreements to handle large quantities of farm products and provide the necessary capital therefor, all know that no cooperative farm organization or association would be financially "capable of carrying out such agreements."

To overcome this the Haugen bill contains the following clause:

"If the board is of the opinion that there is no such cooperative association capable of carrying out any such agreement, the board may enter into such agreements with other agencies."

Therefore, this weak gesture of first offering to favor existing cooperative farm organizations is an impossible proposition intended to cover up the intent and purpose of the Haugen bill.

For instance: Within the last 10 days, and unquestionably in anticipation that the Haugen bill would be forced through Congress, there have been two strong mergers and combinations organized for engaging in and carrying on a flour-milling business.

One of these is the Flour Mills of America (Inc.), with a capital of $60,500,000.

Now, mind you, this is designated as a flour milling corporation!

But the incorporation papers of this big milling operation reserve the right to engage in import and export trade in foodstuffs and general agricultural pursuits.

Coincident with this flour milling organization there was a $15,000,000 corporation organized in the West under the same name, the Flour Mills of America (Inc.), making a total of $75,000,000 in the two propositions.

The latter owns and controls 150 grain elevators, with 7,000,000 bushels grain storage space.

The intent of these strong capitalistic corporations for the control of wheat and bread, with the authority to engage in general agricultural pursuits, needs no further explanation.

Such monopolistic corporations with unbounded wealth would pursue their business under a Federal law enacted by Congress should the Haugen bill be enacted.

These powerful corporations would be placed in a position to monopolize and make the prices for the farmers' wheat and make prices for flour in the kitchen with no regard for antitrust law.

The only present organized combined capital that can be regarded as "capable of carrying out any such agreements" with the Federal board as provided in the Haugen bill now engaged in processing cattle and swine are the large packers that are now the controlling factors in the trade of this Nation and largely of Europe. Not a word of opposition to the Haugen bill has come from that source.

Under the enactment of the Haugen bill the large packers would, naturally, remain supreme with the advantages given them through the enactment of a favorable Federal law fixing prices to stock growers who would have to pay equalization fees on marketing their beef cattle, and the same interest would fix prices to consumers with added fees.

The wording of the Haugen bill is so disguised and looks to silently to its future use that it requires close scrutiny to dig out the meaning and effect of the phraseology so ingeniously used in its preparation.

The Haugen bill does not even attempt to give any protection or relief to the over-burdened consumers of food products.

While on the other hand the Haugen bill would place the consumers absolutely under the control of the powerful corporations that are financially "capable of carrying out their agreements" involving hundreds of millions of dollars.

The wholly unnecessary tax, as embodied in the impracticable, uneconomic, and destructive Haugen bill, is a tax, first, upon the farmers' products at the farm; second, it is a tax upon the consumers, with all the unnecessary added expense incurred through the political board and the complicated manner in which it would have to be executed.

The day of the enactment of a Federal law that places farming in the joint control of politicians and large corporations will mark the beginning of the farmers' loss of their freedom and independence in the control and management of their business.

Let us advert for just a moment to the Constitution itself. If this bill becomes a law, it carries a direct tax upon agricultural commodities. The Constitution of the United States says:

> No capitation or other direct tax shall be laid unless in proportion to the census or enumeration hereinbefore directed to be taken.

In 1913, however, the sixteenth amendment to the Constitution was adopted, which changed this section and permitted the levying of an income tax by the Federal Government.

However, when the Supreme Court declared by a divided court that the income tax was unconstitutional, Mr. Chief Justice Fuller said (158 U. S. 601):

> The Constitution does not say that no direct tax shall be laid by apportionment on any other property than land; on the contrary, it forbids all unapportioned direct taxes; and we know of no warrant for excepting personal property for the exercise of the power.

This is not a per capita tax, but it is a direct tax in the nature of an ad valorem tax.

Before the decision in the income-tax case most lawyers believed that the inhibition against a direct tax would not apply to personal property but only to real property. But in summing up the case in the decision above referred to on page 637 the court said:

> Our conclusions may, therefore, be summed up as follows: Second, we are of opinion that taxes on personal property or on the income of personal property are likewise direct taxes.

Since the rendering of this opinion, which declared that a tax on personal property or on the income of personal property was a direct tax and unconstitutional, a constitutional amendment has been adopted providing for a tax on incomes. But nowhere and at no time has provision been made for the Government to put a direct tax upon the property of the people in any State, and this decision of the court, although rendered by a divided court, has been followed by all the courts unanimously.

The only right to lay a direct tax upon property is a right of the States, and the Federal Government has no more right to collect $15 a bale cotton tax at the ginhouses of the South than it has to absolutely confiscate the farmer's property or forbid him from cultivating his land.

If we take this further step under the guise of helping the farmer and permit the Federal Government to levy a direct tax upon property, we surrender the last vestige of State rights guaranteed to us by the Constitution.

Mr. Chairman, the Democratic Party was created for the purpose of preserving to the people the divine right to govern themselves. For more than a century the Democratic Party has fought the party of privilege and the party of centralized government. Year after year the hope of a contribution from the Federal Treasury has caused us to surrender just a little more of the States' sovereignty and just a little more of the rights of the States.

In my judgment this is the last stand; this is the last battle ground between the sovereign people to preserve to themselves the right guaranteed to them under the Constitution of self-government and the forces of special privilege. Once more Gideon's band is called to arms to battle for the Lord.

I want to call this bill particularly to the attention of my distinguished friend, the dean of our delegation, who is the chairman of the Democratic Congressional Campaign Committee. For 20 years he has stood in the Halls of Congress and ably thundered just condemnation against the protective tariff lords, who by the special privilege granted them by a Repub-

lican Congress have grown richer and richer, while the masses grow poorer and poorer.

Year after year he has hurled the javelin of rightousness full and fair against the shield of hideous special privilege, and whether we won or lost he has had the plaudits, the thanks, and the prayers of the toiling masses who had been pillaged and had their pockets picked by an outrageous tariff law.

To-day I bid him take courage and buckle on anew his armor.

This most vicious tariff measure—this Haugen bill—will be the smooth pebble that will so perfectly fit his sling that he can go forth with the absolute assurance that he has at last laid his hand upon the weapon that will slay this vicious political Goliath—high tariff.

I regret, Mr. Chairman, that I can not follow the lead of the committee in this measure, but after more than a quarter of a century of active service for my party I can not now surrender to privilege; I can not strike the flag of the people; I can not agree that the Democratic ship shall be scuttled; I can not admit that within the Democratic Party, and under the principles of Jefferson and Jackson, there is no aid for the southern farmer; I can not believe that I must leave my party; that I must turn aside from a nonpartisan measure, prepared and brought here by a stalwart Democrat from the very heart of the cotton field itself, and espouse the Republican cause and indorse a bill that out-Herods Herod.

In conclusion permit me to say that I agree that the statement of the spokesman for the Republican Party, when he confesses that the Fordney-McCumber high tariff act has impoverished the farmer, is absolutely true.

Something should be done for the farmer; something must be done for the farmer; but let me say to the farmers in all this great Nation that the passage of this act will not only impoverish them but will confiscate their earnings without their consent.

The battle cry of the Continental Army, "No taxation without representation," has been forgotten, but there is a remedy and there is a way. If the wheat farmers of the West and the wheat farmers of the Middle West will join hands with the cotton farmers of the South, who have never asked a subsidy or a special privilege of their Government, and will send here next fall a Democratic House and a Democratic Senate and follow that with a Democratic President, we will repeal the tariff law; we will take the hand of the tariff baron out of the farmer's pocket; we will bring back to him the prosperity he enjoyed under the Democratic administration; we will reduce the unjust and extortionate freight rates, and, once more, we will give him a fair chance in the great battle of life and restore to him that right given by God and guaranteed by the American Constitution of life, liberty, and the pursuit of happiness.

Mr. TINCHER. Mr. Chairman, I move that the committee do now rise. I will say to Members we are going right back into committee.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. MAPES, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the bill H. R. 11603, had come to no resolution thereon.

CONFEREES, PUBLIC BUILDING BILL

The SPEAKER. The Chair desires to state that since the withdrawal of the names of the conferees on the public buildings bill this morning, at the request of the gentleman from Tennessee [Mr. GARRETT], the Chair has conferred with the gentleman from Tennessee and with the chairman of the committee, and now announces the following conferees, which the Clerk will report.

The Clerk read as follows:

Mr. ELLIOTT, Mr. KOPP, and Mr. LANHAM.

Mr. TINCHER. Mr. Speaker, I move that the House resolve itself——

The SPEAKER. If the gentleman will withhold that a moment to enable the Chair to submit the following request.

The Clerk read as follows:

Mr. WILLIAMSON asks leave to withdraw from the files of the House, without leaving copies, the papers in the case of Joseph J. Boest, H. R. 6705, Sixty-eighth Congress, no adverse report having been made thereon.

The SPEAKER. Is there objection to this request? [After a pause.] The Chair hears none.

ADDRESS OF HON. J. ALFRED TAYLOR, OF WEST VIRGINIA

Mr. GARRETT of Tennessee. Mr. Speaker, I ask unanimous consent that the gentleman from West Virginia [Mr. TAYLOR] may have consent to extend his remarks in the RECORD by inserting a speech made by him over the radio.

The SPEAKER. The gentleman from Tennessee asks unanimous consent that the gentleman from West Virginia [Mr. TAYLOR] may have the privilege of extending his remarks in the RECORD by printing a speech which he recently delivered over the radio. Is there objection? [After a pause.] The Chair hears none.

Mr. TAYLOR of West Virginia. Mr. Speaker, under leave to extend my remarks in the RECORD I insert the following speech which I recently made over the radio:

ACHIEVEMENTS OF THE DEMOCRATIC PARTY

Ladies and gentlemen, this afternoon I attended a baseball game between Democratic and Republican Members of the House of Representatives. The city had been placarded with advertisements of the conflict, saying "As goes this game, so goes the Nation." The Democrats accepted this challenge, in which the Republicans acquiesced, and, overcoming a 7-run lead in the first inning, the Democrats emerged victorious at the conclusion of the game by a score of 12 to 9, a portent of what, let it be hoped, will happen when the Nation is again called upon in a general election to choose public servants.

I find that making a radio speech is somewhat like making a speech in the House of Representatives—not many persons are in evidence. But as a Member of Congress speaking in the House depends upon the CONGRESSIONAL RECORD to give his speech wide distribution, so I am depending to-night on the radio to convey my thoughts and words over mountain and valley and plain into the homes of hundreds of people typical of the citizenship of this great Republic.

I am old-fashioned enough to look upon the Government of the United States as a corporation in which every citizen holds one share of stock, making us all equal partners. Members of Congress, therefore, are directors of this great corporation, commissioned to act as such by the stockholders. We sometimes feel that we are separate and apart from our Government—that the Government is far removed from us. When we have such a feeling we should check it by recalling a little verse which says:

"I'm but a cog in life's vast wheel
That daily makes the same old trip;
But O what joy it is to feel
That but for me the wheel might slip.
'Tis something, after all, to jog
Along and be a first-class cog."

Some people have erroneous impressions as to where government really exists. Some of you may believe that government only exists here in Washington, because this is where the President and his Cabinet reside and where Congress convenes on the first Monday in December of each year for the enactment of Federal legislation. Others of my hearers may have concluded that government exists only at the respective capitals of their various States, because there is the home of the governor and the elective State officers, and there the legislature convenes at stated periods for the enactment of State laws. Still others may conclude that government exists only at the county seats of their respective counties, where sheriffs and county judges reside and where the machinery of local government exists.

These are all erroneous impressions. Government does not exist in the Capitol or the White House here in Washington, or in your statehouse or your courthouse, or in your city hall. Government exists under your own roof trees and by your own firesides. The homes of the people of the country, such as yours, are the real seat of government, and you are the real power back of the men who act as your directors, and by determining to be first-class cogs in the machine of government, taking an active interest in all public affairs, you can have the kind of government—local, State, and National—that you want.

But instead of this being a speech on citizenship, it is to be a political speech, and I must talk about my party and its achievements. I like to do this. I am like the maiden lady who read a wild newspaper story to the effect that kissing was a dangerous practice, and if allowed to continue that great pestilence might sweep over the land, claiming thousands of lives. Immediately on reading this the lady hurried away to her family physician and told him what she had read. "Yes," inquired the physician, "Why did you come to me?" "Well, a man kissed me," she replied. "When were you kissed?" demanded the physician. The lady knit her brows in deep thought for a moment and said, "Come this next spring, it will have been 14 years." "Madame," roared the doctor, "you are in no danger, and it is foolish for you to come to me about this." "Well," said the lady, "really I didn't think I was in any danger, but don't you know I just love to talk about it." So I like to talk about the Democratic Party and its great achieve-

ments for the common people of the country, but I can not, in the limited time at my disposal, attempt to enumerate its record of service when intrusted with power. I do not contend, however, that the Democratic Party is always right and the Republican Party always wrong.

I am a firm believer in the biparty form of government. I contend that under our system of biparty government one great political party, ready and willing to assume control in case of maladministration on the part of the party in power, is the best safeguard of the rights and liberties of the American people who form the great Government under which we live. For some years past the Democratic Party has been engaged in the difficult task of making the Republican Party be good, and I am quite willing now for the Republican Party to assume the same rôle toward the Democratic Party.

All of our citizens, irrespective of party, are striving for that which is best in government. That men and women are open minded enough to rebuke a party for wrongdoing is a hopeful sign. I hope the time is quickly passing that men will say, "My party, may it always be right; but right or wrong, my party."

Unfortunately there are groups and classes in this country, greatly in the minority, who seek or demand special privilege. It is the solemn duty of men and women of all parties to resist this demand. A sufficient number of interested persons, standing together in a political party, can make that party stand for what they choose. Too often the political policy of a party is dictated by those whose interests are inimical to the well-being of the people.

Those who seek special privilege would accept it at the hands of either of our great political parties. I am a Democrat because I believe that the Democratic Party, steering by the course laid down by Jefferson and Jackson, has kept itself, as a whole, freer from the clutches of the special-privilege seeking classes than has the Republican Party. I believe that was especially true during the splendid administration of Woodrow Wilson, when many great constructive measures were enacted into law, all of which were criticized by our Republican friends, but none of which have been repealed, though the Republicans have been in control of Congress for eight years. I find that in the House of Representatives the Democrats are constantly fighting against the encroachment of special privilege and my party is serving the people even in defeat.

I look upon the Democratic Party, because of its history and tradition, as being the vehicle by which the great masses of the common people can best express their hopes, their ideals, and their aspirations. It asks nothing that it does not concede, and it concedes nothing that it does not demand. For this, especially, it commends itself to me. I have always fought to keep my party clean and willing to render public service without fear or favor.

So long as I and others who fight with me are able to keep it true to the great principles which have caused me to have an abiding faith in its integrity I shall continue to fight under its banner. I can serve my party best by serving humanity. My veneration for a party of lofty aims and high ideals has planted a philosophy of service within me and some time ago I gave expression to this philosophy in a bit of original verse. I repeat it now:

When I go forth upon the great adventure
And those who know me speak of me as dead,
'Twill be full recompense for all life's trials
If in my memory then it may be said:
"He did his best in every field of labor;"
"He was a steadfast, faithful friend;"
"He was a kind and sympathetic neighbor;
"Whate'er he had he'd gladly give or lend;"
"His life touched mine and I am made the better."
Dear friends, if all these things you well may say
The grave for me will be no prison fetter,
My soul shall quick go singing on its way.

FARM RELIEF

Mr. TINCHER. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 11603.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 11603, with Mr. MAPES in the chair.

The CHAIRMAN. The House in Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 11603, which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 11603) to establish a Federal farm board to aid in the orderly marketing and in the control and disposition of the surplus of agricultural commodities.

The CHAIRMAN. The Chair will announce the time as requested by the gentleman from Louisiana before the gentleman from Arkansas took the floor. The Chair understands that those in control of the time desire the time consumed at the evening session be kept separately from that consumed in the daytime. The time consumed in the daytime is as follows, including the last speech made by the gentleman from Arkansas [Mr. PARKS]: Mr. HAUGEN has consumed 3 hours and 10 minutes, the gentleman from Kansas [Mr. TINCHER] 3 hours and 25 minutes, and the gentleman from Louisiana [Mr. ASWELL] 4 hours and 30 minutes. The time consumed at the night session: The gentleman from Iowa [Mr. HAUGEN] 1 hour and 19 minutes, the gentleman from Kansas [Mr. TINCHER] 50 minutes, and the gentleman from Louisiana [Mr. ASWELL] 35 minutes.

Mr. SWANK. Mr. Chairman, I yield 30 minutes to the gentleman from South Carolina [Mr. FULMER]. [Applause.]

Mr. FULMER. Mr. Chairman and members of the committee, as you know I am not an attorney and therefore I am not long on speech making, but as a business man and as a farmer, it is a great privilege and it gives me great pleasure to speak to you on what I think is the greatest question before the Congress and the American people to-day—relief for agriculture.

In speaking to you on the subject of agriculture, I am speaking out of a ripe experience, having been born and reared on the farm and as a boy having plowed many acres of cotton, and picked many hundreds of pounds of cotton. Thence, into the mercantile business, I supplied farmers with supplies and fertilizers (also cash to carry on), and bought and sold thousands of bales of cotton. On my own farm I produced 205 bales of cotton on 225 acres last year. Therefore, I am sure that I can speak for a class of people to-day that has been neglected in the past as far as legislation along the line that you have given to practically every other line of industry is concerned. I believe I know the ins and outs of the southern farmer.

I want to say, my friends, that it has been a great pleasure to serve with you in this, the greatest legislative body on earth, during the past five years in which I have observed a few things. As a matter of fact, we have about three types of Representatives when it comes to agriculture. First, a large number of Members who know quite a lot about agriculture and are deeply concerned in representing the agricultural interest; second, a large number who do not know anything about agriculture, as they are from nonagricultural States and from the large cities mostly in the East. Lastly, we have a few Members who do not seem to care. Perhaps I can better illustrate by relating a story which happened some time ago. A farmer hooked up his team and drove to his home town for some groceries. On his way back home his team ran away and threw him out. About that time another farmer drove up and said, "Neighbor, what is your trouble?" To which he replied, "My team ran away with me just now and threw me out and came very near breaking my neck." "Is that so; what are you driving?" The farmer said, "I am driving that young mule of mine and that old bull of mine." The other farmer said, "Why, what caused your team to run away?" With fire gleaming from his eyes, the old farmer straightened up and said, "Neighbor, it's just like this: That young mule of mine didn't know any better, and that old bull of mine just didn't give a damn." [Laughter.]

I have also observed—sorry to say—that the kind of government spoken of by Lincoln—the only kind that will endure, a government of the people, by the people, and for the people—is fast passing away, and to-day we have a Government, in a large measure, of the few, by the few, and for the few. This great Congress day by day is gradually legislating and otherwise delegating its powers and functions to the executive branch of Government and to departments, commissions, and boards. Therefore, legislation in the interest of the great masses and of the unorganized has hard sledging in this Congress. With the executive department dictating, propaganda in the press, certain administrative leaders trying to induce Members on this side to forsake their people who need legislation by harping on what is termed the administration bill and trying to claim that Republican members are splitting with the White House, all of which is for no other purpose than to defeat farm-relief legislation.

The President is long in broadcasting agricultural relief and the Secretary of Agriculture is "some" politician in trying to please everybody by holding conferences with various experts, economists, and farmers. Finally, when he wound up these conferences during this Congress he said to the farmers and their representatives, "Boys, go down to the Agricultural Committee and do the best that you can. If I can't be for you, I will not put any straws in your way."

We have been working night and day on the Agricultural Committee in our efforts to work out some constructive farm relief legislation.

The administration did not expect to offer any legislation, thinking to wind up as it has for the past three or four years, and feeling that the western folks would appear before the committee, which would finally report some bill either to be killed in the House or pigeonholed in the Senate. Since coming to Congress I have been interested in bringing together the West and the South so as to pass some national legislation in the interest of every agricultural section. When it was about time to close the hearings Mr. TINCHER, the watchdog of the administration on the Agricultural Committee, on observing that we had made great headway, grabbed his hat early one morning about the break of day and had an early breakfast with Mr. Jardine. I imagine he said, "My God, Mr. Secretary, it has happened at last. The South and the West have gotten together and they are mustering quite a lot of force and power. Something must be done." Then in my imagination the Secretary smilingly said, "Wait a minute. Go down at once and introduce a bill giving them a board and a loan fund. Also offer 33 years' time, but don't mention the rate of interest. Call it the administration bill." My friend TINCHER did not fail to express himself before the Agricultural Committee as to his bill being the administration bill. It has since gone out over the country through the press that his bill is the administration bill.

I want to say to Members on this side that all of this is done to cause you to weaken in supporting real farm relief, which will help your people, and to influence you to support the administration and to vote for another loan scheme which it had no idea of introducing when this Congress first convened. What happened when Mr. Mellon became interested in his taxes and those of the country? Thirty days before the convening of the present Congress he came down to the great Ways and Means Committee and put his cards on the table. This committee then got busy, reported a bill, and came on the floor of the House and passed it.

If this administration had been interested in agriculture and had been concerned about preventing it from going to the rocks, as stated by the gentleman from New York [Mr. JACOBSTEIN], the Secretary of Agriculture would likewise have come down and placed his cards on the table and we would have reported a bill two months ago instead of having to wind up in a wrangle and report three bills. [Applause.]

There is no use in taking time to discuss the Tincher bill. It is loosely drawn. It is an accident, a miscarriage, born prematurely so as to get before the committee in time to be reported out on the back of the Haugen bill because it could not have gotten out of the committee otherwise. Why, gentlemen stand up here and rap on the manner the Haugen bill proposes to create the board, yet ASWELL is asking for a farmer's board. On April 10 Mr. FORT introduced a bill and asked for the same kind of board. Lo and behold! the leader of the administration has the same kind of board.

Now, what is the difference between this board and the board representing the great manufacturing interest, namely, the Tariff Commission and the Interstate Commerce Commission? The only difference is, before you can have one appointed on either of these boards the manufacturing interest and the railroad interest O. K.'s whom they want, then the President sends in the nomination to the Senate, while under the Haugen bill the farmers suggest three from which the President makes his selection. Why, it took the Senate two years to confirm Woodlock because it well knew that he represented those interested in the success of the railroad interest regardless of rates fair or unfair to the producers. Finally, when he was confirmed the Senate did so in secret session. Why? Because of shame for the public to see how Senators voted, especially on the Democratic side.

Now, Mr. FORT, who comes from New Jersey, where they do not even know what a farmer looke like, states three weeks after introducing his bill, which also provides for a board just as the Haugen bill does, that it—the Haugen bill—is sovietism. Why did he not think about that three weeks ago when he joined in the same plan which he now denounces? Perhaps he, too, has had a talk with Mr. Julius Barnes or some representative from the United States Chamber of Commerce, the mouthpiece of big business. Perhaps he has found out that big business and special interest can best continue to run the farmers' interest by leaving it to the President, who would have the opportunity of appointing men adverse to the agricultural interest.

In a number of the speeches made here in opposition to the Haugen bill, hich undoubtedly will render service to agriculture, there has been rabbit tracking, side stepping, and overstepping on the chief merits of the bill. In speaking of it, one gentleman said:

If you pass the Haugen bill, you will have a loss on 65 per cent of the cotton that went into export.

Immediately another gentleman who represents one of the greatest cotton States of the Union said:

I want to correct the gentleman. We get a better price for cotton exported, otherwise we would not export any, but would use all in America.

Observe that these statements are running true to the mule and bull story.

In the first bill introduced by Mr. TINCHER he specifically stated that the cooperatives in borrowing from his fund would have to put on a charge to take care of the loan. In his last bill now before the House he cut that feature out. On page 9, subsection (b), you will find the following:

That in case other additional provisions for payment are not prescribed by the commission, any association receiving a loan shall provide for the payment thereof, including interest—

Observe that he does not state the rate; the sky is the limit—

thereon in a manner approved by the commission.

Now, gentlemen, let us be fair. The only difference between the Haugen bill and the Tincher bill is that the former terms it an equalization fee while the latter leaves it to the board to say to those who would borrow from the commission, "Well, I can not see how you will ever have any money to repay these loans. You know you have not any capital and you are not in a business to make money. So we will make you the loan, but you will have to charge on your commodity a commission or equalization fee so as to accumulate funds with which to pay us back."

Quoting from Mr. TINCHER's first bill, page 8, subsection (A):

That in case other or additional provisions for the payment are not prescribed by the commission, any association receiving a loan "shall" provide for the payment thereof by imposing a charge in a manner approved by the commission, on the commodity marketed by or through the association which will, in the judgment of the commission, during a period not exceeding 20 years, repay such loan, including interest.

I challenge any Member to stand up and state the difference between this and what we are trying to do, only the gentleman from Kansas tries to keep it under the cover.

There are just a few sections of the Haugen bill that I would like to speak about. Subsection B of section 7 will give this board the right to do the thing which the farmers really need, to see about freight rates and about markets, available markets, so as not to be flooding certain markets already flooded and other markets where there is no need for the same thing. It provides for the proper grading of cotton and various other things, such as to hook up with the Department of Agriculture in foreign markets in an effort to increase consumption, as the Brazilian Government is doing to-day. Take for an instance the coffee producers of Brazil. After establishing an orderly marketing system they have gone out in an orderly and businesslike manner and have increased the consumption of coffee in the last 10 years by 50 per cent. Cotton used in America and in foreign countries averages about 28 pounds and 2½ pounds per capita, respectively. Poverty in the West and the South prevents an increase in consumption, and because we are not organized in a businesslike manner, as is the manufacturing interest of the country, we have not created the demand which we could easily create in the foreign markets and which should be increased over 50 per cent in five years.

Many of the smaller associations need advice as how to best secure finance and how to best grade and offer for market their commodity, which is amply provided for under subsection (b), page 9, of the Haugen bill. Farmers who need advice, real advice, coming from an organization interested in and capable of giving helpful information as to production according to supply and demand, will find same in subsection (3), page 9, Haugen bill.

In subsection (c), page 9, you will find that when the board with the council and cooperative associations find that there is or will be a surplus of cotton—and I am talking about cotton because it is my line—that when the cooperatives on their own initiative will call upon the board; then in line 23, page 10—

the board shall declare its findings and commence operations in respect thereof.

Subsection (d), page 11, reads:

During such operation the board shall assist in removing or withholding the surplus of such basic agricultural commodity and shall

assist producers of cotton in controlling the quantity in excess of the requirements for orderly marketing.

Now, gentlemen, is there anything unconstitutional about this? Is it economically unsound? Certainly not. Yet certain Members here, who would excuse themselves from voting to help the agricultural interest, are long on talking about the Constitution and about the economic unsoundness of this measure.

Had this bill been in operation in the fall of 1925, what would have happened? You gentlemen from the cotton States recall that the Government gave out a statement that the cotton crop would be about 14,000,000 bales. Cotton was then selling from 22 to 24 cents. Inasmuch as the world would need from 14,000,000 to 15,000,000 bales of cotton, farmers were selling for a reasonable price, and were happy, too, although a great many felt that 30 cents would not be too much for that size crop. As a result many farmers—along with some of you lawyer farmers—held their cotton off the market. Shortly thereafter the Government finally reported and the crop wound up 16,300,000 bales, of which at least 2,000,000 bales are dog tails and bollies untenderable and unspinable. Yet the speculator can use such type cotton as well as middling type in depressing the market. With an overproduction to depress the market, we have not had in the past any method of determining this fact as to actual grades, which we will do when we get the Haugen bill into operation.

Now, after this report men began to sell cotton; the cooperatives had to, because they well knew what the speculator would do with this kind of club against unorganized agricultural interest.

Cotton began to go down. To-day it is selling for about 17 cents for middling, and as low as 8 cents for lower grades. With thousands of bales of low grades, buyers take advantage of and fix differentials below basis middling, and consequently buy at their own prices. Had we passed this kind of legislation, as under Haugen bill, so as to have been ready, then when cotton began to decline, and when it had gone below a fair price the farmers could have called upon the board and it would have made agreement with the cooperatives or a buying and selling agency would have stepped into the market, not buying one or two millions at prevailing price, but only to such extent as would cause the market to respond with an advance in price, a stable price, 20 cents, 22 cents, or if the right price should have been 25 cents, then to 25 cents. Well, you might say, what would hinder the speculator from coming in and taking advantage of this situation and running the price so high as to curtail consumption? Why, the selling agency, under the direction of the board, could feed back into the market, so as to put the speculator out of business, and thus stabilize the price so as to be fair, both to the consumer and the producer. There is no such thing as supply and demand to-day as far as the price is concerned, for it is governed by one cotton concern, which is able not only to fix the price but the grade also, and which further gets the benefit of stapling, extra tare patched on, and so forth. Members who are against this bill contend that there is nothing in it which will give cotton farmers a better price. What I have just said should satisfy anybody who knows anything about what will bring about a better price.

They will say, further, that this bill will so stimulate the price so as to bring about overproduction for farmers will plant cotton in tobacco lands, wheat lands, and so forth. Then, what are you going to do with the cotton piled up year after year? Why, what happened when the price of cotton climbed to 40 cents? Farmers in Virginia, Tennessee, and Illinois planted cotton, but God Almighty controlled the production. He who tills the soil and sweats blood in trying to feed and clothe the world knows not from one day to another what he will produce or what the price will be. Let us see what happened when we had the best price that we have ever had since the Civil War. From 1916 to 1924 from 13.35 (low) to 45 cents per pound (high). What size crops did we make after plowing up pasture lands and virgin lands in Texas and other States? During the years 1916, 1917, 1918, and 1919 the total crop was a little in excess of 12,000,000 bales; in 1920, 13,879,916; in 1921, 8,335,393; in 1922, 10,369,848; in 1923, 10,808,271. During all these years, which included the war period when exports were naturally checked, we consumed and exported more cotton than we produced. Had we produced 14,000,000 bales during 1925—with the 1,000,000 dog tails—at rate of present consumption which, by the way, would be very much larger, if not hampered by tariff blocking the foreign markets from importing and taking our cotton in exchange, there would be a cotton famine to-day. From 1816 to the present good hour 1926, have we ever produced over 13,879,918 bales, except in the years 1911, 1914, and in 1925?

What we would do with the cotton that we would have to buy to-day to stabilize the market, thereby eliminating speculation and bringing about a fair price, would be to carry into the lean years, which—on observing the figures that I am going to insert into the RECORD at this point—have happened more often than the fat ones:

Production and distribution from 1890 to 1925

Year	Average price		Bales produced	Bales imported	Consumed in United States	Exported	Total consumption
1890	8.6	From 1890 to 1901, inclusive, there was no resistance offered to low prices, which were from 4.9 cents to 9.3 cents	8,562,089	45,580	2,604,491	5,850,219	8,454,710
1891	7.3		8,940,867	64,394	2,846,753	5,896,800	8,743,553
1892	8.4		6,658,313	85,735	2,415,875	4,485,251	6,901,126
1893	7.5		7,433,056	59,405	2,300,276	5,307,295	7,607,571
1894	5.9		10,025,534	99,399	2,983,665	6,961,372	9,945,037
1895	8.2		7,146,772	112,001	2,499,731	4,761,505	7,261,236
1896	7.3		8,515,640	114,712	2,841,394	6,124,026	8,965,420
1897	5.6		10,985,040	105,802	3,472,398	7,811,031	11,283,429
1898	4.9		11,435,368	103,223	3,672,097	7,626,525	11,298,622
1899	7.6		9,459,935	134,778	3,687,253	6,167,623	9,854,876
1900	9.3		10,266,527	116,610	3,603,516	6,806,572	10,412,088
1901	8.1		9,675,711	190,080	4,080,287	6,870,313	10,950,600
1902	8.2		10,827,168	149,113	4,187,076	6,913,506	11,100,582
1903	12.2	Sully year	10,045,615	100,298	3,980,567	6,233,682	10,214,249
1904	8.7	No resistance	13,679,954	130,182	4,523,208	9,057,397	13,580,605
1905	10.9	Resistance by South Carolina Association and farmers	10,804,556	133,464	4,877,465	6,975,494	11,852,959
1906	10.0	do	13,595,498	202,733	4,974,199	8,825,236	13,799,435
1907	11.5	Union	11,375,461	140,869	4,493,028	7,779,508	12,272,536
1908	9.2	No resistance	13,587,306	165,451	5,198,963	8,889,724	14,088,687
1909	14.3	Resistance by Haynes, Brown, and others	10,315,382	151,335	4,759,364	6,491,843	11,251,207
1910	14.0	do	12,005,688	231,191	4,713,126	8,025,991	12,739,117
1911	9.6	No resistance	16,250,276	229,268	5,400,005	11,081,332	16,481,337
1912	11.5	Resistance by Southern States Corporation	14,313,015	225,460	5,867,431	9,199,093	15,066,524
1913	12.5	do	14,795,367	265,646	5,942,808	9,256,028	15,198,836
1914	7.3	No resistance	16,991,830	363,595	6,087,338	8,931,253	15,018,591
1915	11.2	Resistance by McAdoo	12,122,961	420,995	7,326,598	6,405,993	13,732,591
1916	17.3	Resistance by retail merchants	12,780,644	288,486	7,721,354	5,963,682	13,685,036
1917	27.1	Resistance by departments of agriculture, cotton-producing States	12,428,094	217,381	7,555,191	4,587,000	12,142,191
1918	28.8	do	12,970,048	197,201	6,288,922	5,843,307	12,132,229
1919	35.4	do	12,028,732	682,911	6,807,817	6,760,887	13,568,704
1920	15.8	No resistance	13,879,916	210,606	5,477,908	6,025,915	11,503,823
1921	16.9	No resistance, crop short	8,351,393	351,921	6,560,000	6,479,188	13,039,188
1922	22.9	Cotton famine	10,369,848	449,783	7,350,000	5,049,225	12,399,225
1923	28.7	do	10,808,271	272,179	6,225,000	5,935,535	12,160,535
1924	22.9	do	14,487,560	303,443	6,877,000	8,434,978	15,311,978

Study the above table taken from the Census Bureau report of the Government. From 1890 to 1902, inclusive, there was no effort made to increase the price. Note the average price. Notice the advance in price of the 1903 crop, caused by Daniel J. Sully buying 200,000 bales and holding them for higher prices. He began late and the price went from 7½ to 18

cents. There was no effort made in 1904; note the price. The Southern Cotton Association and Farmers' Union worked together with the crops of 1905, 1906, and 1907. Ten cents was asked for 1905 crop as a minimum, 11 cents for 1906, and 15 cents for 1907, the street price being 7 to 8 cents at the beginning each fall. The panic came just as 15 cents was reached in 1907. No effort made in 1908; note the price. Haynes, Brown, and others bulled the price for 1909 and 1910; never owned more than 300,000 bales at any time; note the effect. No effort made in 1911; note where the price went. The Southern States Cotton Corporation bought and held cotton for 15 cents during 1912 and 1913. It only bought 84,000 bales, but the price was near 15 cents when it was destroyed, starting at about 8 cents each year. No effort to hold the price up in 1914; note how low it went. The war created a big demand for cotton, but there was no organization to resist low prices until the fall of 1917, when restricted freight space on ships and railroads made 10-cent cotton look certain; but at this point the departments of agriculture of the cotton-producing States announced cotton was worth 30 cents and persuaded the farmers to hold for that price, which continued throughout the crops of 1918 and 1919; note the prices obtained. Note where it went in 1920 when the Reserve Bank of Dallas gave notice that notes secured by cotton and held for a price were not eligible for discount by it, and note them since with practically the same cost to produce as in 1917, 1918, and 1919.

At this point I wish to insert a statement showing the exports for the past 100 years in 10-year periods and the average price the farmer received per bale for cotton exported, which, on the face of it, is really a shame:

Cotton exports for 100 years

Decade	Bales	Tons	Value	Average price per bale
1821-1830	4,071,687	1,017,923	$256,632,567	$63.00
1831-1840	8,634,662	2,158,667	528,789,702	61.24
1841-1850	13,989,587	3,497,398	553,427,062	39.56
1851-1860	23,601,577	5,900,395	1,146,092,778	48.56
1861-1870	8,089,101	2,022,258	1,083,373,097	133.93
1871-1880	28,420,585	7,105,148	1,945,673,249	68.46
1881-1890	42,642,888	10,660,724	2,206,812,580	51.75
1891-1900	60,837,298	15,209,327	2,256,455,584	37.09
1901-1910	74,733,416	18,683,356	3,859,233,593	51.64
1911-1920	76,190,467	19,017,620	6,512,761,108	85.48
Grand total	341,211,268	85,212,816	20,349,251,320	

To think that we have in the South a commodity that brings to the United States the balance of trade with the rest of the world, a commodity that the world must, of necessity, have, inasmuch as we can export 65 per cent of our production, and yet with the same opportunity to monopolize the price to the extent of the cost of production plus a fair profit, as the Brazilian coffee growers do, we find ourselves hampered because of a lack of organization on the part of the cotton producers and the assistance of our great Government being asked under the Haugen bill. How much longer will men, women, and children sweat blood on the farm, live in poverty, rear their children in ignorance, boys and girls who have the best brains in the world being denied the average privileges enjoyed by those in other sections where prosperity abounds because of protection given by our Government, boys and girls who will go down to their graves unknown because of a lack of opportunity to make a name and history for themselves which would be cherished by future generations?

If we could stabilize the market so as to bring about an average price, it would help, even though we could not advance the price; yet I know that we could advance the price to a fair cost-of-production price plus a reasonable profit. Under its boards the railroads are doing it. Under the tariff the manufacturing interest is doing it. Now, if we pass the Haugen bill, you will find agriculture, within five years, running its business, knocking out useless middlemen, parasites, and speculators who are sapping the very life blood out of the producer and the consumer to-day. A very serious question I want to ask those representing the South is this: Are you in favor of the farmers controlling their own business and having something to say about what they will take for what they produce, or will you vote against the Haugen bill and say to these parasites, "Go to it—the water is fine"?

The statement, which I will now insert into the RECORD, shows the high and the low on cotton each year from 1848 to 1924:

Commercial cotton crops and prices of same since the year 1816

[Hester's report; in New York]

Year	Crop	Price	
		Lowest	Highest
1816	460,993		26½
1817	448,029		34
1818	596,429		24
1819	606,061		17
1820	647,482	11	20
1821	742,049	10	18
1822	620,805	9	17
1823	762,411	11½	18
1824	891,608	12	30
1825	1,121,667	9	17½
1826	957,281	8¾	11½
1827	720,593	8¼	13
1828	870,415	8	11½
1829	976,845	8	12½
1830	1,038,847	7½	13¼
1831	987,477	7	12
1832	1,070,438	9½	17
1833	1,205,394	9½	18
1834	1,254,328	12½	20
1835	1,360,725	12½	20
1836	1,423,930	7½	20
1837	1,801,497	7¼	14
1838	1,360,532	9½	17
1839	2,177,835	6	13½
1840	1,634,954	7	11½
1841	1,683,574	5	10½
1842	2,378,875	6⅛	8½
1843	2,030,409	5¾	9½
1844	2,394,503	5	6¾
1845	2,100,537	7	9½
1846	1,778,651	8½	13¾
1847	2,439,786	6	13
1848	2,866,938	5⅞	10⅝
1849	2,333,718	10	13⅞
1850	2,454,442	8¾	15
1851	3,126,310	8½	11⅜
1852	3,416,214	9¾	11¾
1853	3,074,979	10	11¾
1854	2,982,634	8½	13
1855	3,655,557	9	11⅝
1856	3,093,737	11⅝	15¾
1857	3,257,339	9⅞	15¾
1858	4,018,914	11	13⅜
1859	4,861,292	10½	11¾
1860	3,849,469	10	22
1861	4,500,000	20	51½
1862	1,600,000	51	92
1863	1,450,000	68	189
1864	1,300,000	35	182
1865	2,269,316	32½	60
1866	2,097,254	26½	42
1867	2,519,554	15¼	32¾
1868	2,366,467	24¼	35
1869	3,122,551	19¾	35
1870	4,352,317	14¾	21
1871	2,974,351	18⅜	26¾
1872	3,930,508	19⅛	21¼
1873	4,170,388	13¼	20⅝
1874	3,832,991	14½	17⅛
1875	4,632,313	11¾	14⅝
1876	4,474,069	10⅞	13¼
1877	4,773,865	10⅝	12⅛
1878	5,074,155	8¾	13⅛
1879	5,761,252	10½	13¼
1880	6,605,750	10½	13
1881	5,456,048	11½	13
1882	6,949,756	10	12⅞
1883	5,713,200	9	10
1884	5,706,165	9⅞	10⅞
1885	6,575,691	9⅛	10
1886	6,505,087	9⅛	11⅝
1887	7,046,833	9½	11
1888	6,938,290	9 11/16	11½
1889	7,311,322	10¼	12⅝
1890		7 13/16	10⅝
1891		6 11/16	8¾
1892		7 1/16	10
1893		6⅛	8 9/16
1894		5 9/16	8 9/16
1895		7 1/16	9
1896		7	8⅞
1897		5¾	7 13/16
1898		5 5/16	6⅝
1899		6¼	10¼
1900		8	12
1901		7 13/16	9⅞
1902		8.30	13.50
1903		9½	17¼
1904		6.85	11.50
1905		9.80	12.60
1906		9.60	13.55
1907		9½	13.55
1908		9	13.15
1909		12.40	20
1910		11.60	16.15
1911		9.20	13.40
1912		10.28	13
1913		11	14.50
1914		7¼	11
1915		9.20	13.45
1916		13.25	27.65

Commercial cotton crops and prices of same since the year 1816—Con.

Year	Crop	Price	
		Lowest	Highest
1917		21.20	36
1918		25	38.20
1919		27	43
1920		10.85	40
1921		12.80	23.75
1922		20.36	33.84
1923		23.50	37.70
1924		22.15	31.50

NOTE.—Each year represents the entire cotton season, viz: 1924, the last year submitted, means the 1924-25 crop, decided by figures available Aug. 1, 1925, and the prices quoted are those of the New York Cotton Exchange.

I will mention only a few of them. In 1848 the low 5⅞ and the high 10⅝, for instance—suppose the farmer had to sell on the low market, which in most cases he has to do, he would have received only $28.37 for his bale of cotton, while the man selling for 10⅝ would have received $53.13. The average farmer making 10 bales of cotton would receive $283.70 and the other fellow $531.30. In 1860, low 10 cents and high 22 cents, or an average of 16 cents, perhaps, would at that time have been a fair price. Again, in 1865, at the close of the Civil War, the low 32½ cents and the high 60 cents; in 1921, the low 10.85 cents and the high 40 cents. You can look the statement over for all the other years.

I am going to insert here another statement giving total imports from various foreign countries from 1914 to 1925, inclusive, also the amount of carry over and where carried. This statement further shows the production of cotton from 1917 to 1924, inclusive, and where produced:

TABLE 26.—*Total imports of cotton by countries of production for years ending July 31, 1914, to 1925*

Total for year	Imports of foreign cotton (equivalent 500-pound bales)						
	Total	Produced in					
		Egypt	China	Peru	India	Mexico	All other countries
1925	313,328	190,313	33,702	13,274	28,148	44,384	3,507
1924	292,288	164,152	45,118	19,928	34,419	27,062	1,609
1923	469,954	329,335	50,239	21,186	22,124	45,679	1,391
1922	363,465	233,729	15,563	38,753	10,348	53,637	11,435
1921	226,341	87,168	14,722	22,597	8,489	88,155	5,210
1920	700,214	485,004	57,185	63,426	14,358	65,343	14,898
1919	201,585	100,006	10,871	25,230	2,893	54,434	8,151
1918	221,216	114,580	38,964	19,692	7,096	35,726	5,158
1917	291,957	199,892	36,063	11,069	3,860	32,858	8,215
1916	437,574	350,796	35,792	10,909	4,214	30,098	5,765
1915	382,286	252,373	25,631	10,353	7,845	85,180	904
1914	260,988	138,579	20,772	12,627	7,849	80,285	876

CARRY OVER OF AMERICAN COTTON ON JULY 31 OF EACH SEASON

	Bales				
	1925	1924	1923	1922	1921
Lint:					
In United States con-consuming establishments	866,259	719,827	1,093,618	1,218,388	1,625,646
In United States public storage, etc	514,196	673,934	938,903	1,488,165	3,633,254
At Liverpool	314,000	168,000	143,000	473,000	685,000
At Manchester	58,000	32,000	24,000	45,000	75,000
At continental ports	249,000	194,000	111,000	442,000	506,000
Afloat for Europe	143,000	142,000	109,000	171,000	386,720
Mills other than in United States	[1] 900,000	[1] 815,000	[1] 750,000	[1] 1,200,000	1,214,000
Japan and China ports and afloat	300,000	[1] 200,000	[1] 250,000	[1] 300,000	250,000
Elsewhere in United States	[2] 230,000	[2] 160,000	[2] 60,000	[2] 125,000	1,650,000
Total lint cotton	3,574,455	3,104,761	3,489,521	5,462,553	9,335,620

[1] Estimated.
[2] As estimated by United States Census.

WORLD'S PRODUCTION OF COMMERCIAL COTTON, BY COUNTRIES, 1917 TO 1924

[Compiled by Census Bureau, United States Government. Cotton production, bales of 478 pounds lint]

Country	1924 [1]	1923	1922	1921
Total	23,377,000	18,959,000	17,959,000	15,334,000
United States	13,619,000	10,140,000	9,762,000	7,954,000
India [2]	4,500,000	4,400,000	4,220,000	4,200,000
Russia	460,000	260,000	55,000	43,000
Egypt	1,450,000	1,274,000	1,229,000	902,000
China [3]	1,500,000	1,420,000	1,360,000	1,030,000
Brazil	605,000	575,000	535,000	540,000
Mexico	285,000	138,000	178,000	147,000
Peru	200,000	200,000	190,000	175,000
All other countries	758,000	562,000	430,000	343,000

Country	1920	1919	1918	1917
Total	19,665,000	20,220,000	18,755,000	18,140,000
United States	13,440,000	11,425,000	12,040,000	11,310,000
India [2]	2,600,000	4,475,000	2,950,000	2,970,000
Russia	85,000	440,000	575,000	605,000
Egypt	1,285,000	1,305,000	1,000,000	1,305,000
China [3]	1,045,000	1,150,000	940,000	865,000
Brazil	450,000	560,000	550,000	420,000
Mexico	215,000	210,000	125,000	130,000
Peru	155,000	175,000	120,000	115,000
All other countries	390,000	480,000	445,000	420,000

[1] Preliminary estimate subject to revision.
[2] The amounts for India do not include cotton used in home manufacture, although such cotton is included in the reports of cotton produced compiled by the Indian Government.
[3] Consists of cotton exported and cotton consumed in spinning mills.

Now, let us see about the carry over or surplus cotton. As a rule, we have to have about 3,000,000 bales of cotton. In other words, any number of bales in excess of this number and afloat would be excess cotton. In 1921, as shown by the statement, we had a carry over of 9,335,620 bales of cotton. This condition was brought about because of a decline in exports during the war period. During that time we had practically a cotton famine. In 1922 we had 5,462,553; in 1923 we had 3,489,521; in 1924, 3,104,761; and in 1925 we had 3,574,455 bales of cotton. You will note an increase of 470,000 bales in 1925 over 1924, which was brought about by an increase in production in 1924 of about 4,000,000 bales over 1923; otherwise we would have had another cotton famine.

The world will consume about 14,000,000 bales up to July 1, 1926, for the year just passed; therefore we will have a carry over the 1925-26 season of 5,574,455 bales. In this we will have at least 2,000,000 bales untenable cotton; so if this was off the market we would be getting 30 cents a pound for cotton to-day.

My friends, here is what happened at St. Matthews, S. C., the other day, according to a clipping from one of the best papers in the State:

> Thirty-two bales of cotton went on the market here the other day. A careful calculation of the fall prices and selling prices was made. The loss was $976.
>
> That is how the "bears" have frazzled the "bulls."

Should have been how they frazzled the farmers—in six months. Who is to blame for the loss of $976 to this farmer, an amount ample to run his farm for 1926? Who is it here that will vote against a bill proposed to remedy this situation?

On May 5 we clipped this from one of the newspapers:

> The wheat market was a weak affair throughout the greater part of the session. There was a renewal of liquidation in the May position, with that month at one time within a fraction of 5 cents a bushel below the previous close. At the bottom of the movement a loss of 9 cents a bushel for two days had been established.

Is there a man here who believes that the consuming world received 50 cents per barrel reduction on the flour that he had to buy? Not one.

Now, before we forget about it, let us explain the equalization fee that we hear so many Members kicking about and who have stated that any man who votes for it will never be able to come back to Congress. I venture to say that any man failing to vote for this bill, which will rescue bankrupt farmers and restore depressing prices, thereby causing it to fail passage, while in the meantime cotton continues to go down, will certainly have to give some explanation to his farmers when he returns and again asks their support to be returned to Congress, there to receive a nice, fat salary and to vote against

what the farmers are asking for and what they so sorely need. I am afraid to play politics and take a chance on going back and say to them what you have been saying here on the floor of this House, viz, that it is not right to give to them this much needed assistance, after many of you have voted to allow the railroads to rob agriculture on unjust freight rates fixed by a board created by the Congress, and after you have voted for a robber "tariff" which protects the manufacturer to the extent of billions, and after you have voted to give Italy $1,500,000,000 of obligations to our Government—money which was wrung out of taxpayers of America by selling war stamps and war bonds, and where in many instances farmers denied themselves of the real necessities of life to buy them, and did buy them until it hurt—then after you have voted for $165,000,000 for a special building fund to be placed in the hands of one of the richest men in America, Mr. Mellon, who will have the privilege of stating when and where a public building will be constructed—certainly none will be built in the West and South. What are you lawyers going to say when your farmer friends ask, "Why did you vote to increase the salaries of Federal judges several thousand dollars each, and then refuse to support the bill that we have been writing and wiring you about?" Will you continue to say to them what you are saying here to-day—that the bill is economically unsound? If so, I imagine that they will say to you, "If you have been able to so arrange all of these other pieces of legislation in the interest of every other interest except ours so that they are economically sound, then it appears to us that you could have, at least, given the Haugen bill a chance."

Now, gentlemen, I hold here in my hands two samples of cotton—one grading good middling, the other good ordinary—as graded by the Government under a bill passed by me during the Sixty-seventh Congress, which took away from Liverpool the right to pass on all cotton exported from America without a single American on the board, thereby giving to them the last word on the grades which brought about thousands of claims on American exporters, thus causing them to buy from cotton men and cotton men from producers so as to take care of these losses, right or wrong. Now, we have a standard grade not only in America but it is a world standard. Our Government has the last word on all cotton exported under my bill, and this certification by it is accepted all over the world. Although this world standard has helped the producers in an indirect way, yet they do not get its full benefits, while large cotton men, millmen, exporters, and so forth, get full protection absolutely. I hope to continue my fight to have every bale properly graded, both as to color and staple, down to the producer.

Only the farmers going through the cooperative associations now get these benefits, which would mean millions if all the farmers could take advantage of this. Just a few days ago there were some men in my office from New Orleans who stated that their price on cotton bought from South Carolina and certain parts of Georgia was lower than other sections of the cotton country, because we have quite a lot of three-fourths-inch cotton, yet we have much 1 and 1 1/16 inch cotton. However, not a bale of it in South Carolina is stapled when the producers sell to first buyers in their home towns. Therefore millions are going out of the pockets of the producers and into the other fellow's pockets, all because he staples every bale of cotton when received by him.

Note the following quotations:

	July, 1914	February, 1921
	Cents	*Cents*
Middling cotton, Augusta, Ga	13 3/16	13
Strict low middling, Augusta, Ga	13 3/16	11
Low middling, Augusta, Ga	12 5/16	9¼
Good ordinary, Augusta, Ga	11 5/16	6¼

	April, 1926	May, 1926
	Cents	*Cents*
Middling cotton, Columbia, S. C	17¼	17
Strict low middling, Columbia, S. C	16	15¾
Low middling, Columbia, S. C	14	13½

Now, what I would have you note is the various differences between the various grades from time to time, taking as a basis middling. In 1914 the difference between middling and good ordinary was only 2⅛ cents, while in 1921 the difference between the same grades was 6¼ cents, or $31.25 per bale. Now, who fixes these various changes in the market and in whose favor? Not the farmers who produce it, not the Department of Agriculture at Washington, but members of 10 spot-cotton markets, who meet any evening after the cotton exchanges close and regulate the differences either up or down. Now, why could not they, when they want to buy 50,000 bales of cotton, meet and widen the differences and then buy? Then when they got ready to sell, why could not they again meet and close the differences between the grades and sell? In a conversation with a certain branch of the Department of Agriculture a few days ago the one with whom I was talking said, "I want to talk to you about that some day and show you what we are up against." What I am interested in is what the farmers are up against.

This unsatisfactory condition can be corrected by pooling and selling according to value when needed instead of flooding the markets with grades not needed at such reduced price. We can do this through the cooperative associations with the Haugen machinery.

Although I have talked to several Members, it still seems that they can not yet understand how you can take off of the market 2,000,000 bales of cotton with $100,000,000 at, say, 20 cents a pound. Perhaps we would not want to do this more than once in five years, according to figures given you a few minutes ago. Yet if we had to do so, we can borrow 65 per cent of the value of the cotton from the intermediate bank or from private banks. We can do this now at interest rates of from 4 to 5 per cent. Then we would have to take out of the equalization fund only $70,000,000, thus leaving $30,000,000 in the fund, or sufficient to buy another million bales with what we could borrow on same, making three millions.

Mr. LARSEN. Will the gentleman yield?

Mr. FULMER. Yes; be glad to.

Mr. LARSEN. The gentleman from Arkansas in a very excellent speech a few minutes ago said it would require a tax of $15 per bale. What does the gentleman think about that?

Mr. FULMER. For two years we will not have to pay one cent, because the Government will help establish agriculture by putting $100,000,000 in to be used, instead of farmers having to pay in any fund. I will say to the gentleman that with this $100,000,000, should we have a crop of twelve and one-half to fourteen million bales during the year 1926, with crops averaging as the last five years, perhaps we would not be called upon at all, or certainly not more than one or two years out of a five-year period. May I say further that the fee, if collected on all cotton, will not amount to more than $1 to $2 per bale. By not having this machinery and money last fall to go into the market so as to hold the price, what is the farmer paying to-day when he goes to sell his cotton? Why, he is paying a loss of from $35 to $40 per bale. Now, which is the better? To pass this bill now and be ready to go into the market now, even if we had to pay from $1 to $5 per bale, if by doing so we can regain a price which will save this $35 or $40. Under this bill the board does not operate unless there is an excess of cotton bearing down the price, and then only when called upon by the cooperatives, and the bill further provides that the equalization fee will not operate only when it would be needed to do the thing about which we have been talking.

If you will look at the cotton chart used by the gentleman from New York [Mr. JACOBSTEIN] yesterday, you will observe that it shows a runaway market above and below the line. I did not get the dates, but perhaps when it was skyrocketing above the line it was when the speculator was operating after the farmer had sold his cotton and below the line when the farmer had to sell his cotton.

I want to say to you, my friends, that there is no such thing as supply and demand to-day. There is just one cotton concern in America to-day that is manipulating the cotton industry of the country. There are men and women down South who are sweating blood while some Members of this House are rabbit tracking around here and saying and doing all manner of things to defeat this legislation. In the meantime they do not know what they will make this year; neither have they any idea what the price will be. They have to look to Almighty God for the increase or decrease in production and then look to these men who manipulate and fix the price on every bale of cotton they produce for a price. [Applause.]

I have sold cotton in my good friend's [Mr. VINSON] city, Augusta, Ga., and I have said to those who bought from me: "Gentlemen, you are robbing me on the grading of this cotton; there is not that much difference in the grades." They would reply, "Well, if you are not satisfied, go down to the exchange and have the board pass on it." Of course, these men compose the board, so I might just as well take my hat and go home. Then, as a cotton buyer, I had to buy from the pro-

ducer in order to protect myself in delivering my cotton. So the farmer is the goat in every instance, not only in his business but here in Congress.

Now, my friends, when you are able to handle this cotton through the cooperative associations, then they have the right to pool every bale, according not only to color but also as to length of staple, and then sell the mill or the exporter whatever grade or length staple they may want and when they want it.

I am going to tell you something else, as the gentleman from New York [Mr. JACOBSTEIN] said yesterday. There is quite a bad feeling toward big business interest by the agricultural sections. Is it a fact that those of you here who represent these protected interests and those of you who represent big cities that are dependent on the farmer for your daily bread, are really so blind until you can not see that by your indifference and by your special protection for few against the many and that you are unwilling to pull one-third of the American people out of the hole and place them on an equality with the rest of the world, that you are breeding radicalism and bolshevism which will not only prove disastrous to our country, but will also make big business tremble some day?

I am not afraid to say here, gentlemen, that it does seem to me that this administration which should promote a government of the people, by the people, and for the people, is absolutely under the control or subject to the dictates of big business of this country. My friends, seems to me that since I have been a Member of this House, all that big business has to do is to come down here, lay its cards on the table and it can get what it wants. Yet agriculture, after having lost $31,000,000,000 in unfair prices for its products for the last few years, which amount went into the pockets of somebody else (as shown by JACOBSTEIN yesterday) goes without any relief.

This speculative situation and this surplus in fat years is now disturbing somebody else besides the farmer. Mr. Victor M. Montgomery, president Pacelot Manufacturing Co., Spartanburg, S. C., says:

> We bought cotton last fall to run our mills at 22 cents. We can buy to-day—six months later—at 17 cents, and we can buy it for delivery next December, 1926, for 16 cents.

He further states:

> The speculators will sell it for that price and they hope to frighten the farmers so much that they can buy it then and sell it to us at a profit. Their operations have resulted in the price of cloth being lowered so much that we can not sell our product now at what it costs us to make it.

Cotton mills are closing down to-day all over the country, thus causing men and women to suffer because of being thrown out of work. Why? Because of what Mr. Montgomery tells you about—the same thing that I am telling you about. One or two cotton concerns are not only able to fix the present-day market, but also are able to sell the farmers' cotton yet in process of growth at a lower price than it is worth to-day. Does not this satisfy you, my friends, that the time has now come when we must let the farmer control his business and thereby stabilize the market and bring peace in his home and promote consumption by orderly marketing?

Mr. UPSHAW. Will the gentleman yield?

Mr. FULMER. I shall be glad to do so.

Mr. UPSHAW. How will this bill stop the abuse as between the different grades that the gentleman has just spoken of?

Mr. FULMER. I tried to make that plain a while ago. The cotton will be in the hands of the cooperative associations, and when these buyers would meet and arrange such a wide difference between the grades, say as much as $15, $20, or $35, why they will hold that grade off the market until the demand would warrant the right price. Somebody will need every bale and every grade. They will want what their mills use, and when they need it they want it and are willing to pay for it. Mr. Montgomery stated also that the manufacturers did not care about what the price would be, whether 10 cents or 40 cents, just so it would be reasonable according to the size of the crop. Yet they did want some stability about the price, so that they could more intelligently run their business and not be messed up almost daily with speculation.

All cotton exported is allowed 30 pounds for bagging and ties. The farmers who sell outside of the cooperative associations are allowed to put on about 22 pounds. If they put on more, when they go to market to sell, the buyers either cut the price or cut the weight. Then what happens when it passes into the exporter's hands? He patches on cheap, second-hand bagging to make up the 30 pounds and makes from $1 to $2 on every bale exported, which aggregates millions of dollars on the entire crop.

The cooperative associations get that benefit to-day, yet thousands of farmers who are unorganized are being robbed. Will you help the unorganized to take over its business and thus place it foursquare with all other lines of business which you have protected through this Congress? [Applause.]

Mr. LARSEN. The gentleman means that when they compress the cotton they put on more bagging, so as to get full allowance for the 30 pounds tare allowance?

Mr. FULMER. Yes.

Mr. CANNON. And the cotton buyers are not in favor of this legislation?

Mr. FULMER. No legitimate cotton buyer or cotton concern doing a legitimate business would object to this legislation, I would not think.

Mr. LARSEN. Is it not a fact that the cotton men exporting cotton will take a bale that weighs 500 pounds and add from 8 to 15 pounds bagging and moisture to it, and sell it in Liverpool for the price of cotton, but the producer gets nothing out of it?

Mr. FULMER. Unless he sells through the cooperative associations where they do the patching, and when they get able they propose to do their compressing. The cooperative associations have their sales organizations not only in this country, but in foreign markets. They are prepared to cooperate with the board under the Haugen bill and do business direct with mills and for export, and cut out all of the highway robbery, parasiting, and speculation between the producer and cotton mills and foreign countries.

Mr. TINCHER. Will the gentleman yield?

Mr. FULMER. I will.

Mr. TINCHER. What authority has the gentleman for stating that the cotton exchanges are opposed to this bill?

Mr. FULMER. I have not made that statement.

Mr. TINCHER. I understood some one to say that the cotton exchanges are against the bill, and I understood the gentleman from South Carolina to assent to that proposition.

Mr. FULMER. No; and I will tell the gentleman why. The cotton exchanges know that the Republican Party will not let this bill pass nor any other bill of this kind. I will say that I am conscientious in what I am trying to do. I am interested in not only my people, but also your people of the West. I want them to prosper, for I know that when they prosper they will spend their money for our cotton goods and the things that we have to sell in the South, and if we in the South, the cotton farmers, are prosperous they will buy your corn, meats, and flour. Why, my friends, I am told that there are to-day men representing the biggest grain corporations in America which virtually control the exports of grain, who are taking Members out to early breakfasts and rabbit tracking between these meetings, and the White House trying to head off this legislation.

I have been a Member of Congress for five years and you have not done anything for the farmer yet except open up some way by which he can borrow more money and get deeper in debt.

I challenge the Republican Party during this session to carry out its pledge and do something for the American farmer. [Applause on the Democratic side.] I say to the gentleman from Kansas that I have been working with my good friend, Mr. HAUGEN, of Iowa, who is absolutely sincere, and the reason some of you Members do not want this bill to pass is because it will take the American farmer out of the hands of the speculator and the organized business manipulators who have been robbing the farmer ever since I have been "knee high to a duck."

Mr. CANNON. I say that I have had telegrams from cattle exchanges and they are also opposed to this bill. Every grasping fellow and parasite who makes his living off the American farmer is opposed to this bill.

Mr. TINCHER. What cattle exchange is opposed to this bill? Usually when they oppose a bill and they have opposed a good many in our committee, they come here and fight with big lobby. I am just wondering whether there is any packer or cotton exchange that has gone on record against this legislation.

Mr. FULMER. I will say to the gentleman that they know what they are going to get all right.

Mr. TINCHER. Oh, that is an insinuation that they own the committee. I have seen them come before that committee since they, the Republican Party, has been in power, with great big lobbies, and they testify and fight any legislation they are opposed to. I wonder if the gentleman had any information that I do not have?

Mr. FULMER. We are going to adjourn this Congress about 1st of June unless we do not get farm-relief legislation, and I would say to the gentleman that you will never see one of these bills passed unless it is a loan bill which will put the farmer where he will never get out.

The CHAIRMAN. The time of the gentleman from South Carolina has expired.

Mr. SWANK. Will not the gentleman from Kansas yield him some time?

Mr. TINCHER. I will yield the gentleman twice the amount of time that I have taken from him by asking him questions; how much does the gentleman want?

Mr. FULMER. Ten minutes.

Mr. TINCHER. Have I used up 5 minutes of the gentleman's time? Very well, I yield the gentleman 10 minutes.

Mr. FULMER. I thank the gentleman. To show you the seriousness of this proposition about stabilizing agricultural prices, even the great exchange of New York has gone on record and proposes to vote now soon to pass a resolution prohibiting members of the New York Cotton Exchange from buying or selling over 250,000 bales of cotton in any one month.

I am going further than my statement a while ago. If this great, intelligent body, representing the American people, that sits here day by day, refuses to pass legislation that will stop these exchanges from manipulating and fixing prices up and down, making millions of dollars, and robbing the other fellow, then you are absolutely not doing your duty to the American farmer.

Mr. WHITTINGTON. I am interested in the gentleman's statement about cooperative marketing. I would like to have the gentleman say how this legislation will promote cooperative marketing? Will it force cooperative marketing or will it promote voluntary cooperative organization?

Mr. FULMER. I will be glad to answer the gentleman. It will absolutely promote voluntary cooperative organization. If this plan will work, as I know it will because of bringing about a fair price, in the meantime paying the farmer when he comes in 100 cents on the dollar for his cotton, just what he can get on the outside, with the privilege of participating in any advance price and in the meantime no comeback on him, if there should be a loss which over a period of five years as stated, will not be, the organization will be able to make good money, I think, instead of having a loss; will not this bring you in? In the meantime you will be demonstrating the various savings that can be brought about by cooperative marketing, which I have been explaining.

Mr. WHITTINGTON. Why is it necessary to have an equalization fee to promote a voluntary organization?

Mr. FULMER. But you are not using the fee for that purpose; that is to be used, when used at all, only in case of excess cotton to take the excess cotton off of the market so as to bring back and stabilize the price.

Mr. WHITTINGTON. Then, what is the purpose of postponing the fee?

Mr. FULMER. Because it is a new plan and because of the condition of the agricultural interest to-day the farmers are not able to do for themselves what we know will do the job. Therefore it is a fact that until you can get the machinery in order and for the purpose of demonstrating what can be done, inasmuch as you have done it for every other interest, either directly or indirectly, will we let our statesmanship run away with our conscience, knowing the condition of agriculture today and this great Government and thereby refuse to stabilize agriculture and place her on an equal footing with other industries?

Mr. WHITTINGTON. The idea, then, I understand, of postponing the equalization fee for two years is really to force the southern farmer to come into the cooperative association as a matter of self-preservation?

Mr. FULMER. Not at all. He can do as he does now—stay on the outside—but with the advantages that he will gain under this arrangement whereby the cooperatives will be able, with the assistance of the Government and the fee when needed, to bring benefits to the outsider which he can not get on the outside, and in seeing his neighbor get these benefits, will not that bring him in on his own accord?

Another reason why we defer the equalization fee is to bring about an agreement on the part of various people. It was first thought that it would be put on wheat, cattle, and hogs, and not on cotton and corn. Then some Member said, "How can I explain to my cattle people that the Government was willing to help the cotton and corn people and not those others who have all of those commodities in my district?" The western people want it on now; they have demanded it all along, but they want to help the South, and I appreciate that spirit. Therefore they have made themselves satisfied because the principle is in the bill, although it will not take effect until two years after its passage.

Mr. WHITTINGTON. If the gentleman will yield for another question, I would like to hear the gentleman's views on it. I am very much interested in the agricultural situation. What does the gentleman say about the collection of the equalization fee, the amount of the fee, and whether it should be collected at the gin or from the spinner?

Mr. FULMER. My views are that it should be left solely to the board. You have never passed a constructive measure here without doing this. Take the case of the Federal reserve act, the Interstate Commerce Commission, and various other boards to which you have left all details. Take, for instance, the Esch-Cummins law. Why, I imagine that Members questioned as to how they would manage to work out rates for short hauls and long hauls, competitive lines with water lines, and so forth, but they are doing it absolutely, and we do not hear the railroads kicking about it, and it is useless for farmers to kick. They know that they are being robbed, but they are out of the picture.

Mr. UPSHAW. If the gentleman will yield again?

Mr. FULMER. I shall be glad to.

Mr. UPSHAW. What danger is there in coercion in collection of the equalization fee, making farmers feel compelled to come in?

Mr. FULMER. Suppose that the farmers would have had a chance to put one or two dollars the first of this fall, when we found out that we had an excess, in good cotton, and thereby stabilized the market, which has gone down from 22 to 17 cents at the present time, to say nothing about the low grades which are selling at as low as 8 cents, thereby saving the difference between 17 cents and 22 cents, which would be $25 per bale. Does not the gentleman think that you would not have to force him to come in?

I want to say to my southern friends that thousands of negroes—a few of whom own lands and the remainder renting or contracting—are making millions of bales of cotton in their own right, yet they will not plant or make enough corn or other things they need to supply their families or their stock. They are producing and selling cotton at any price and on any market as fast as they can pick, gin, and sell—all in competition to our people. They will not come in now; in fact, they can not, for they need the money to pay their debts, but under this plan they can come in and get full benefits, and it is nothing but right that they should help protect the rest of us inasmuch as they are largely the ones who are forcing the sale of their cotton on the market.

Mr. WHITTINGTON. If I might ask, where does the gentleman think the fee should be collected—at the gin or from the spinner?

Mr. FULMER. As I stated a while ago, I would leave that to the board, but I would not collect it at the gin.

Mr. WHITTINGTON. Where would the gentleman collect it?

Mr. FULMER. I would say at the first sale, unless the board can work out a better plan within the next few years. Perhaps it will be quite a while before we need the fee. The size of the next crop will determine that.

Mr. GARRETT of Tennessee. The bill provides either at the gin or first sale.

Mr. FULMER. But we hope to amend same, as stated, when it comes up for amendment.

Mr. LOZIER. Mention has been made of a subsidy. I want to ask if it is not a fact that the whole legislative structure for 20 years or 30 years has been honeycombed with subsidy. We pass every Congress bills carrying millions of dollars based upon the principle of a subsidy alone.

Mr. FULMER. I will answer the gentleman right here. I will tell the gentleman that the only difference between this legislation, as far as a subsidy is concerned, and that of the subsidy given to the manufacturing interest under the Fordney-McCumber tariff is that this is directly out of the Treasury after all the people have paid in their taxes, while under the tariff all the people pay into the tariff barons and it never gets into the Treasury.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SWANK. I yield 10 minutes additional time to the gentleman.

Mr. FULMER. Mr. Carl R. Gray, president of the Union Pacific system, in speaking to the United States Chamber of Commerce the other day stated, and rightly so:

> The farmer does not need credit half as much as he needs other things.

He further stated that the farmer does not need advice—that he is the most overadvised man living. Yet that is all my friend TINCHER proposes in his bill. Mr. Gray also stated that instead of talking business methods to the farmer, it would be better to talk agriculture to the business man. Now, let us see if the farmers of America need credit.

In 1914 they owed old-line insurance companies $647,147,207 and national and State banks $739,500,000. In 1917 we passed the Federal farm bank act, and it was stated that with long-term loans and low interest rates we would save the farmer and take him out of the other fellow's hands. I am inserting here a statement showing the condition of the farmers, how their mortgage indebtedness is growing by leaps and bounds each year, not only with the land banks but also with old-line insurance companies:

Farm mortgage loans of commercial banks, life insurance companies, Federal and joint-stock land banks, December 31, 1914, to December 31, 1923

Year	Life-insurance companies	Joint-stock banks	Federal land banks	Sum of joint-stock and land banks	State and national banks
Dec. 31, 1914	$647,147,207				$739,500,000
Dec. 31, 1915					
Dec. 31, 1916	828,734,823				
Dec. 31, 1917	923,159,816		$39,112,115	$39,112,115	
Dec. 31, 1918	954,390,611	$8,384,080	157,020,751	165,404,831	1,010,559,000
Dec. 31, 1919	858,537,285	60,037,898	293,595,395	353,633,293	
Dec. 31, 1920	1,085,910,422	77,958,642	349,678,987	427,637,629	
Dec. 31, 1921	1,306,559,810	85,016,650	432,523,141	517,539,791	1,447,483,000
Dec. 31, 1922	1,454,267,342	218,775,291	639,486,434	858,261,725	
Dec. 31, 1923	1,662,761,125	392,638,853	799,596,834	1,192,235,687	
Sept. 30, 1924	[1] 1,781,205,811	430,065,692	905,536,368	1,335,602,060	1,388,106,000
Mar. 31, 1926	[1] 2,564,936,368	[1] 668,129,276	1,207,627,299	1,875,756,575	
Total	5,828,798,943				

[1] Estimated.

You will note that the total loans of these banks and insurance companies amount to $5,828,799,943; to be added to this is about $3,500,000,000 carried by smaller insurance companies, bond and mortgage companies, and private investors. Statistics will also show that the farmers are owing on personal property, cattle, horses, and so forth, about $3,500,000,000, making a total of more than $12,500,000,000. In 1910 real-estate mortgages stood at $3,320,470,000; in 1920 they had climbed to $7,857,700,000. The annual interest payments due by the farmers of the country, running from 6 to 10 per cent on their obligations, would amount to $1,000,000,000. Yet this administration and the gentleman from Kansas would offer them some additional loans instead of doing something to bring the prices of what they have to sell up so that they might at some time redeem and own their homes.

Let us notice another thing—the fellow that you have voted protection for—his taxes have been reduced, while the farmers' taxes have risen both directly and indirectly. In 1923 the farmers' taxes amounted to $624,000,000, or 9 per cent of their gross income. Direct taxes from farm property averaged 1909–1914, $891,000,000. In 1924–25, 236 per cent increase; in 1920–21, direct taxes on farm property rose from $596,000,000 to $848,000,000, about 42 per cent, while at the same time their income dropped from $16,621,000,000 to $10,313,000,000, a decrease of 39 per cent.

I have not any figures to show how much land has been taken over by mortgage companies, insurance companies, and banks, and private investors, but during the life of the 12 Federal land banks up to March 31, 1926, during the eight years that they have been operating, they have taken deeds and certificates and judgments from sheriffs amounting to $12,996,207.25. The joint-stock land banks in seven years have acquired $5,295,288.15, a total of $18,291,495.38. Now I want to ask, my friends, are you still of the opinion that farmers need more credit or do they need more for what they produce so that they can pay what they already owe? I believe that these land banks could lend at a lower rate of interest, which would help somewhat.

The statement of March 31, 1926, will show that during their eight years of operations the 12 land banks, with a capital of $55,000,000, after paying all expenses, still have a net profit of $37,137,242.98. Bank failures, most of which were in agricultural sections, further shows the condition of agriculture. From June 30, 1920, to June 30, 1925, about 2,537 banks went down.

Here is one more picture that I want to paint before closing, and that is the depreciation in values and losses to agricultural interests. In 1920 farmers' lands and buildings were worth $63,000,000,000; livestock, $8,250,000,000; a total of $71,250,000,000. In 1925 it had depreciated to the following figures: Lands and buildings, $46,000,000,000; livestock, $5,250,000,000, or a total of $51,250,000,000, or about $20,000,000,000 depreciation. During the same five years the losses in prices on their farm commodities amounted to $10,000,000,000, making a grand total of $30,000,000,000. On the other hand, we are told that the wealth of the country in 1920 amounted to $290,000,000,000 and in 1925 to $375,000,000,000, an increase of $85,000,000,000 to somebody; certainly not to the farmers of the country, as we have just shown that they went down to the tune of $30,000,000,000. [Applause.]

Mr. QUIN. Does the gentleman mean to say that the farmers are in that condition?

Mr. FULMER. Yes. The gentleman can verify these figures by calling on the Department of Agriculture. Yet, my friends, the only thing that my friend from Kansas [Mr. TINCHER] would offer to solve the problem is another loan. It was stated that he would take the secured and unsecured loans. I have never seen the Government make any loans without getting the very best type of security.

Now, the gentleman from Pennsylvania [Mr. MCFADDEN], the man who is trying to pass a branch banking bill so as to allow the large banking interests of this country to destroy independent banking by buying up or forcing out independent banks and thereby control the money situation, says—

> The only way to get the agricultural interests out is by loaning money to foreign countries, and they have been doing it to the tune of billions of dollars.

In 1925 foreign loans amounted to $1,200,000,000, making a total of private loans from the east amounting to $10,200,000,000. The Steel Corporation, the International Harvester Co., and those connected with large banking industries are getting their just returns in orders out of these loans, while exports in raw products from the farm are declining right along. Farmers are not connected with these loans, and they do not participate in the benefits thereof. These great manufacturing interests, protected by the Government, will be able to deliver a part of their manufactured goods in connection with these loans. During 1925 the raw materials of the farm exports fell off $75,000,000. Wheat and grain declined 48 per cent; wheat flour 35 per cent; rice 65 per cent; corn 31 per cent.

In 1925 exports of foodstuffs and crude materials amounted to $152,821,000 in the month of February. In 1926 in the month of February these farm products fell to $101,489,000, or a decrease of around 40 per cent. Manufactured goods in the month of February, 1925, amounted to $117,882,000; in the same month this year to $154,576,000. an increase of about 35 per cent. In 1924 the International Harvester Co. made a net profit of $13,037,395; in 1925 a net profit of $19,171,240—about 50 per cent increase, to be added to a surplus of $65,000,000 from 1924.

Fifty-seven railroads reported in the month of March a profit for March amounting to $74,779,000, an increase of 28 per cent over March, 1925. I could take up time here in mentioning to you what the birds that you have protected are doing in contrast to the deplorable condition of the agricultural interests of this country, yet you are too timid to take a little money out of the Treasury to place the farmers where you have placed these others.

Will you agree with Mr. Otis, secretary of the bankers' association, that the farmers of this country are to be congratulated because they are about able to feed themselves; therefore they will be able to live? I say, gentlemen, this is a serious question, and I trust that no Democrat on this side of the House will join hands with the Republican Party and help put over Mr. Tincher's bill, which is but "pink pills for pale people." I also hope that you will not join with them and put over the Aswell bill, because it will never become a law, but will only kill off real farm relief legislation. Let us stand by our pledges made in the Democratic and Republican platforms; and though we as Democrats are not responsible for legislation, being in the minority, let us let it go to the country that we stand for agriculture and the great farming masses of America. [Applause.]

RECESS

Mr. HAUGEN. Mr. Chairman, I move that the committee now take a recess until 8 o'clock.

The CHAIRMAN. The Chair does not think that is necessary. Under the order of the House the committee will now stand in recess until 8 o'clock p. m.

Accordingly (at 5 o'clock and 20 minutes p. m.) the committee, by permission of the House previously granted, stood in recess until 8 o'clock p. m.

EVENING SESSION

The recess having expired, at 8 o'clock p. m. the committee resumed its session.

Mr. HAUGEN. Mr. Chairman, I yield to the gentleman from Kansas [Mr. STRONG] 10 minutes.

Mr. STRONG of Kansas. Mr. Chairman, no one in or out of Congress is more interested or desirous of the passage of sound, helpful legislation for agriculture than I am.

I represent one of the best agricultural districts in a great agricultural State, and I have been insisting that this session of Congress shall not adjourn until farm relief legislation is passed. We are now considering three bills which members of the Agricultural Committee advise us they reported because after weeks of hearings held by their committee they were unable to secure a majority for any one bill.

Frankly, I think any one of the three bills would be helpful to agriculture, just as I believe that my own bill (H. R. 7908), introduced on January 18 last to "Establish a Federal market finding board to assist in the domestic and foreign marketing of agricultural products and in the disposition of the surplus of agricultural commodities" and which has been incorporated in the several agricultural bills, would be beneficial.

But the officers of the farm organizations and the representatives of various agricultural groups have submitted the basic principles of legislation that they desire and which have been worked out by their economists after much study, and these principles, they insist, are generally embodied in the Haugen bill.

Much adverse criticism has been presented in debate before the House because the Haugen bill delays for two years the operation of the "equalization fee" by which the farmers will themselves finance the handling and disposition of surplus agricultural products, and a great deal more criticism has been aimed at the revolving fund of $375,000,000 set up in the bill.

In order that the farmers favoring the passage of the Haugen bill may not be charged with having themselves asked the delay of the operation of the "equalization fee" or with having asked for a subsidy, I want to read to you from the Kansas Union Farmer, published in my district, on May 6, 1926, the statement filed with the Committee on Agriculture of the House of Representatives on April 23, 1926, which is as follows:

To the Committee on Agriculture:

Ever since we made the fight for the McNary-Haugen bill the farm organizations have taken the position that they do not want a subsidy; that if given a measure that will make the tariff 100 per cent effective for agriculture we do not at this late day propose to abandon this position. In other words, we do not propose to place any Member of Congress in position to say that we were not sincere when we said we were not asking for a subsidy.

However, since the representatives of the American Cotton Growers' Exchange and certain members of the House Committee on Agriculture have said to us that they believe that the enactment of farm-relief legislation will be enhanced by agreeing that the equalization fee shall be postponed for two years with the understanding that in the meantime the loss on the surplus be made up out of the revolving fund, as representatives of the undersigned farm organizations we have given our consent to such a change. All we ask is that the principle and purpose of the equalization fee shall be strictly adhered to during the proposed two-year period.

William Hirth, chairman Corn Belt Committee; F. W. Murphy, president Board of American Council of Agriculture; B. W. Kilgore, president American Cotton Growers' Exchange; Chas. Hearst, president Iowa Farm Bureau Federation; George N. Peek, chairman Executive Committee of 22; Chester H. Gray, Washington representative American Farm Bureau Federation; Joe Plummer, for all Colorado farm organizations; W. H. Settle, for Indiana Farm Bureau.

I think it is time, therefore, that criticism of the farmers for such provisions in the Haugen bill should cease. Everyone at all versed with the condition of agriculture throughout the Nation knows that the vast majority of the six and one-half million farmers in the United States are not receiving a fair wage for their labor and that of their families, to say nothing about a fair return upon their investment in land, equipment, and stock. Such distressing and unsound financial condition among those that produce the food of our Nation can not long continue without effecting the prosperity of the whole country. The Nation needs not only the food produced by agriculture, but needs the great buying power of the farmer as well.

Let us, therefore, put aside politics and sectional interest and endeavor to solve the agricultural problem. If those representing agricultural interests believe the Haugen bill contains the basic principles of what they believe will give them proper relief and there are objectionable features in it, let us work out proper amendments and pass it. [Applause.]

Mr. HAUGEN. Mr. Chairman, I yield 10 minutes to the gentleman from Minnesota [Mr. KVALE].

Mr. KVALE. Mr. Chairman, we have before us three bills reported by the committee. First, the Curtis-Aswell bill. I wish I could vote for it; I like it. I think it is a good bill. But if it is offered as a substitute for the Haugen bill, necessarily I shall have to vote against it. I would like to vote for both that and the Haugen bill.

There is the Tincher bill, which is a banking proposition, pure and simple. It is nothing but a loaning proposition, and you heard this afternoon how much the farmers have been borrowing all these years. They are now paying in interest over a billion dollars a year. They have had loans, they have had credit enough, they are almost being drowned by loans and credit. The Tincher bill, with its $100,000,000 loan, simply says to the farmer: "You are drowning; here is more water in which to drown; help yourself."

Then we have the Haugen bill, the Dickinson bill, the Corn Belt bill; call it what you will. Really, in its present form, with the equalization fee deferred, it is the old Norris-Sinclair bill. It is not quite so good a bill; I wish the committee had had the courage to report the Norris-Sinclair bill.

It is the same bill, worded a little differently; and "a rose by any other name would smell as sweet."

Naturally, we whom the conservatives of Congress and the country have delighted all these years in calling dangerous radicals and names still worse, because we have been advocating all along a Government marketing corporation such as we have in this bill, feel somewhat elated to find ourselves in such respectable company.

I had intended to read a little from a speech of the distinguished chairman of the Committee on Agriculture to prove to you that the good old stand-pat, dyed-in-the-wool, conservative Republicans are now saying the very same things that we who are called radicals said more than six years ago, and were denounced for saying them. I had intended to read them, but time does not permit. Read for yourselves the remarks of the gentleman from Iowa [Mr. HAUGEN] in the House last Tuesday.

The very things which he said about subsidizing railroads and the shipping interests and all that are the exact statements that we made back in the campaigns of 1922 and 1920.

The Norris-Sinclair bill was introduced in 1921 and again in 1922. That was considered a bolshevistic bill at the time, a dangerous measure, sponsored by wild-eyed radicals and insurgents. And now it has become good, 100 per cent Republican doctrine. Truly, the radicalism of to-day is the conservatism of to-morrow.

For that matter, the Republicans of Iowa are not the only ones who have been affected by this uprising in the Corn Belt. It has reached the Secretary of Agriculture, who in his speeches is whistling a different tune than he did last fall. It has even touched the White House. Do you recall what this body was told the other evening by the gentleman from New Jersey [Mr. FORT], when he declared that if the Tincher bill had come on the floor of this House three or four years ago it would have been hailed almost as a revolutionary offer to American agriculture, and, also, that five years ago it would have been hailed as almost anarchistic to loan Government money to the farmers to save them from disaster? Witness the statements of the gentleman from New Jersey, and statements in countless places, as evidence of the manner in which the Secretary of Agriculture and the President of the United States have retreated before the advance of this idea, have capitulated again and again, have yielded to the stern demands from across the Mississippi.

Now, I do not like the idea of going into the Federal Treasury. I am not a professional economist, but I know enough about economics and economic laws and principles to be against that as a principle. But here is the situation: That practice has become a settled policy of our Government. All the other interests have for years had access to the Treasury for their financial assistance, for their subsidies, or what you may choose to call the preference they have been shown. It is about time the farmer and his own industry has the same opportunity in a limited way; even that will only in a small degree equalize and compensate.

We have been trying for years to drive these other interests away from the Treasury, to pry them loose from the source of their finances, but we have not been successful. They are too firmly intrenched for that. The banking interests, the manufacturing interests, the tariff barons, the transportation agencies, all have been feeding at the trough these

many years; feeding until they are all mighty well-fed hogs; yes, ready for slaughter, it may be said; while the little farmer pig is left squealing outside the fence—and a high, barbed-wire fence at that—with strands composed of the tariff rates, the interest rates, and the transportation rates.

The Haugen bill, alias the Dickinson bill, alias the Corn Belt bill, alias the Norris-Sinclair bill, says, "Give this poor little starved, emaciated, lank, lean, squealing farmer pig a chance at the public trough for a change." And I believe he is going to have that chance. It begins to appear a possibility, at least.

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

Mr. HAUGEN. Mr. Chairman, I yield the gentleman five minutes more.

Mr. KVALE. Mr. Chairman, let us be frank. If the farmer finally obtains even a little justice, it will not be because of any tender sympathies within the breast of the President or of the majority here, but it will be because of the scare of the political revolution in the West. That, and nothing else; the very same thing that gave the dairy farmer the increase in the tariff on his butter, for which he had pleaded for years.

The Haugen bill, and I say it as I work for it and vote for it, is only a palliative. Any bill along its general lines is only that. I would much prefer to go to the root of the evil, to lower the interest rates that are making of the American farmer a vassal, to the enrichment of the Wall Street shylocks; I would prefer to substantially lower the transportation rates that are annually causing tons upon tons of food to rot upon the ground, because they can not be marketed at a cost price; I would prefer to lower the tariff rates that are eating away the very property and holdings of the farmer through high prices on all his purchases and low prices on what he sells. For that reason I hold with the gentleman from Kentucky [Mr. KINCHELOE] who spoke here this afternoon.

In so far as this statement is concerned which he made, I believe him correct; he said the representatives of the farmers had appeared before the wrong committee, that they should have appeared before the Ways and Means Committee.

I venture a prophecy. I say to you, my colleagues, that within the next few years the representatives of the farmer are coming back to the Capitol, they are coming back to Congress, and they will appear before the Ways and Means Committee with a demand for lower tariff rates and a new schedule and a new system; they will appear before the Committee on Banking and Currency with a demand for interest rates that will permit them to pay their indebtedness and maintain their business; they will appear before the Committee on Interstate and Foreign Commerce with a demand for lower transportation rates on their products. And the gentlemen on the Republican side of the Chamber, my friends from the Middle West, will join with them and their representatives just as they are now joining with these same representatives and with the progressives in this fight for a real farm relief bill to tide agriculture, if it can still be done, over the emergency which it faces and has faced for five or six years.

The Haugen bill is not a perfect creation. No legislation can withstand all attack. But it is sound in theory; do not let them tell you otherwise. They may say they are "aghast" at the power that is given 12 farmers constituting the board. Of course, it is to be expected that the Star and all similar papers and those whom such papers represent would be aghast at the idea of producers having anything at all to say as to the price they shall receive for their products. They were not aghast, mark you, at the Morgans and at the Kahns, at the manufacturers, at the railroads, at the agencies and the groups that have dictated prices and rates that have been exorbitant and have resulted in fabulous profits, and at the direct expense of the farmer, whom they have been bleeding white all through the process. And these very groups and agencies are the forces that are lined up in desperate and determined opposition to enactment of the Haugen bill.

In my judgment there is one potential benefit that far outweighs any others in the measure, and I have not thus far heard it stressed. It is my honest belief, and I know the Members of this House will find it an inevitable conclusion, that enactment of the Haugen bill will tend to eliminate the grain gamblers' operations and the speculators' activities to a large degree, will strike deadly fear into their hearts, will render them comparatively harmless. The psychological effect of the enactment of this bill will be such that on the day it is made a law you will find that their vultures' reign is near an end.

Again, and as a direct result, you will find that the board will find it unnecessary to expend the entire appropriation for the purchase and storing and merchandising of the surplusage. The "seasonal" fluctuations will inevitably diminish, the market will be stabilized to a degree that can hardly be foreseen at this time. And the gambler must go, he must be eliminated before there can be any real relief for the agricultural industry.

My time is spent. I want to repeat what I said recently on another occasion. I want to remind you the West is up in arms, and that the West is this time in deadly earnest. [Applause.]

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

Mr. HAUGEN. Mr. Chairman, I yield now to the gentleman from Iowa [Mr. DOWELL].

Mr. DOWELL. Mr. Chairman and Members of the House, in the brief time allotted to me I want to emphasize, if I can, and as vigorously as I can, the necessity for farm legislation.

In all the debate on this legislation no one has attempted to dispute the proposition that agriculture is entitled to a better and more stable market for its products than it has been receiving or is now receiving.

No business or industry can prosper nor long survive unless it has a market for its products at a price which will include the actual cost of production together with a reasonable profit. This applies to the farm as well as to business and industry.

The charts submitted by the gentleman from New York on yesterday, carefully prepared by the experts in the Department of Agriculture, clearly demonstate what the farmers for a number of years have earnestly contended—that the prices of agricultural products have not kept pace with the prices of nonagricultural products, and that the prices the farmer must pay for the nonagricultural products are much greater than the prices he has been able to secure for the products of the farm.

In other words, the purchasing power of the farmers' dollar has been greatly reduced by reason of the disparity in the prices he has been able to receive for his products and the prices he has been compelled to pay for the commodities he must buy.

The farmers of the country are unable to carry on their business at the prices they are now receiving for their products.

For a number of years this condition has existed, and the time has arrived when farm-relief legislation is imperative.

I shall vote for the Haugen bill. [Applause.]

Mr. HAUGEN. Mr. Chairman, I yield now to the gentleman from Minnesota [Mr. ANDRESEN].

Mr. ANDRESEN. Mr. Chairman and gentlemen of the committee, I am glad to note that my colleague from Minnesota [Mr. KVALE] has come over to the conservative way of thinking by supporting the Haugen bill. [Applause.]

Mr. KVALE. Will the gentleman yield?

Mr. ANDRESEN. I will.

Mr. KVALE. This is the same measure we "radicals" advocated six years ago.

Mr. ANDRESEN. If I am not mistaken, I will say to the gentleman that the Norris-Sinclair bill, as I have read and believe I understand it, provided for a Government corporation to go out and buy products and deal in commodities.

Mr. KVALE. Precisely. This bill deals with it in a roundabout way.

Mr. ANDRESEN. The gentleman has not studied the bill.

Mr. KVALE. I have studied it.

Mr. TINCHER. If the gentleman will yield, there is this difference between this bill in its present form and the Norris-Sinclair bill. That bill called for $500,000,000, and this only calls for $375,000,000, and that is the only difference. The gentleman is entirely right.

Mr. ANDRESEN. I wish to thank the gentleman for his addition to my speech.

The problem of agricultural relief legislation, which is now before us, is undoubtedly the most important question ever considered by the American Congress. The prosperity of our agricultural population, representing one-third of our people, is vital not only to the farmers themselves but affects, both directly and indirectly, the prosperity of the entire Nation.

Legislation has been enacted to give stability as well as impetus to American industry; labor has received its stability and recognition by Federal enactment; but the farmer, the basic producer of our country, does not appear in the picture as a beneficiary of congressional consideration to any marked degree.

It is true that laws and policies have been adopted by the Federal Government to encourage the farmer to increase his production of agricultural commodities, with no particular effort to assist him in the marketing of this increased production, which has now greatly exceeded our domestic requirements. Now, therefore, the producer finds himself in the posi-

tion where he has an overabundance of agricultural products in consequence of Federal agitation for increase in production and with no profitable market regulated by domestic consumption in which he can sell his food products.

Farming is a business, and agriculture should therefore be regarded as one of our basic industries. In considering this legislation we should therefore consider it in a businesslike way and leave politics and other humorous discourses out of the question. Both of the major parties pledged assistance to agriculture in their respective party platforms of 1924, so there is in reality no political excuse to be offered by either party for failure to enact the desired legislation.

There seems to be more or less confusion as to the farmer's real troubles, and as I have the honor of representing a real farming district in the Northwest—a district in which the business of our villages and cities is dependent, to a great extent, upon the prosperity of the farmers—I will briefly state the farm problem as it is considered in my district. My home city of Red Wing, Minn., on the Mississippi, in the early days, was the largest primary wheat market in the world.

It is a simple proposition, and I first want to illustrate the main source of contention. When the farmer comes to town to buy a pair of shoes, he goes into a shoe store and makes his selection. The merchant does not ask him, "How much will you give me for these shoes," but he states the price is $5, which is perfectly proper and fair. The farmer pays the price or does not make the purchase, if he can get along with his old pair of shoes for the time being. The farmer in this respect receives the same treatment as any other consumer.

Now, when the farmer has a load of wheat to sell—and I simply take wheat as an illustration—he brings his load of wheat to the grain buyer. The grain buyer does not ask him "How much do you want for your wheat"—in the opinion of some, such a question, if asked by the grain buyer, would be objected to as being leading, no sufficient foundation being laid, irrelevant, and immaterial, and upon the further objection that the farmer was not an expert and not competent to give his opinion. The grain buyer would say, "I will give you $1.25 a bushel. You will have to take that price or I do not want your wheat, even though it does cost you $1.60 a bushel to raise it." The farmer, being hard pressed by his creditors, must necessarily sell, as he has no other market. We have the same story with butter, cattle, hogs, corn, cotton, and every other agricultural product. The farmer must pay the price asked for everything that he buys, and has absolutely no control over the price he is to receive for his products upon which our entire Nation is necessarily dependent.

How long, Mr. Chairman, would the retailer or the manufacturer continue in business if he were forced to carry on his business as the farmer is compelled to do in this country? No retail merchant, jobber, or manufacturer would last 30 days, and yet we have certain honorable gentlemen in this House and business men in the country who will not concede to the farmer the same rights, protective laws, and privileges, which have been afforded by acts of Congress to industry and business—yes; and even to labor. Yet, gentlemen, do not misunderstand me, as I believe such legislation to be entirely proper, but I want the farmer in the picture so that he and his industry may have the same benefits as are now being afforded to other groups in our economic structure.

Congress has properly taken care of industry, business, and labor by subsidy and otherwise. These groups represent two-thirds of our population, and the effect of such legislation has worked wonders in developing and maintaining their economic prosperity. Why, then, is it not proper that we should take care of the other third of our population?—the farm producers, and complete the prosperity picture of this the greatest and wealthiest and most desirable Nation on the face of the globe, and at the same time bring peace and contentment to every home and fireside.

The question might properly be propounded as to just how the prosperity of the farmer will affect the balance of our population. Statistics disclose that the agricultural population represents nearly one-third of our people. And that the other two-thirds are engaged in business or industry, manufacturing products for consumption. One-third of the consumers, residing on the many farms of our country, would naturally be expected to purchase at least one-third of the products manufactured and sold in the United States. At the present time, I doubt if the farmer is able to purchase more than one-tenth of his share. Now, if prosperity comes to him, it will increase his purchasing power, and he will spend his money if he has it—and let me say right here that the farmer is a good spender. He would buy more from his retail merchant, who in turn would buy more from his jobber, who in turn would buy more from his manufacturer, who in turn would hire more employees and pay better wages, and so prosperity to the farmer reflects all the way through our economic and social life. Such a proposition is fair, just, and equitable, and in entire accord with American standards and principles.

Politicians admit, especially when they are looking for votes, that agriculture is the basic industry upon which the success of our Nation is founded. Let us therefore lay aside politics and prejudice in a real, earnest attempt to put the farmer in his proper place in our country, so that when he brings in his wheat or other product he will be in a position to make his own sale at a fair price which will cover his cost of production plus a reasonable profit.

Some will say that the farmer will charge an exorbitant price if he is given this privilege. It is perfectly natural that he will want to get as much as he possibly can for his products, but when he raises the price too high it will mean that the American consumer will find a market elsewhere in which to deal. When the merchant and the manufacturer makes the mistake of charging an exorbitant price he soon finds that he is without business. At any event, unless there appears to be a great shortage of food products in the world, the farmer would not receive more than the world price plus the tariff for his commodity.

If the manufacturer raises his price to a point where imports come in, he either reduces his price or takes a trip to Washington and gets an increase in the tariff from Congress. Now, all we want is to give the farmer the same benefit.

I want to be perfectly frank with the members of the committee and give you the benefit of my actual experience. For three months last summer I took the trouble to interview at least 2,000 farmers in my district on the subject of agricultural legislation. At least 90 per cent of the farmers interviewed told me that they did not want the Government to go into business; that they wanted no price-fixing scheme by the Government, but they did want some legislation which would afford them stability in the marketing of their product. I believe with many others that the Haugen bill will give this stability to agriculture.

It has been demonstrated beyond any doubt that 6,000,000 farmers can not organize cooperatively without the assistance of the Government, and I believe that the Haugen bill will stimulate and encourage cooperation to the fullest extent.

The farmer needs no more loans, but he does need stability and a fair price, so as to give him an opportunity of paying the debts incurred in the last six years. It should be strictly understood that the Haugen bill does not put the Government into business; it fixes no Government price on food products, so that the cry of radicalism in connection with this measure is far from the truth.

The main purpose of the bill is to handle the surplus crops through cooperative producers' organizations. The farmers themselves, and properly so, have a hand in the selection of the administrative board, and I feel confident that the selections made by them will represent the best type of American business sense.

The bill provides for a revolving fund of $375,000,000, which is to be used to carry out the policies of the bill until such time as the equalization fee becomes effective. At the best this revolving fund will only be available for the season of 1927, as it will take until November 1 to complete the organization of the board. It therefore means that in case an emergency is found in 1927 the board will be at liberty to designate a marketing agency to purchase and handle such surplus product. I believe that the board will give the matter serious consideration before they declare a state of emergency in any commodity and before a single dollar of Federal money is used, and supposing we do lose some money out of the Federal Treasury, it would not be out of the ordinary custom in Federal business methods.

The Secretary of Agriculture testified before our committee to the effect that he would not be alarmed over any loss resulting in the dealing in agricultural commodities. He stated that the Government could afford to stand such a loss, and he believed that the board as it would function under the Tincher bill, and there is no material difference in the make-up of the board in the Haugen bill, would use considerable judgment in the handling of the public funds intrusted to it.

Some of our distinguished colleagues raise the question of constitutionality of the Haugen bill, and while, of course, I am interested in constitutional questions, I nevertheless feel that such expressions at this time are more in the nature of subterfuges for the opposing gentlemen to hang their hats on. We have our courts, and the constitutionality of this bill, if it becomes a law, will be determined by them.

Food products are the main necessities of life, and you will be interested to know that our average butter consumption for 1924 amounted to 17¼ pounds per capita. At a fair price of

55 cents a pound to the consumer, the cost would be $9.49 per capita. The farmer would receive 55 cents a pound for his butterfat. We consume per capita 54 gallons of milk and cream. A fair price would be 48 cents a gallon. This price would give a fair and profitable return to the farmer. We each consume 4½ bushels of wheat. If the farmer received $1.60 a bushel, there would be no material change in price to the average consumer. If we each consumed 5 bushels of potatoes a year—and I know this quantity is excessive—it would make very little difference in our household budget if we paid the farmer $1.50 a bushel, which would be highly profitable. There was no material change in the price of meat to the consumer when beef dropped from $16 to $8 per hundredweight. The point that I want to bring out is the fact that there is something radically wrong in our marketing system, and I believe that the Haugen bill will go a long way toward correcting the existing evils of marketing without raising the price of food products to the ultimate consumer.

In answer to the criticism that the farmer is being given a subsidy, I have only this suggestion to make—that there are plenty of precedents for it. Of course, in the granting of special favors to the railroads, merchant marine, industry, and labor, the broad and vulgar term of subsidy is not used. It is clothed with the term of protection.

A perfectly proper request has been made by the American Pig Iron Association and the eastern pig-iron manufacturers for an increase in tariff rates so as to equalize conditions in the pig-iron industry here and abroad. I assume that this request will be given prompt and favorable consideration by way of granting this increased tariff subsidy to this important industry in the United States.

If this increase is granted it means that the cost to the farmer of every piece of steel or iron, and the finished manufactured product in which steel and iron play a part, will be materially raised.

Now, then, if the iron and steel industry is to receive further protection, so as to create a higher price in the domestic market, why, then, should we not apply the same theory of protection to the American farmer, and create for him an equalized condition affording protection against foreign cheap labor and cost of production?

That the anthracite-coal industry will soon be demanding protection was brought out by Mr. Walter Gordon Merritt, of New York, counsel for the anthracite-coal operators.

In the Committee on Interstate and Foreign Commerce he was asked if anthracite had met with very much competition from foreign coals. He answered:

> There has been no serious competition. But the industry has reached a situation where there is a potential competition which will prevent a substantial increase in price.

Mr. Merritt recognizes the fact that his industry has at last reached such an exorbitant price—and we paid as high as $25 a ton for his coal up in the Northwest last winter—that the time is soon at hand when this industry will be coming in with its request to Congress for a protective subsidy so as to afford a higher price to the American consumer.

Most of the farmers of the country use anthracite coal. They must have this coal or freeze to death, and consequently are forced to pay any price. But when the farmer, the basic producer of the United States, asks for the privilege of securing a fair price and a profitable return for his agricultural products these same representatives of industry raise their hands in holy horror and say that it is unsound, uneconomic, and unconstitutional.

In conclusion, there is a wide difference of opinion as to the practical application of any of the three measures before this committee. The same difference existed in the Committee on Agriculture. The measures are therefore more or less theoretical until put into actual practice, and, as we all know, actual experience is the best teacher. The farmers and farm representatives advise us that the Haugen bill will do the business and accomplish the results desired, and I for one am willing to go through this experience to save American agriculture. [Applause.]

Mr. ASWELL. I yield 15 minutes to the gentleman from Mississippi [Mr. LOWREY].

Mr. LOWREY. Mr. Chairman, within the last three or four days I received a letter from a very progressive young farmer of my district, a young man of real intelligence and of some college education and decided culture. He loves the farm and he is trying very hard to stay with it against very great odds. In his letter he said he did not ask the Congress to give farmers anything. He said he was not sure that it is good for the Congress to lend any more than they have already loaned. You know, a good many farmers are feeling that they have rather been led into debt in recent years by this Federal loan business. But he said, "We would like for something to be done to break some of the trusts that are almost making it impossible for the farmer." He said, "I am paying from $3.50 to $5 for a plow point that I ought to get for prices ranging from 75 cents to $1.50." He said, "I have paid $56 this spring for three plows that ought to cost from $7.50 to $10 apiece."

Now, whether the young man was right as to just what we ought to do, he was certainly right in this particular, that the cost of those things to the farmer is clear out of proportion to what he gets for his products, and those prices are making it almost impossible for the farmer.

Mr. Chairman, my present plan is to vote for the Aswell bill, with the proposed $100,000,000 amendment, but rather than see this farm legislation fail I would vote for any one of the three bills, with certain amendments. Of course, no one of the bills is perfect, and whichever is enacted into law that law will need and will receive modification as time shows its defects.

It is admitted that this legislation is somewhat experimental. The gentleman from Indiana [Mr. PURNELL] has reminded us that the Agriculture Committee of the House spent seven weeks trying to work out a bill to solve this intricate situation, and then failed to produce a measure on which the majority of that splendid committee could agree.

I am sure that this Congress has not undertaken a harder task than that of meeting the present conditions in agriculture. The very best brains of both Houses have worked on it conscientiously, but the problem is so difficult that there is still almost as much disagreement as there was in the beginning. We all know that something must be done. We earnestly desire that what is done may be effective. Hence I would rather see any one of the bills pass, with certain changes which I anticipate, than to see the Congress adjourn without any legislation for agricultural relief.

For that matter, I believe that the temper of this House is to stay here through summer, if need be, rather than adjourn with the work unfinished. There are certainly some of us who feel that way about it. You remember the conversation of Uncle Remus with the little boy: When "Bre'r Rabbit" got in a tight place Uncle Remus told the little boy that "he clamb a tree." "But, Uncle Remus," said the little boy, "a rabbit can't climb a tree." "Ne'mind, honey," replied the aged negro, "Bre'r Rabbit 'bleeged to climb a tree."

Bre'r Farmer is 'bleeged to have relief, and the necessity of it is not entirely, perhaps not principally, from the farmer's own standpoint. We have said that agriculture is our basic industry until the expression has become stereotyped, and we say it without realizing the full weight of the truth in it. Do we know what "basic" means? When the base weakens the whole structure is endangered, and when the base really crumbles, the structure falls into ruin.

Isaac and his good wife Mariah were in a storm at sea. She clung about his neck and cried, "Oh, Isaac, Isaac, I know the ship is going down." "Oh, don't be a fool, Mariah," said Isaac, "this ship does not belong to us."

This is a reply well worthy of the man who lives in a commercial or manufacturing district and thinks carelessly of the present agricultural situation. This Congress has appropriated three-quarters of a million dollars to Army, Navy, and Air Service. That is national defense. But there is nothing in national defense more important than to safeguard the Nation's food supply or to preserve to the Nation a happy, prosperous, and strong rural population. Yet, unless something is done to check the present trend of things, that splendid rural population which has ever been the peculiar pride and strength of America will be reduced to peasantry. This is not pessimism; it is not poetry nor oratory. It is a stern fact with which we stand face to face.

In 1921 more than 15,000 farmers went bankrupt in the United States; in 1922, 22,500; in 1923, 34,000; in 1924, 41,500. It is said that in 1925 750,000 people moved away and left the farm. If this continues, it requires little insight to see that it means the ruin of every other industry. In the past our sturdy and intelligent rural stock has produced the manhood and womanhood to lead every valuable activity and every great enterprise in America. But the case is more concrete than that. Not only are we dependent on the farmer for what we eat and wear, but he supplies the raw materials for the factories and thereby gives work and means of livelihood to the people in manufacturing centers, and thereby supplies the purchasing power for those whose trade supports the stores and whose money maintains the banks and financial institutions.

Hence legislation for the purpose of saving agriculture is not class legislation, and money appropriated to this purpose is presumably for the public good.

A week ago I stood in front of the great Union Station in this, our Capital City, and copied with my pencil those forceful words engraved there in stone:

The farm. Best home of the family, main source of national wealth, foundation of civilized society.

We appropriate millions of dollars every year to rivers and harbors, and have in the past appropriated to railways. Is transportation more important than the production of things to be transported? We appropriate millions to irrigation and flood control. Why water, drain, or protect lands for agriculture and allow conditions to continue which drive the farmer from the land?

Why appropriate money in millions to maintain our national Department of Agriculture, our experiment stations, agricultural schools and colleges, and thus promote production while conditions obtain which make even the highest amount of production unprofitable?

It is certainly time to spend some public money—even millions, if need be—in saving this acute agricultural situation, and it is the wisest economy to do so and foolish extravagance not to do so.

Mississippi's humorous Congressman, Private John Allen, used to tell this story: Somebody told an old lady that hens would thrive on dough made of a mixture of bran and sawdust. She tried it, and the hens seemed to do well. The old lady was delighted over her economy. But when she had fed in this way for the winter and tried a hatching of 14 eggs in the spring, 13 of them hatched chickens with wooden legs and the other 1 hatched a woodpecker. [Laughter.] Moral: It is not every economy that economizes.

But they tell us that we are venturing upon the socialistic policy of subsidizing. I admit that it looks somewhat that way. Yet in reality we are not subsidizing agriculture any more than we have subsidized other industries for many years. By our protective-tariff policy we turn something like $2,000,000,000 a year into the hands of manufacturers. Admit for argument sake—only for argument sake—that this is exactly right and is a wise and proper policy for us to pursue. We all must admit that thereby the Government brings much prosperity to certain lines of industry and does something to give high wages and a high standard of living to labor.

Be it said, however, that this has meant a scarcity of labor and a costliness of labor to the man who owns a farm and has made it more difficult for him to produce at a price within that for which he may sell.

In a recent speech before this House I criticized the policy of taxing one class of our citizenship for the enrichment of another class. But whether we approve the protective tariff or not, we all agree that by this policy the farmer has failed to share full prosperity with the manufacturer. Is it not at least time to even things up a little?

I do not object to the Haugen bill on the plea of subsidy; or, at least, I would not refuse to support it on that plea. There are features of the bill, however, of which I am afraid. I have not time to discuss them now. They have been fully discussed before the House. I hope that the Aswell bill, if passed with the proposed amendment, will meet the situation. If not, then another Congress can take further steps. Therefore I am first for the Aswell bill; but, as before said, I believe we would better pass any bill of the three with such amendments as we can get than to adjourn this session of the Congress without passing any bill for the aid of agriculture.

A little boy prayed:

O Lord, take care of me while it is dark and I am asleep, and tomorrow, when it is light, I will stay awake and take care of myself and you can get a nap.

I believe that if we will take care of the farmer in this the darkest night of his history, and place him on anything like an even footing with those in other lines of industry, he will soon be able to take care of himself. And I think the Aswell bill with the proposed amendment will place him where he can do that. [Applause.]

Mr. TINCHER. Mr. Chairman, I yield 10 minutes to the gentleman from Kentucky [Mr. ROBSION].

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

BORN AND REARED ON A FARM

Mr. ROBSION of Kentucky. Mr. Chairman and gentlemen of the House, I approach this question of farm relief legislation very sympathetically. I was born on a hillside farm in Kentucky and was reared on a farm. Our family produced tobacco, the best grade of which was sold for about 5 cents a pound and the poorest grade at 1 cent a pound, and I remember one year that we sold the very best corn at 20 cents per bushel, and we got similar prices for other farm products. We gave the landlord one-half of the proceeds of the tobacco and one-half of the other crops. My father did not own any land; he was a tenant. Some of the older Members of this House, no doubt, have had the same experience. I know what it means for a crop to be ruined by early frost and damaged by late freezes, by high water, wet spells, and drought, by the blight, tobacco worm, cutworm, chinch bug, potato bug, scale, the twig borer, and other pests and insects.

All of my family on both sides were and are farmers. I am the only one to get away from that great and honorable occupation, but while I entered the professional and business life later on, I never lost my sympathy or interest in the farmers or their problems. Through the efforts of the national bank, of which I was president, we established at the expense of the bank the first purebred boys' chain pig club in America. I bought and presented to the boys and girls of my county nearly 500 settings of purebred eggs and started the boys' and girls' poultry club in my home county. Our bank offered unusual opportunities and favors to encourage fruit growing and other branches of agriculture by giving substantial prizes, and loaned money at reduced rates for long periods of time. Since I have been old enough to understand, I have realized that agriculture is the greatest and most important of our basic industries. The farm is a source of the Nation's wealth, and it is the producer of the greater part of the Nation's choicest citizenship. The Nation can not be prosperous and we can not maintain our high standard of citizenship if agriculture is in distress.

SUPPORT OF FARM MEASURES

When I came to Congress one of my great desires was to aid this great industry and to bring it up on a par with other industries, occupations, and professions in the way of rewards for their labor. With this in mind, I have always given my active support to Federal aid for highways. In fact, I introduced the bill and had charge of the bill that became a law and under which we are building America's great highway system. In that bill I favored the "farm-to-market road." I shall continue my active support of this program until we build good roads to all of the farmers of the Nation. I also favored the development and improvement of our rivers to give cheaper transportation. I now think that railroad rates are too high, and have been and shall continue to aid any movement that will give to the farmers of the Nation lower rates for the movement of their products. The farmers asked for an emergency tariff; I supported it. The farmers urged Congress to extend to them more liberal credits; I supported the Federal land bank, the Federal farm loan bank, and the liberalization of the law so as to give to the farmers loans on long periods of time at low rates of interest. I have always favored a protective tariff on our farm products. Two years ago I supported the Haugen agriculture bill. It was the only bill before Congress for the farmers, and while I doubted its workability, yet I did not want to lose an opportunity to aid this great industry. In fact, I have never failed to support any measure that had for its purpose the relief of agriculture.

DISAPPOINTED

The great Committee on Agriculture of the House has been investigating the question of farm relief for more than four years, and for the last two months they have been holding hearings almost daily. I know they had called before their committee many of the brightest minds of the Nation who were interested in this great industry. I know this committee had more opportunities to study and know this important question than almost any other like group of 21 men in the whole country, and I had indulged the hope that this committee, or at least a substantial majority of it, would report an agricultural relief bill to the House. They had investigated the question so thoroughly that I had made up my mind to accept the result of their combined judgment. I must confess my keen disappointment when this committee reported three bills to the House, each one antagonistic to the other. I refer to the Haugen bill, the Tincher bill, and the Aswell bill, and the members of this committee have confessed on the floor of this House that the reason they delivered triplets on the doorstep of the House was that they could not find 11 of the 21 members of that committee who could agree on any bill. Gentlemen of the House, this is an amazing situation. If these men who have spent years hearing witnesses and making investigations could not, or at least a majority could not, agree on what could be done for the farmers of the Nation, how could they expect us Members of the House, with not one-tenth of the opportunities

to study this question, to make a correct decision. Of course, one trouble is that the various farm groups of the country have never been able to agree themselves on what Congress ought to do for the farmers. It seems to me that if the question could be solved at all, it could have been and would have been solved by this great Agricultural Committee. I am wondering if the committee and some of the leaders of the various farm organizations have not been trying to do something that can not be done. I am wondering if they have not overlooked many of the simple economic laws by attempting something that could not be done.

FARMERS OPPOSED TO SUBSIDY

Mr. WILLIAMS of Illinois. Mr. Chairman, will the gentleman yield there?

Mr. ROBSION of Kentucky. Yes.

Mr. WILLIAMS of Illinois. The Committee on Agriculture has reported a bill, the bill now under consideration by the House, the Haugen bill, and it has the indorsement of all of the big farm organizations of the country and of the best farmers of the country. What is wrong with that bill?

Mr. ROBSION of Kentucky. My friend Mr. WILLIAMS of Illinois, who is a member of the Committee on Agriculture and who is for the Haugen bill, knows that the Haugen bill does not have the support of the majority of the great Committee on Agriculture of this House, and it does not have the support of all of the farm organizations of the country or all of the best farmers of the country. As I understand, the Haugen bill is opposed by practically all of the cooperative farm organizations of the country, if not all of them.

Mr. WILLIAMS of Illinois. I say that it has the support of the majority of the great farm organizations of the country, which is better than the support of the Agricultural Committee of the House.

Mr. ROBSION of Kentucky. The gentleman is again in error. The Haugen bill does not have the support of a majority of the Agricultural Committee or of the farmers of the Nation. The Haugen bill carries a subsidy of $350,000,000, and, as I understand, all of the farmers and farm organizations who appeared before the committee expressed their opposition to a subsidy.

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

Mr. ROBSION of Kentucky. Yes.

Mr. TINCHER. And you may add further that that bill in its present form does not have the indorsement of a single living witness in America, and I challenge any member of the Committee on Agriculture to stand on his feet at this time and mention the name of a witness who testified before the Committee on Agriculture that indorsed a subsidy for agriculture before the committee.

Mr. ROBSION of Kentucky. I was coming to that.

Mr. WILLIAMS of Illinois. I did not dispute that.

Mr. ROBSION of Kentucky. I want to make the charge here and now that not a single witness of all the great men and great minds that appeared before your committee urged or indorsed $350,000,000 or $1,000,000, or 1 cent of subsidy for agriculture.

Now, my friend from Illinois [Mr. WILLIAMS], if you know of such a witness, name him. Name him!

Mr. WILLIAMS of Illinois. The representatives of the farm organizations that appeared before the committee in support of the Dickinson plan in writing.

Mr. ROBSION of Kentucky. What witness testified before your committee for a $350,000,000 subsidy or a $1,000,000 subsidy or 1 cent of subsidy? You have not named the man, and you can not name a man.

Mr. WILLIAMS of Illinois. They accepted the deferment of two years of the equalization fee. They represented in writing all these great organizations that appeared before the committee, and they are behind the bill.

Mr. ROBSION of Kentucky. Two years ago I supported and voted for the Haugen bill. [Applause.] It was the only farmers' bill before the Congress. I had serious doubts then that it would work, but I did not want to lose an opportunity to do anything that could be done for the farmers of America. But you did not have in that bill a $350,000,000 subsidy.

Gentlemen, I heard a statement to-day from a member of the Committee on Agriculture who is supporting the Haugen bill who perhaps knows more, or at least as much about this Haugen bill as any other man who spoke. I refer to the distinguished gentleman from Indiana [Mr. PURNELL]. What did he say? He stated there was not a farmer or a representative of a farmer who appeared before the Committee on Agriculture that urged a subsidy, but on the contrary, every one of them testified that the farmers of America did not want a subsidy. That is what the gentleman from Indiana [Mr. PURNELL] said.

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

Mr. ROBSION of Kentucky. No. I want to finish.

$350,000,000 FOR VOTES

The gentleman from Indiana [Mr. PURNELL] made another statement that was amazing. He said the farmers did not ask for a subsidy. Then some one asked the gentleman from Indiana:

Why did your committee put this $350,000,000 subsidy in the bill?

And the gentleman from Indiana said:

To get votes.

That is what he said. I have been a Member of this House now nearly eight years, and, gentlemen, I never before heard a statement like that, and you never heard a statement like that. "To get votes." Whose votes? Is there any man on either side of this House who can be kept from doing his duty or from doing the best thing for this Republic by the promise of $350,000,000? I want to say to the gentleman from Indiana [Mr. PURNELL] that your $350,000,000 subsidy will lose you votes instead of bringing you votes. It is indefensible.

OPPOSED TO SUBSIDY

About four years ago a tremendous drive was made in the Congress to pass a bill granting a subsidy to the American shipowners. Tremendous pressure was brought to bear upon you and me to support that measure. I remember very well I was called to the White House when it was known that I was opposed to the bill, and I was urged to support it. I told President Harding that I could not and would not support this subsidy to the shipowners of America. The various farm organizations of America met and passed strong resolutions condemning that bill because it provided for a subsidy, and these farm organizations appealed to you and me to oppose it. Nearly every labor organization of America and many business organizations made a like appeal, and that proposed subsidy was defeated by Congress. Mr. PURNELL, one of the supporters of the Haugen bill and a member of the Agricultural Committee, who was present when the witnesses testified in all of these hearings, admits that no farmer or representative of a farm organization asked for a subsidy for agriculture, but, on the contrary, each and all of them expressed their opposition to a subsidy, and I was happy to learn that the farmers of the Nation had not changed their attitude. I think those who put this $350,000,000 subsidy in the bill did the farmers of the Nation a great injustice. Mr. PURNELL says that it was put in there not at the behest of the farmers but in order to secure votes in the House.

These distinguished gentlemen who placed this $350,000,000 subsidy in the Haugen bill are saying they are trying to help the farmers, but they could not have done anything that would have injured the farmers' cause more. The farmers and the farmers' representatives who appeared before the Committee on Agriculture knew that this proposition was economically unsound, unfair, and unjust and would injure their cause, and they therefore expressed their opposition to such a subsidy, but Mr. PURNELL says it was put in to get votes. Is that the way legislation is to be accomplished in this the greatest lawmaking body of the world?

WOULD HAVE TO INCREASE TAXES

If Congress should pass the Haugen bill and it becomes a law, calling for $375,000,000 from the Treasury when we know there is no surplus in the Treasury to meet it, it would necessitate increasing taxes to that amount. Only about two short months ago the country was electrified when the present tax law went into effect, reducing the tax burden of the people of the Nation about $381,000,000. Where are you going to get the $375,000,000 provided in this bill? Are you gentlemen who are urging the passage of the Haugen bill calling for this subsidy willing to reverse your action of a short time ago and put back on the taxes that you voted to take off? Would either one of you vote for an amendment to this bill providing for the increase of taxes to the amount of $375,000,000? Do you think such a proceeding would appeal to the farmers or any other body of citizens in the country?

In the last analysis much of the taxes must finally be paid by the farmers. It is true that the corporations who produce the shoes, the clothing, the farm implements, automobiles, coffee, flour, sugar, and other necessities pay the taxes into the Treasury, but it is also true that they add these taxes to the products and finally those who use these products and articles must pay the amount of taxes added thereon. One of the great bur-

dens of the farmers is the amount of his district, county, State, and national taxes.

Many have wondered about the popularity of President Coolidge. If you go out into the country districts among the farmers when they meet in the country store or in other public place and discuss public affairs, you will hear many of them say: "A lot of these fellows up here at town are grafters. They are dishonest; but this fellow Coolidge is honest." They also say, "A lot of these fellows up at the courthouse are always trying to find some new way to put taxes on us farmers and the other people, but Mr. Coolidge is always trying to find some way to reduce or take the taxes off."

We have outstripped all other countries tremendously since the war, because the Federal Government has been reducing taxes and inviting capital to enter productive enterprises. I am unwilling to increase the Federal taxes. Furthermore, gentlemen, if we should pass this bill carrying $375,000,000 when we know there is no money in the Treasury to meet it, it would raise the question of our sincerity of purpose. A blind man could see that we were simply "passing the buck" to President Coolidge. He would have a right to resent it. He would be compelled to veto it and say to the Congress, "If you propose to spend $375,000,000 in this way, you must provide the revenue to meet this expenditure." The Constitution provides that all bills for raising revenue must originate in the House of Representatives. We can not pass this responsibility to the President or anybody else. Every Member of this House who is for the Haugen bill knows that it can not become a law. We do not have the money. Do not those who are pressing this legislation know that the farmers will find out that this is a mere gesture without hope of success? If those who are pushing the Haugen bill would offer an amendment to provide a way to raise the revenue to meet this new demand on the Treasury, I could have more faith in the sincerity of their purpose.

Mr. BURTNESS. Will the gentleman yield; I simply want to ask the gentleman this: If what you call a subsidy were eliminated and the equalization fee put into effect at once, would you vote for the Haugen bill?

Mr. ROBSION of Kentucky. Please do not anticipate my speech.

Mr. BURTNESS. Well, I take it that your principal objection to the Haugen bill is the subsidy?

Mr. ROBSION of Kentucky. Yes; but you do not know what my objections are until I get through.

Mr. BURTNESS. That is the objection you have raised.

Mr. ROBSION of Kentucky. I have just started.

Mr. BURTNESS. But you will answer that question before you finish?

Mr. ROBSION of Kentucky. There is no use for us to fool ourselves, gentlemen.

Why cling to this subsidy that you know can not become law? I want to join with any Member of the House and with all Members of this House in agreeing on something that you know can be written into law and mean something to the farmers. What does it mean for this House to be here all summer, like the great Agricultural Committee has been here all winter, and arrive at no conclusion and everything prove abortive.

Mr. FULMER. Will the gentleman yield?

Mr. ROBSION of Kentucky. Yes.

Mr. FULMER. Will the gentleman please state why the Haugen bill can not become a law?

Mr. ROBSION of Kentucky. In the first place, you know it can not become a law, my good friend. You know we have not got the money, and you know you would not vote for this bill if a tax bill increasing taxes should be attached to it. You know you would not vote for that.

Mr. FULMER. But if you pass the Mills bill it would take $250,000,000?

Mr. ROBSION of Kentucky. Oh, I am not for the Mills bill, and nobody is going to pass the Mills bill. There is no use of getting off on that. Let us stick to our knitting.

Mr. TINCHER. Will the gentleman yield to me? I will yield him additional time.

Mr. ROBSION of Kentucky. Yes.

Mr. TINCHER. In view of the fact that the distinguished member of the Committee on Agriculture, who just interrogated the gentleman, stated from the floor of this House this afternoon that he was supporting this bill knowing it could not become a law. I would like to know what basis of reasoning he uses in stating that he is supporting the American farmer?

Mr. FULMER. I stated that I challenged the Republican administration, the majority party that is responsible, to pass any farm legislation.

Mr. TINCHER. You stated this afternoon you knew it could not become a law, and still you claim you are supporting agriculture. It looks to me as though you are trying to support politics if you are supporting something you know can not become a law.

Mr. FULMER. I will say to the gentleman that if it fails it will be because of the gentleman's own party.

Mr. TINCHER. No; because it will not have anywhere near a majority of your party, and you know it.

Mr. ROBSION of Kentucky. I want to say to my friend from South Carolina that there are just as many Democrats against the Haugen subsidy proposition as there are Republicans on our side. We do not want to get politics into this question. We want to help the farmers, and I am unwilling to play politics with this the greatest of all basic industries of the country, because the health, the wealth, and prosperity of the whole country depends upon our agriculture.

Mr. FULMER. Will the gentleman yield for just a short question?

Mr. ROBSION of Kentucky. I can not yield further.

Mr. FULMER. I wanted to ask the gentleman whether he believes he helped the farmers when he reduced the taxes in the last year?

Mr. ROBSION of Kentucky. Yes. I helped the farmer as much as the gentleman from South Carolina. He voted for the same tax bill I voted for, and the Democrats of the House are claiming a lot of credit for helping to pass that great tax bill. The Republicans have passed three great tax reduction bills since they came into power in 1921. The bills reduced the Nation's tax bill more than $1,600,000,000 annually. No Democratic administration since the Civil War ever passed a tax reduction bill. They had deficits in the Treasury, but no surplus. These tax reductions helped all classes of our citizens. There were some items in the tax bill I did not like.

I can not agree on another point in the Haugen bill. It leaves out poultry, rye, oats, barley, potatoes, hay, sugar, vegetables, sheep, wool, horses, fruits, berries, and tobacco, and it leaves out all of the products of the dairy except butter. The agricultural products it leaves out aggregate billions of dollars every year.

Mr. BURTNESS. Will the gentleman yield for a question with reference to those products?

Mr. ROBSION of Kentucky. I can not yield now.

The proposition in this Haugen bill is to give this $375,000,000 subsidy alone to the producers of corn, wheat, cattle, hogs, and cotton. This subsidy must come out of the Treasury, but it must first be placed in the Treasury by taxes taken from the people, and that means that all other products of the farm and all other individuals and property of the Nation must be taxed to pay this subsidy to only five of the products of the farm. Gentlemen, this is not fair. The people of my own district can consume all the corn, hogs, cattle, and butter that they produce and much more. It would not be fair to them for me to vote this subsidy. Kentucky would pay about $10,000,000 of this subsidy. It would not be just or fair to vote this tax on tobacco, poultry, rye, oats, barley, potatoes, and other vegetables, fruits, berries, hay, sheep, wool, horses, milk, butterfat and other agricultural products of my State, as well as all other property and persons of the State, to provide a subsidy for the surplus corn of about two or three States, the surplus wheat of a few other States, the surplus cattle and hogs of a few States, and the surplus cotton of a few of the Southern States.

COOPERATION, FINANCE, PROTECTION, AND REDUCTION OF FREIGHT RATES TO FARMERS

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

Mr. ROBSION of Kentucky. Yes.

Mr. McKEOWN. The gentleman objects to taking this $375,000,000 out of the Treasury as a subsidy. Would the gentleman be willing to levy a small excise tax on the finished products of this country that have a large protective tariff and receive full protective benefits?

Mr. ROBSION of Kentucky. In the first place, since we have reduced the taxes we do not have the $375,000,000 in the Treasury to be taken out.

In the second place, no amendment could be attached to this bill and be in order to provide for the excise tax mentioned by the gentleman. It is no use to waste our time here discussing impossibilities. I may be wrong, but my ideas as to the real relief we can bring to the farmers are:

First. To amend and strengthen the present cooperative marketing laws so as to insure the fullest and most successful operation. The laboring people secured whatever advantages they may have not by means of a subsidy but by united and cooperative effort. Before the farmers can be properly cared for they themselves must organize, so that they may take ad-

vantage of the instrumentalities afforded by the State and Federal Government.

Second. The farmers' organizations may not have sufficient funds to handle their surplus crops and to insure orderly marketing. I strongly favor the bill carrying a sufficient revolving fund to provide ample loans for such amounts and for such periods of time and at such rates of interest as will enable the farmers to accomplish orderly marketing. I have thought that the Tincher bill takes care of both of these propositions. If it does not, I am willing to vote for such amendment, or, rather, take the good parts from each and all three of the bills and bring out such a measure as will effectuate these purposes.

Third. I favor a protective tariff on any and every agricultural product of the Nation to prevent the cheaply produced agricultural and food products of any other country being dumped into our country and placed in competition with American farm and fruit products. I voted for the emergency protective tariff for the farmer, and I voted for each and every provision and amendment offered in the Fordney-McCumber tariff bill for the protection of the American farmer.

My distinguished friend from Kentucky [Mr. KINCHELOE], who is also a member of the Committee on Agriculture and who made a strong speech against the Haugen bill and the subsidy provided therein, urged that we take off the tariff, so that Europe and other countries might bring their products to this country and sell their products and buy our farm products. I can not agree with my distinguished friend. America can not be really prosperous unless there is prosperity all along the line, in factories, in mines, on the railroads, in the forests, and on the farms. If the farmers are prosperous, they can buy the products from our mines and our factories, and this gives work to the factories and the mines. If the factories and the mines are running, they give business to our railroads and they give a market to the farmers for their products. Every shipload of sheep, lambs, and wool dumped into this country from Australia; every shipload of wheat dumped into our country from Canada, South America, or elsewhere; every shipload of cattle and hides brought to us from South America; every trainload of cattle brought to us from Mexico; and every shipload of sugar brought to us from other countries, and every shipload of fruit coming into our country take that much of the market and business away from the American farmers and fruit growers. Every shipload of shoes, clothing, or other products dumped into this country from Europe or elsewhere takes that much business away from our factories, our mines, our farms, and our railroads.

I am more anxious to see the farmers of America prosperous than I am the farmers of any other country. I am more anxious to see the smoke coming from the flues of the factories of America than from the factories of any other country of the world. We passed strict immigration laws to keep the people from other countries from coming to America and taking away the employment of Americans. How unwise it would be if we remove our protective tariff and permit these same people to remain in a foreign land and produce these products and dump them upon American workingmen. It would be better to have these same foreign people here producing and eating American products at the same time. I am for a protected immigration and a protective tariff. These will help the American farmer, the American workingman, and the American business man.

Fourth. I have thought for some time that the American farmer is not afforded ample transportation facilities. Freight rates and transportation rates are too high on farm products. The rates are such that it does not admit of wide enough distribution of farm products. Too often the freight charges exceed the invoice cost of the product. I have voted for a reduction of transportation charges. I have always stood, and still stand, for the improvement of the highways and the improvement of water transportation.

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

Mr. ROBSION of Kentucky. In just a moment.

Mr. CONNALLY of Texas. Will the gentleman yield?

Mr. ROBSION of Kentucky. I can not yield just now. The gentleman from Indiana [Mr. PURNELL] said at the end of two years we will drop this subsidy and then an equalization fee will go on. Let no man in this House be deceived. If you once adopt the principle of the subsidy, where, oh where, will you stop? If you once give a large group a subsidy, you can not get away from it without a major operation. Great Britain tried this same thing about a year ago when she put the subsidy teat into the mouth of a certain group of her citizens. When Great Britain undertook to withdraw the teat she finds it necessary to pull the teeth of the beneficiaries of that subsidy.

I am not here arguing or attempting to argue the question whether or not the miners of Great Britain are receiving sufficient pay. I know the miners in my own State are not receiving sufficient pay, because the soft-coal industry is paralyzed; but I am pointing out the danger of embarking upon a policy of this kind. If one group can demand and receive a subsidy, why not the miners? Why not the soft-coal operators? Why not every group or industry that finds itself in distress because of overproduction?

I now yield to the gentleman from Kentucky [Mr. BARKLEY].

Mr. BARKLEY. What I wanted to ask the gentleman was in relation to something he said about an hour ago. [Laughter.] Probably it would not be pertinent to what the gentleman is saying now. But he suggested the desirability of the farmer eliminating all surpluses. I want to know if the gentleman thought that ought to be the rule in agriculture with all products.

Mr. ROBSION of Kentucky. My statement was that the surplus of corn, hogs, cattle, wheat, and butter they claim is hurting us is that part that is being sold in foreign markets at a loss, and the less you have of it the less the loss and the less the injury if we must make up the loss.

Mr. BARKLEY. The gentleman's position is that the farmer should curtail his products until there is no longer a surplus in agricultural products.

Mr. ROBSION of Kentucky. That will insure good prices. I am in favor of cooperative marketing. There is too wide a spread between the consumer and the producer. Some gentlemen at a Washington hotel some time ago had a dinner, and they counted up the cost of everything that they had at that dinner produced on the farm and what the farmer received, and it was 83 cents, but it cost them over $12 at the hotel. I want some plan of cooperative marketing to bring the consumer and the producer of the country more directly together. Cut out a lot of middlemen. I want such financing of the proposition that the cooperative marketing concerns can take care of the surplus from time to time, so that we do not sell any of our crops across the sea at a loss.

Mr. BARKLEY. I assume that the gentleman thinks that ultimately the farmer ought to curtail the production until there is no surplus?

Mr. ROBSION of Kentucky. I did not say that. The surplus should be held down so that the lean years may absorb it.

Mr. BARKLEY. But how does the gentleman propose to bring about the absence of a surplus?

Mr. ROBSION of Kentucky. Here is one trouble: America does not have a chance to consume all she would consume.

Mr. BARKLEY. Mr. Chairman, America might consume more if the prices were not so high.

Mr. ROBSION of Kentucky. You are right. For instance, there are millions of children and people in this country who can not get the fruit, vegetables, meat, and bread that their bodies demand. In 1920 down in my district, out where there were no railroads and the roads were rough, I could have bought thousands of bushels of as fine apples as you ever put your teeth into at 20 cents a bushel, but here in Washington I had to pay 20 cents for two good-sized apples.

Mr. BARKLEY. I want to thank the gentleman for answering my question. [Laughter.]

Mr. GARRETT of Tennessee. Does the Tincher bill deal with freight rates in any way?

Mr. ROBSION of Kentucky. No; it does not, and neither does the Haugen bill nor the Aswell bill. I am inclined to the Tincher bill, because it goes further, and perhaps goes as far as it should go in cooperative marketing. There is no fee attached to it; it will not mean 50,000 employees going around and poking their noses into the business of every farmer in the country, as will be done under the Haugen bill. It provides for a revolving fund of $100,000,000 to aid the farmers. Then the Tincher bill has the indorsement of the Secretary of Agriculture, the man who is at the head of that great Department of Agriculture. I understand it has the support of the administration. I think it has a chance to become a law, and I want to support something that can be written into law and bring some help to the farmers of this country and not run after a will-o'-the-wisp or a jack-o'-lantern, when I know it is not going anywhere except into a swamp.

Mr. WILLIAMS of Illinois. Why is the gentleman unwilling to give the farmers what they want and insisting on giving them what they do not want?

Mr. ROBSION of Kentucky. They do not say that. Did the gentleman from Indiana [Mr. PURNELL] tell the truth when he said that no farmer wanted a subsidy? Did he tell the truth when he said that the $350,000,000 was put in there just to get votes in this House? Is that the truth?

Mr. WILLIAMS of Illinois. The gentleman says that he is for the Tincher bill. That is not indorsed by a single farm organization in the United States.

Mr. ROBSION of Kentucky. Oh, the gentleman is badly mistaken there.

Mr. ADKINS. Stick to the record.

Mr. ROBSION of Kentucky. I hear that most of the cooperatives of Kentucky, as I understand it, prefer the Tincher bill.

Mr. TINCHER. Every cooperative in the United States is either backing it or for nothing.

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

Mr. TINCHER. Mr. Chairman, I yield to the gentleman from Kentucky 15 additional minutes.

SURPLUS

Mr. ROBSION of Kentucky. It is claimed by those who are advocating the $350,000,000 subsidy in the Haugen bill that this $350,000,000 will be used to stimulate or increase the prices on corn, hogs, cattle, wheat, cotton, and butter for the next two years, and after that they will put on an equalization fee, and these products will then bear their own losses. It is claimed that this money must be used to take care of the loss by selling these farm products in the markets of Europe. Of course, the effect of this is to maintain at a high price these products for American consumption and to furnish Europe these food products at much less than cost. Do we want to tax the American people to furnish food products for the people across the sea? This cheap food would feed the people in Europe who are making shoes, clothing, farm implements, and other products to come in competition with these same products made by high-price food in America. This proposition is a two-edge sword and both edges are used against the people of America. I am anxious to help promote such cooperation among the farmers as will prevent a surplus of these products in so far as possible. It is admitted that this surplus sold in Europe is sold at a loss—that is, at a price lower than it cost us to produce them—and, of course, the more surplus we have the more loss. I want the producers of these five products, as well as other agricultural products, to find out that it is better to produce less, keep within the demand, and get a good price for the products rather than to produce more, glut the market, and bring about low prices. It is better for the tobacco growers of Kentucky to produce a crop every other year and get 20 cents per pound than it is to produce a crop every year, then to receive only about 10 to 12 cents per pound, and what we have said about tobacco applies to corn, wheat, hogs, and every other commodity. I think that this can be brought about by proper organization and cooperation, and I am for that policy expressed in all three bills, and for such amendments as will make this policy most effective.

I realize that because of weather conditions and other conditions there will be a large crop one year with a surplus and a shortage the following year or years of farm products. I am willing to go as far as anyone may reasonably go for the United States Government to provide funds to finance the farmers and their cooperative marketing associations to store and hold the surplus of the good years and distribute it during the lean years and in this way give to the farmers a good price for their products every year. These loans should be made in such amounts and for such time and at such rates of interest as will effectually accomplish the purpose, but, of course, I want such security provided that these funds will be returned to the Government. What I am trying to say is that I am willing to go as far as we may to prevent the surplus of our fat years being forced on the market and being sold to the people of Europe at a loss to the American farmers. This $350,000,000 of subsidy will have one tendency, and that is to stimulate production and increase the surplus and thereby break the market.

About the close of the World War there was a great demand for burley tobacco, the tobacco people receiving as high as $1 per pound. Of course, the next year fine old blue grass farms that had not had a plow in them from 50 to 75 years were plowed up, front yards and back yards were turned and planted with burley tobacco. The result was there was a great surplus, and the price dropped to 6, to 8, to 10, to 12, and 13 cents per pound. Another thing happened; the high price of tobacco caused a great demand for land. Speculation was rife. Men paid as high as $800 per acre for land for tobacco. The bottom dropped out of the tobacco business and bankruptcy starved thousands of tobacco farmers of Kentucky, but we did not come to Congress and ask for a subsidy. Our Republican State administration passed a strong cooperative marketing law. The tobacco growers entered actively into this organization through the leadership of Col. Robert Bingham, of the Courier Journal. The acreage to a large extent was controlled and the marketing of the tobacco was done in an orderly way and the tobacco farmers have been receiving ever since on an average of about 21 cents per pound. I strongly supported a cooperative marketing law passed by Congress in 1922, but the good price for burley tobacco has from year to year increased the acreage and unless the tobacco farmers control the production this splendid organization will break down with its own weight.

There is no way to take care of a great surplus in any industry if it persists from year to year. The stimulation of the war and the great demand for coal following the war boosted the price of soft coal as high as $10 per ton. Everybody that could went into the soft-coal mining business. What was the result? There are enough soft-coal mines and miners to-day to produce nearly a billion tons of coal while America can only consume about 500,000,000 tons per year. Many, many soft-coal concerns were forced into bankruptcy. Individual fortunes were swept away and soft-coal industry in Kentucky and throughout the Nation is paralized. There may be bad condition among the Iowa corn growers and some of the wheat growers, but it can not compare with the condition of the soft-coal producers and the soft-coal miners. We have too many coal mines and too many coal miners. This bad condition will continue until the mines and miners are more in proportion with the demands of the country. The soft-coal people and miners have not come and asked Congress for a subsidy, and as they are in worse condition than the corn, wheat, cotton, hog, and cattle producers I could not justify myself to vote a tax on them to provide for this $350,000,000 subsidy in the Haugen bill.

BUREAUCRATIC CONTROL

Another objection that seems to me is well founded in regard to the Haugen bill is that it will mean not a regiment, but an army of people taking charge of the affairs of the farmer with the control centralized here in Washington. I do not see how such a complicated piece of machinery can operate successfully. In the very nature of things this control must be autocratic. These officers in control must in a way fix, regulate prices, make contracts, and have the first and last word in everything relating to the farmers, the price for their products, and the manner of its process. It seems to me that the farmers of America will surrender all of their independence, and it will add an army of officers with big salaries. At the same time this centralized control at Washington, in my opinion, will supersede and destroy the cooperative associations and organizations that have been built up with years and years of effort, and when this subsidy is exhausted and the stimulation that it will create brings about a great surplus, and this machinery fails, in my humble opinion, the farmer will find himself in the worst condition that he has been for many a year.

I know that the workers of this industry are not receiving the reward for their labors that they should receive. I sincerely do wish to bring them up on a level and on more equality with the other workers and the producers of the Nation. I think the Tincher bill and the Aswell bill will mean more in substantial benefit to the farmers than the Haugen plan. I am convinced that if you would take out the $350,000,000 subsidy in the Haugen plan that it would receive very little support in the House. We know that the Haugen bill, with the $350,000,000 subsidy in it, can not become law, because there is not money in the Treasury to pay this sum. We know that the President must of necessity veto it unless Congress should be willing to restore the taxes that were taken off about two months ago. But I want to repeat that when these bills are read for amendments and consideration I shall earnestly endeavor to help to bring together the best elements in all three of these bills and agree on a bill that can receive a majority of the votes in the House and Senate and the signature of the President. I sincerely want to be for something that can become a law. I want to be for something that will be fair and just to the producers as well as the consumers of the Nation.

Gentlemen of the House, I wish to thank you for your patient and indulgent hearing, and may we indulge the hope that the united experience and intelligence of this House will finally work out a measure that will do justice to the farmer and to the people of the Nation.

Mr. SWANK. Mr. Chairman, I yield 15 minutes to the gentleman from Kansas [Mr. LITTLE].

Mr. LITTLE. Mr. Chairman and members of the committee, when the administration looked around to select some one to sponsor its bill, it selected my friend from Kansas [Mr. TINCHER]. The administration went into a county that has the largest mortgage indebtedness of any county in Kansas, with

the exception of about four. My friend lives out in the big seventh district. He lives in a county that produces more wheat, perhaps, than any county in Kansas, and yet the records show that in 1920 in his county the farmers were in debt 27 per cent. The land of Barber County, Kans., was mortgaged for 27 per cent of its value.

The record shows out in that county five years later, which is in the great wheat belt, that the real-estate mortgage indebtedness had increased to 42 per cent, and I think he was the proper one to introduce this bill to get the farmer deeper into debt. Then, my friends, they go back to the great State of New Jersey and get a distinguished constitutional lawyer, a man for whom I have the highest regard, and he talked for two hours. He was on the committee for six weeks, and he did not offer any solution. He did not offer a solution for the trouble.

It reminds me a good deal of a young fellow who lived in New Jersey. He believed that the United States started at Atlantic City and ended at Pittsburgh, and this young man came to Kansas and secured a job with a farmer. He had never been on a farm before. The first morning after he arrived the farmer told him to go out and feed the stock. He was gone for about a half an hour, and he came back, and the farmer said, "Did you feed the horses?" "Yes." "What did you feed them?" "I fed them hay." "Did they eat it?" "Yes." "Did you feed the cows?" "Yes." "What did you feed them?" "I fed them hay." "Did they eat it?" "Yes." "Did you feed the chickens?" "Yes." "What did you feed them?" "Hay." "Did they eat it?" "No; but they talked a lot about it." [Applause.]

My friends, members of this committee, in July, 1924, out where Mr. TINCHER lives in Kansas wheat sold for 85 cents a bushel. It sold for 90 cents where I live, and for $1.05 in Kansas City. Four months later, in December, 1924, when the speculators had bought up the crop, wheat went to $2 a bushel, and the speculators made 80 cents a bushel, and they made $80,000,000 off the Kansas farmers in 1924. That would not have happened had the Haugen bill been on the statute books.

This Agricultural Committee was in session for six weeks. Like Gaul it was divided into three parts, but all of the gall of the committee has been incorporated in the Tincher bill. [Applause.] Now, my friends, in a few moments I am going to endeavor, if I possibly can, to show you that if this law had been in force in 1924 and 1925 in this country that the farmers would have prospered. If we had taken $100,000,000 out of this revolving fund and had bought up the wheat in this country in July, 1924, we would have paid the farmers for that wheat the world price. We would have paid the farmers $1 a bushel and then we would have added the tariff of 42 cents. In other words, we would have paid the farmers in 1924 for their crop of wheat $1.62 a bushel. We will say this farm board tells Swift & Co., or any organization that buys the grain, "You buy 100,000,000 bushels," and if they had held that grain until December, 1924, they could have sold the surplus wheat for $2 a bushel. It would not have required an equalization tax. This would not have cost the farmers a dime.

In fact if this law had prevailed in 1924 this Government would have made a small margin of profit, because they could have bought wheat for $1.62 and on the 1st of December of that year could have sold it for $2 a bushel. In July, 1925, out in Kansas and throughout the Middle West wheat sold for $1.15 a bushel. So if this law had been in force last year in this country the board would have said to those purchasing the grain, "You buy 100,000,000 bushels of wheat, you pay the world's price, which was $1.15, and add to the price the tariff of 42 cents; that makes $1.57 which the farmer would have received, and if they had held this wheat until the first day of last December they could have sold the surplus of 100,000,000 bushels at $1.80. In other words, they could have made the difference between $1.57 and $1.80. They could have sold that wheat for 23 cents more than it cost. Therefore, members of the committee, how is it going to cost the farmer any equalization tax? The indebtedness of Kansas and of the entire West is appalling.

I am not a prophet, nor the son of a prophet, but I am going to prophesy to-night that unless you pass the Haugen bill wheat is going to sell next July out in Mr. TINCHER's city for 85 cents, and 95 cents in my community, and for $1.05 in Kansas City. But if you will pass this bill it means 42 cents a bushel more to every farmer in the great West. I want to say further that if you foreclosed the mortgages to-day of the farmers from the Mississippi River to the Pacific coast that 75 per cent of them would walk out empty handed.

If the present condition prevails in this country for five years longer, if the farmers of this country continue to get in debt as they have in the past five years, then by the year 1931 the farmers of this country will owe 55 per cent of the value of their property. The price of wheat is fixed at Liverpool. The price that the farmer receives for his product is that price less the cost of transportation.

The American farmer can not compete with Canada, Russia, Australia, and South America in the raising of wheat by reason of their cheap land and cheap transportation. My friend TINCHER's bill does not represent the spirit of Kansas, and I can say that there is not an organization in Kansas, there is not a farm organization, there is not an honest-to-God dirt farmer in the State who is in favor of his bill.

I have all the respect in the world for Mr. TINCHER. I like him. But, my friends, his bill will not do the farmer any good. The fact of the matter is, as I said before, the price of wheat is fixed in Liverpool, the market of the world. The Kansas State Legislature in 1925 passed a joint resolution, and called upon this Congress to enact such legislation as would insure the farmer an American price for that portion of his product that is consumed domestically and take the world price for the surplus.

That is exactly what the Haugen bill will do. And so I appeal to the members of this committee and to the Members of this House that we must do something for the farmer. The time has come in this country when agriculture hangs in the balance. We have been helping the railroads. We have helped the shipbuilders. And if some high-hatted, frock-coated president of a railroad company had come down here and shown this Congress that in the past five years his company had lost millions of dollars, Congress would grant Federal aid. But when the farmers of this country, the men who produce the wealth of the country, come here will you give them relief?

I am a Democrat in a Republican State, and these two gentlemen who have introduced these bills are both Republicans. So I am going to select the bill of my friend from Iowa [Mr. HAUGEN], and I am going to stand by that bill; and if I go down to defeat, I will not vote for the Tincher bill now before this Congress, but I will go back to my home and will tell the people of my State that I stood for a measure that would help the farmers of this country; and by passing this bill we will bring happiness into the hearts of 7,000,000 farmers, their wives and children. The Haugen bill has a heart and a soul. [Applause.]

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

Mr. TINCHER. Mr. Chairman, I yield myself five minutes.

The CHAIRMAN. The gentleman from Kansas is recognized for five minutes.

Mr. TINCHER. Mr. Chairman and gentlemen of the committee, I shall not in five minutes attempt to argue the great economic question so ably discussed by my colleague [Mr. LITTLE], who has just taken his seat. It would take a long time to make an answer to that learned discussion of the merits of the Haugen bill that you have just listened to. I say the gentleman is entirely right; considering the economic soundness of the bills that he produced before the committee, the Haugen bill is more comparable with them than any bill I could mention. His bill that called for a given profit on every acre of wheat, regardless of the value of the land, was, next to the Haugen bill, the most unsound and uneconomic proposition that was ever produced before the Committee on Agriculture.

But I did not take the floor for the purpose of making that statement. I have no feeling against the gentleman who has just left the floor. Until he was elected to Congress, although I have been quite active in politics in Kansas for a number of years, I never heard of him. There is no personal feeling between us. But I have lived in Barber County, and I have lived there through my entire manhood, and no better people live under the canopy of heaven than live in that county, and they are entitled to defense; and I took the floor here to-night to deny the false statements that have been made, before this vile blasphemy is issued against them through the press. Barber County is not a great wheat county, and the man coming from Kansas who told you that it was the greatest wheat-producing county of Kansas either maligned the county or spoke of a county in the State in which he lives without any information. Barber County is one of the roughest counties in Kansas.

We produce gypsum, and the biggest gypsum mine in the United States is there. The Capitol of this great Nation of ours is finished with a product made in the little town of Medicine Lodge, in which I live. We deal in cattle. It is a cattle county, and in the depression after the war we lost money, and we mortgaged our ranches and our cattle and everything else and went back into business, and we did not come to Washington and ask for a subsidy to get back into

business. We mortgaged our property, and not yours, and there is not a farmer or a man or a citizen of Barber County who will ask for the thing he has asked for. There is not a man or a citizen of the good county that I have the honor to live in that will appreciate the statement that he made. Yes; we are in debt, honestly in debt, but we do not appreciate any assault on our credit.

I said it was not the best wheat county in Kansas. We have the indebtedness. I am not denying it, but we have the property, and our credit has been good. We brought in cattle; we have stayed in the business, and we are getting on our feet, and we do not appreciate any man from that State coming to the National Capital to slander us; and if he does do it, he ought to be familiar with the facts.

Mr. GARRETT of Tennessee. You have the indebtedness, but you have not the wheat.

Mr. TINCHER. We have the property. The indebtedness is secured. When a man takes it on himself to mention the home of his colleague, he ought to at least know what the products of the home are. [Applause.]

Mr. Chairman, I yield 30 minutes to the gentleman from Vermont [Mr. BRIGHAM].

Mr. BRIGHAM. Mr. Chairman and gentlemen of the committee, no one who has given serious thought to the agricultural problem which has been the subject of so much discussion here in this House would for a moment deny the distressing financial condition of the farming industry, and no one can desire to stand in the way of any relief measures which are sound in principle and permanent in nature.

Three measures are before us for consideration. The Tincher and Aswell bills have one distinctive merit that the remedy they offer is available to every farmer in the United States who will qualify to come under their provisions. The wisdom of the Aswell bill may be questioned because it seeks to hand down to the farmers of the United States a cooperative system promoted by the Government. Experience seems to have clearly demonstrated, both here and abroad, that farmers' cooperative associations are successful in about the proportion that they grow out of a need recognized by the membership and are organized by the farmers themselves and not by outside promoters. The Haugen bill proposes to appropriate from the Treasury of the United States the sum of $375,000,000 to be placed at the disposal of a board, which the President of the United States is not even trusted to appoint, with the avowed purpose of having that board use most of this gigantic fund to speculate in five farm products, viz, wheat, corn, butter, cattle, or swine, and the products thereof, for the purpose of raising their price.

The value of the five products named in this measure approximately total only about one-half the value of the farm production of the country. Therefore the benefits to be given by this bill will not be of general application but will be limited to the favored farmers who produce these few commodities.

This bill, providing as it does for the postponement of the equalization fee, which is designed to reimburse the Treasury for losses sustained, is an out-and-out subsidy, not to agriculture as a whole but to the producers of about one-half of our farm output.

Attempt is made to justify this expenditure on the ground that it discharges the obligation of the Government to make the tariff effective for agriculture in the same way that it is effective for the products of other industries. Just what the Government has done to make the tariff effective for other industries is not made clear. No tariff law has ever been enacted which sought to save producers from the effects of internal competition. When an industry produces in excess of the demands of the home market and must sell surpluses abroad, no Government agency intervenes to make the tariff effective. Why should Congress create new privileges for agriculture for the purpose of making the tariff effective on farm products?

An examination of the hearings held before the Committees on Agriculture of both the House and the Senate show that those who appeared for the Haugen bill came principally from a great section of our country known as the Corn Belt. If you examine the census you will soon see that the great staple food products for which price relief is sought in this bill are the principal products of that region. In fact, it would not be inappropriate to designate the Haugen bill as the Corn Belt relief bill.

First of all, in considering this measure let us remember that agriculture is not confined to any one section of our great country. Neither is agricultural distress confined to any one section.

Prof. J. Russell Smith, in his very interesting work on North America, describes the Corn Belt as a region comprising practically all of the State of Iowa and parts of the neighboring States of the great Middle West. He has this to say about that region:

> This Corn Belt, a quarter of a million square miles in extent, is one of the finest blocks of farm land in the world.

But great as this region is, important as the welfare of this region is, and proud of this garden spot as we all must be, it is, after all, but a small part of the agricultural acreage of the United States.

John St. Loe Strachey, editor of the London Spectator, while on a visit here last year, gave out this statement:

> A friend met me with his car on the Canadian border and took me from Buffalo to Philadelphia by road. * * * The farms of the East delivered my soul from the prison houses of pessimism. How could I deem America a slave to materialism and false gods when I saw such a homeland? * * * Believe me, America is not going to suffer any social, moral, or intellectual catastrophe, and what is going to save her is the noble spirit kept alive in the millions of country homes. There is the rock on which the Republic is founded.

Note if you please that this journey of our English visitor through this homeland of farms was through a section far distant from the Corn Belt, through a region which was settled a long time before the farms of the Corn Belt gave their great contribution to the food supply of the world. What will be the effect of these proposed relief measures upon the farmers in other sections of this great country? This seems to me to be a pertinent inquiry.

Proponents of the Haugen bill seem not to be taking into account the change in agriculture which has been brought about by the development of transportation. No section of the country now lives to itself alone. There is as free exchange of commodities between farmers of regions hundreds of miles apart as between farmers of the same region. Therefore what is one farmer's finished product easily becomes raw material in the conduct of another farmer's business.

For instance, the Census of 1920 shows that the farmers of the New England, the Middle Atlantic, and the South Atlantic groups of States expended, in round numbers, nearly $280,000,000 for purchased feed. In my own State, for example, dairy farmers probably expend fully 25 per cent of their income for purchased feed. The dairymen, the poultrymen, and the general farmer of the Eastern States pay large sums annually for the grain and grain by-products which, after passing through the various avenues and processes of transportation and manufacture, finally find their way from the Corn Belt farms to the farms of the East. Manifestly, then, if the Congress of the United States is to go to the relief of the Corn Belt farmer by artificially raising the prices of grain, then it must in all justice extend the same relief to the dairyman and the poultryman and the general farmer of other sections, who will find their cost of production raised by the amount of relief extended to the producers of grain. Otherwise in the same measure as relief is granted to one group of producers a burden is added to another group of producers.

Even a brief and hurried examination of the situation must convince any fair-minded person that to-day agricultural production is so interrelated as between different sections of the country that if the Government is to undertake the doubtful experiment of manipulating the price of farm products it should apply the remedy to all products of the farm, of every name and nature, in whatever section these products are raised. There should be no sectionalism in dealing with agriculture.

Let us remember also in considering the present problem that this is not our first agricultural depression. The farms along the Atlantic seaboard were developed first, and under conditions obtaining then the markets of the Atlantic coast States were supplied by the products of eastern farms. The territory to the westward, including what is known as the Corn Belt, was acquired in part with the territory of the 13 original States and in part by the Louisiana Purchase. This territory was paid for, defended, and governed at the expense of the older States. By our liberal land policy the Government turned this great region over to settlers at the low price of $1.25 per acre or for no consideration except that of residence. So far as I can ascertain no money profit came to the older States from the settlement of this land. The produce of it, however, came in free competition with the products of the eastern farms, and led to a depression in eastern farm values of such long duration and of such intensity that the present depression can not as yet be compared with it. Many eastern farms were abandoned, values of the better farms were greatly

depreciated, and their owners forced out of grain and livestock production and into the more specialized industries such as dairying. During all this period, which lasted from 1870 until 1900, I think you will find no record of any demand made upon Congress for relief on the part of those farmers who suffered so long and so patiently.

While the values of eastern farms were stationary or receding, values of the much richer and more easily tilled western land constantly advanced until about 1900, when throughout the whole country farming began to be more prosperous, and land values in the richer sections increased with great rapidity. Russell Smith has described what occurred in these words:

The jump in land values since 1900 has been the most dynamic thing that has happened to the Corn Belt in this century. This phenomenon * * * occurred in the Corn Belt with almost unbelievable speed. A particular farmer bought unbroken prairie in central Iowa in 1877 for $7 an acre from a railroad company. He gradually increased his holdings at $25 an acre, $46, $70, $84, and finally in 1914 at $195 an acre. At that time fully improved farms in his neighborhood were bringing from $200 to $225 an acre. This was only one generation (37 years) from the time when the land was just raw prairie.

The first white woman born in Nebraska died in 1922. During her life whole counties of land had risen from free homesteads to a value of $200 an acre. Then came the World War, trebling the prices of corn and meat. As a result the Corn Belt, after two decades of profitable land buying, had one of the wildest orgies of land speculation on record. Farmers would drive up to the courthouse and sell or buy a farm without getting out of their automobiles. Prices went to $400, even $500, an acre. The same farm often changed hands several times in the course of a few months. This increase of land values added billions to Corn Belt valuations. Then came the postwar decline in meat, and the farms went back to $300 or $200 an acre. Billions of supposed valuation were gone, and thousands of men who had bought by making partial payments at the high value were ruined.

If land speculation is a vital factor in the depressing situation in which Corn Belt farmers find themselves, can our sympathy for their misfortune justify Congress in throwing the burden of their relief upon the farmers of the other sections of the country? After all, is Congress responsible for what Corn Belt farmers have done with their land? There is much wisdom in these words of the late Vice President Thomas Riley Marshall:

What government had to do with this bartering back and forth of the land in this valley I do not know. No act of Congress, no legislative or governmental program that I have ever heard of either urged or induced these people to keep bartering in this land until it reached a price prohibitive of any return upon the cost thereof.

Finally, before Congress embarks upon a policy which must become so far-reaching in consequences and embody such a detail of operations and manipulations as an effort to fix or stabilize prices must necessarily involve, let farmers themselves pause to consider where such a policy will eventually lead. Let them consider if the way out of their difficulty is not through strengthening their position in the present economic system as is contemplated in the principles of the Tincher bill. And I want to say that I hope this bill will be amended to allow the President full powers to appoint the board which is to supervise the loaning of the peoples' money. [Applause.]

There has grown up in this country, as a result of long experience, a system of exchanging goods and a method of arriving at prices by bargaining between the producer, the middleman, and the consumer. The Government of the United States has enacted many laws to provide that the rules of this system of exchange be fair and do exact justice to the weak as well as to the powerful and that they be not manipulated for the benefit of any interest or class. This is a legitimate field for governmental regulation and there may be need of more legislation of a similar nature. Furthermore, the Government may well take measures to assist farmers in placing themselves in a better position to bargain with other commercial interests as was contemplated in the marketing bill already passed.

Only in the crisis of the World War did the Government attempt either directly or indirectly to manipulate prices and presume to determine what prices were fair and what were not fair. Farmers will, perhaps, remember that when prices were so fixed by the Government that the price of wheat which was quoted on the Chicago market at $3.40 per bushel in May and $3 per bushel in June was established at $2.20 by a board set up by the Government. Was there a farmer who did not breathe a sigh of relief when the period of war-time food control was over?

The proposal is now to compel the President to appoint a board nominated by farm organizations in order to insure that this board will use its powers and the funds placed at its disposal in behalf of agriculture. Just consider for a moment that only 35 per cent of our people are now engaged in agriculture; just note the fact that plans for reapportionment of the membership of this House take from rural or farm representation and add to urban or consumer representation and then ask yourselves if the consumers of this country will long allow Congress to delegate to a farm-controlled board the power to raise the cost of living. This board may be farmer controlled at the outset, but it will be consumer controlled in the end. Operations by this board to raise food prices in the interest of farmers when they are low will mean operations to lower prices in the interest of consumers when they are high. Let us save agriculture now from the establishment of a policy of food control which I confidently believe would in the end work to its disadvantage. In this country where there is free movement from one industry to another I have firm faith that in a series of years economic forces, if left unhampered, will bring about fair prices. The war greatly stimulated agricultural production. Unused land was brought into cultivation, better methods of cultivation suggested by the researches of experiment stations were carried to the farms by county agents and the extension departments of agricultural colleges and by the farm papers. Better seed, better breeding animals, and farm machinery were used. All these factors, good in themselves, brought about a production of farm products in excess of the peace-time demand for them. When the supply of any commodity exceeds the demand, prices fall and production must be slowed up or ruin faces that industry.

If you will study methods employed by the great business concerns of the country I think you will find their success depends primarily upon adjusting their production to the demands of the market.

On March 1, 60 per cent of the blast furnaces in the iron and steel industry were in operation. If 100 per cent had been in operation, turning out full capacity production, would the steel industry be in any better position than is agriculture to-day? For three years prior to 1925 the potato growers of the country suffered from low prices. The condition of the farmer who made potato growing his specialty in the spring of 1925 was just as serious as that of the farmer who is producing corn, wheat, cattle, or hogs. The result of this was a reduction in potato acreage which, coupled with unfavorable growing weather, produced a shortage in the supply which has enabled the growers of potatoes to recoup their losses, and if they do not expand this industry again beyond the point necessary to supply the needs of the market they will undoubtedly prosper from now on.

We have had examples of cooperative associations which have become powerful enough within the limited field of their operations to set a price and to withhold their products from the market until that price was secured, only to find that the consum : was the judge of how much would be taken at that price, with the result that a quantity accumulated in storage, which threatened to wreck the association. Prices had to be revised downward to a figure which would move the entire crop.

The United States Department of Agriculture estimates that the net movement of population away from the farms in 1924 was 679,000 and in 1925, 901,000. Thereby is working out quietly, in many cases painfully to the individual, the process of readjustment by movement of population from the low paying to the higher paying callings, which process will take place until farm production is adjusted to demand and an equality of compensation between agriculture and other industries is brought about.

The Haugen cooperative marketing bill passed by this House early in the session and the Tincher bill now before us taken together place in the hands of the Secretary of Agriculture resources to enable him to assist in the safe and sane developments of cooperative marketing associations, so that farmers can have at their disposal information to enable them to adjust supply to demand, sensible plans for standardizing and marketing their products in accordance with the best commercial practices and full and complete knowledge upon which to base their own judgment as to when to sell and when to withhold their crops from the market rather than to have to accept the judgment of a Federal board. With the resources and powers given him by these two bills the Secretary of Agriculture can do much to relieve agricultural distress in all sections if on the one hand he has the hardness of heart to resist the schemes of overenthusiastic promoters and on the other the wisdom and sympathetic interest to assist sound cooperative enterprises promoted by the farmers themselves.

This should be done by loans and without the expenditure of a single dollar from the Federal Treasury except for educational and administrative purposes. I, for one, am unwilling to believe that the American farmer, who has always been

the most independent and self-reliant of men, now wants to become a ward of his Government and have his business subsidized and controlled by a Federal board. [Applause.]

Mr. HAUGEN. Will the gentleman yield?

Mr. BRIGHAM. I yield.

Mr. HAUGEN. The gentleman is aware of the fact that as to the bill he has just referred to, the Secretary of Agriculture stated it added nothing to what was being done and all that was asked was simply to O. K. what was being done. I understand the gentleman is opposed to enhancing the price of the farmers' commodities, but he is in favor of loaning them more money. Does not the gentleman think that $13,000,000,000 of mortgage indebtedness and $3,000,000,000 of other indebtedness is quite sufficient. They pay about $1,000,000,000 in interest every year. Does he think it would help them any by putting them in debt more? What the farmer needs now is an increased price for his commodities, to give him the full benefit of our protective tariff.

Mr. BRIGHAM. I will say to the gentleman from Iowa that would depend entirely upon what was done by the farmer with the money which was loaned to him. If he used it for productive purposes and for the purpose of holding his crops until favorable market conditions came, I think it would help him to pay off that indebtedness to which the gentleman refers.

Mr. HAUGEN. The gentleman referred to Iowa $300 or $400 per acre land. The gentleman is also aware that Secretary Wallace referred to 15 wheat and corn growing States and that in those 15 States 24½ per cent of the farmers were in fact bankrupt. The gentleman would not suggest that more of them should go into bankruptcy?

Mr. BRIGHAM. Oh, no; I did not suggest anything of the kind, and I will say to the gentleman I do not think that is necessary unless they have been unfortunate in buying land at the peak of prices brought about by land speculation during the war. Farmers who obligated themselves to pay $500 an acre for land are now in trouble.

Mr. HAUGEN. The gentlemen, then, does not think that the farmer should go into debt deeper and that he should have no relief in the way of enhanced prices or by having the benefit of the tariff? That seems to be the only question at issue.

Mr. BRIGHAM. I will say to the gentleman from Iowa that I do not believe in artificially enhancing prices by Government operation.

Mr. HAUGEN. Just one more question. The gentleman said something——

Mr. BRIGHAM. I want to say just one word to the gentleman there. I stated that if the Government enhances prices when they are low that the farmer is going to see an effort made to lower prices when natural conditions change and higher prices come as an inevitable consequence. As a farmer, I would rather take my chances on a supply-and-demand price without Government interference.

Mr. HAUGEN. Does the gentleman believe that the Republican Party, as well as the Democratic Party, should redeem its party pledges?

Mr. BRIGHAM. I think it will redeem its party pledges absolutely and sincerely by the passage of the bill which bore the name of the gentleman from Iowa, namely, the Haugen marketing bill, and by the passage of the Tincher bill, which is now before the House for consideration.

Mr. HAUGEN. Let me say to the gentleman that the representatives of the farm organizations had something to do with the drafting of that platform or suggesting particular sections of it, and they do not agree with the statement made by the gentleman.

Mr. BRIGHAM. Well, I will say to the gentleman from Iowa——

Mr. HAUGEN. Does not the gentleman think we should put the farmer on an equality with others?

Mr. BRIGHAM. I will say to the gentleman from Iowa that the officers of the farm organizations may have their ideas about it, I may have mine, and the gentleman may have his. We are all sincere in our views, although we may differ.

Mr. HAUGEN. Now, just one more question. The gentleman spoke about the price of wheat which was finally fixed at $2.26 and which was to be the minimum price. That minimum price was made the maximum price and as a result the Government made, I believe, about $70,000,000, and that is now in the Treasury. Besides the price was depressed at least $2 a bushel.

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

Mr. HAUGEN. Mr. Chairman, I yield the gentleman five additional minutes. With an 800,000,000 yield they have about $1,600,000,000 a year less than they would otherwise receive. Besides, they took advantage through the manipulation of the grades to the extent of $70,000,000. Now, then, it seems to me they are entitled to consideration. Of all the 39,000 cases that went into bankruptcy last year, 8,000 were classed as farmers, which represents, probably, about one-third of the number of all the farmers that went into bankruptcy last year.

It seems to me that such a condition should not continue and that we should do nothing now to give the farmer the benefit of our protective tariff. And that is all that is asked for in the bill, while the other proposition is to loan $100,000,000, so as to get them that much more in debt. At the present time they are paying $1,000,000,000 in interest, as stated by the gentleman from South Carolina.

It seems to me we are not treating the farmers fairly when, first, $70,000,000 is taken out of their pockets to depress the price $2 a bushel, which amounted to $1,600,000,000 a year, and then say to them, "We have got you in this condition and we are not going to give you a fair deal or give you the benefits of the protective-tariff system."

Mr. BRIGHAM. May I interrupt the gentleman a moment to ask how that $70,000,000 came out of the pockets of the farmers.

Mr. HAUGEN. I will tell the gentleman how it came out of the pockets of the farmer. They manipulated the grades. They made the spread 41 cents a bushel, and after the grain was in the elevator they lowered it down to 11 points, and as a result the farmers were out 31 cents a bushel.

Mr. BRIGHAM. Then the gentleman should, if that is true, start an inquiry into the operations of the Grain Corporation.

Mr. FORT AND Mr. BURTNESS rose.

Mr. BRIGHAM. I yield to the gentleman from New Jersey.

Mr. FORT. I just wanted to ask the gentleman if he has not been a lifelong farmer and if he is not now a farmer.

Mr. BRIGHAM. Yes.

Mr. BURTNESS. Will the gentleman yield to me now?

Mr. BRIGHAM. I yield to the gentleman.

Mr. BURTNESS. The questions I have to ask relate absolutely to the point of view of the eastern farmer who, as I understand it, the gentleman is not only representing but is one of them or is at least interested in them.

Mr. BRIGHAM. Yes.

Mr. BURTNESS. The gentleman has referred very properly to the fact that the eastern farmer buys some of the products of the western farmer, some of his raw material, and the cost thereof enters into the product of the eastern farmer. The eastern farmer that the gentleman has spoken of, as I understand it, produces particularly poultry products, dairy products, and things of that sort; is not that correct?

Mr. BRIGHAM. Yes.

Mr. BURTNESS. And those products are now protected by a tariff, are they not?

Mr. BRIGHAM. And so is wheat and other grains and other products of the gentleman's own State.

Mr. BURTNESS. There is a tariff upon the poultry products and upon the dairy products. Now, let me ask the gentleman this question. In the gentleman's opinion is that tariff reflected in the price that the eastern farmer gets for his product?

Mr. BRIGHAM. It is at times and at other times it is not.

Mr. BURTNESS. Is it not reflected, generally speaking; not always but generally speaking? Is not the American farmer to-day who is selling butter, for instance, receiving the world price plus the tariff of 12 cents?

Mr. BRIGHAM. Right now I think he is not.

Mr. BURTNESS. Did he receive 8 cents more than the world price before the tariff was raised from 8 cents to 12 cents?

Mr. BRIGHAM. At times he did and at other times he did not.

Mr. BURTNESS. At any rate, is it not true that, generally speaking, the products of the eastern farmer have not only a tariff upon them, but, generally speaking, the price of the products that the eastern farmer produces is enhanced above the world price by the amount of the tariff?

Mr. BRIGHAM. Not always.

Mr. BURTNESS. That has been the theory upon which our side of the aisle has been levying these tariff duties, has it not?

Mr. BRIGHAM. That depends on whether the commodity is on an export basis or not.

Mr. BURTNESS. Yes, exactly; and with reference to those crops that are not on an export basis he is getting the benefit of the tariff.

Mr. BRIGHAM. Yes.

Mr. BURTNESS. Now, may I ask the gentleman whether most of the products raised in the East——

Mr. BRIGHAM. May I ask the gentleman there if the Government does anything to make the tariff effective on the products produced by the East?

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

Mr. SWANK. Mr. Chairman, I yield 15 minutes to the gentleman from Missouri [Mr. LOZIER].

Mr. LOZIER. Mr. Chairman and gentlemen of the committee, it is my purpose to vote for what is known as the Haugen bill. I am aggressively supporting that measure, because I believe it is worth-while legislation and comes more nearly affording substantial relief to the agricultural classes than either of the other measures. I stand foursquare in support of the legislative program of the American farmers, and I have lost no opportunity to cooperate with the representatives of the great farm organizations in their efforts to secure farm-relief legislation.

May I say, in passing, that I am not hostile to the Aswell bill, and if it were presented as an independent measure and as a supplement to the Haugen bill, and not offered as a substitute for the Haugen bill, I would be disposed to support it. It is not a bad or a vicious bill, but it should not be considered as a substitute for the Haugen bill and it is not a measure that would meet the present emergency or afford immediate relief.

As I understand the Aswell bill, it does not propose to meet the immediate agricultural emergency or provide immediate or early relief. Its purpose is to encourage nation-wide cooperative marketing, stimulate the organization of cooperative marketing associations to handle not only the surplus products of the farm but to provide adequate facilities for the economical marketing of all farm commodities. From a careful study of the Aswell bill, I am convinced that it will, if enacted, provide a reasonably efficient structure around which cooperative marketing associations in the United States may be organized and through which they may efficiently function; but the Aswell bill, according to the admission of the distinguished author, is not designed or intended to afford any immediate relief. It only contemplates the organization of cooperative marketing associations on a state-wide, regional-wide, and nation-wide basis, and I am stating frankly that in my opinion an efficient cooperative marketing system can be built up in the United States around the Aswell bill and bottomed upon its provisions; but it would require 5 or 10 years to build up an effective cooperative marketing system under the Aswell bill or under any other similar measure. If the machinery contemplated in the Aswell bill had been put in operation 5 or 10 years ago and if we now had state-wide, region, or nation-wide cooperative marketing associations controlling the major part of our farm commodities, such organizations would furnish the machinery or vehicle for the efficient operation of the Haugen bill. But without the machinery set up in and the assistance given by the Haugen bill, the cooperative marketing system contemplated in the Aswell bill could not function efficiently. The financial provisions of the Haugen bill and the machinery therein set up for the effective control of the surplus commodities are essential and absolutely necessary to enable the Aswell plan or any other cooperative marketing plan to accomplish the desired results.

I do not regard the Aswell bill and the Haugen bill as essentially antagonistic. I would like to see both measures enacted. I believe that each will supplement the other. But I do not think the Aswell bill should be substituted for the Haugen bill. If only one of the bills is to be enacted, then undoubtedly we should pass the Haugen bill. It will best meet and remedy the present nation-wide distress in agriculture. It is the only one of the pending bills that pretends to offer substantial immediate relief for the present ills of the agricultural classes.

I shall therefore vote against any motion to substitute the Aswell bill for the Haugen bill. Personally I entertain a very high regard for the distinguished gentleman from Louisiana [Mr. ASWELL]. He is an able and useful Member of this House. He has made a diligent study of the agricultural problem. He is sincerely desirous of enacting legislation which will relieve agriculture of the handicap under which it has been laboring for years. The Aswell bill is sometimes referred to as the Yoakum plan. I avail myself of this opportunity to say, that while the Aswell bill is bottomed fundamentally on the plan originally outlined by Mr. Yoakum, nevertheless the Yoakum plan was elaborated and perfected by Doctor ASWELL, and the Aswell bill represents the thought and labors of Doctor ASWELL more than the views of any other person. I am glad to make this statement in justice to my colleague, Doctor ASWELL, whose modesty is only excelled by his merit, and who, in his earnest desire to help agriculture, is willing to accept suggestions in which there is merit from any source.

I am sorry that I can not support the bill introduced by my friend, the distinguished gentleman from Kansas [Mr. TINCHER], It is my privilege and honor to represent the district in which Mr. TINCHER was born. I esteem him personally and recognize him as one of the most unique and valuable members of this body, but his bill does not appeal to me, and I fail to see how it can appeal to anyone who represents an agricultural district and who earnestly desires to secure the enactment of legislation which will be of real benefit to the agricultural classes. The Tincher bill is a mere gesture or pretense. It will not and can not afford any substantial relief to the American farmers immediately, in the near future, or at any time.

Reduced to its final analysis, the bill introduced by the distinguished gentleman from Kansas is a makeshift and a cleverly contrived piece of legislative legerdemain. Without intending any offense, may I say that the Tincher or so-called administration bill is nothing more or less than a political "three-shell" game—a sleight-of-hand trick to lull the American farmers into silence and inaction by making them believe that the administration is doing something for them, when in truth and fact the bill will do nothing to remedy the present or future ills of agriculture.

About all the Tincher bill does is to authorize the Government to lend cooperative marketing associations $100,000,000 to finance such organizations in marketing their commodities. In other words, it proposes to lend them more money and get the American farmers deeper in debt, thereby increasing the enormous burdens that are now bending double the backs of the American farmers.

The bill provides an elaborate organization to give the American farmers advice and information, which in reality is not needed, because the agricultural classes have now full information as to agricultural and marketing conditions and have been surfeited with advice from swivel-chair agriculturists. The American farmer is not asking the administration and Congress for advice and information, but for legislation which will give agriculture equality of opportunity with other vocational groups. The American farmer is tired of being hoodwinked by those who dominate the legislative and economic councils of the Nation. He is tired of procrastination and promises. He is disgusted with the delay, equivocation, and quibbling of the administration.

The administration and all Democrats and Republicans alike should be honest with agriculture, the Nation's greatest basic industry.

I believe I am reasonably well informed as to agricultural conditions in the great Middle West, and I assert that the Tincher bill will not help agriculture. If the farmers have assets on which they could borrow money out of the revolving fund proposed in the Tincher bill, those same assets could be used to borrow private capital under present conditions. Where farmers have satisfactory collateral or credit, they can now borrow adequate funds to market their commodities in an orderly manner. The trouble with the American farmer is, as a rule, he has not the collateral or assets upon which loans can be bottomed, and under the Tincher bill the farm organizations would find themselves operating under the same difficulties, because any loans procured under that act would have to be secured by collateral worth at least the amount of the loans.

It is true the bill contains a provision that the board may make loans without collaterals, but we must take judicial notice of the fact that no such loans would be made by the board. The board created by the Tincher bill would be charged with a great and definite responsibility, and it is only fair to assume that the board would not recklessly dissipate the revolving fund by making loans which were unsecured by satisfactory collateral. This board would undoubtedly act as any other business organization and only make loans on adequate securities. This board would be a trustee acting under an express trust, and in the administration of this trust it is not to be assumed for one moment that the board would lend any part of the $100,000,000 except on substantial collateral.

So in the last analysis the Tincher bill, if enacted, will offer the American farmer an opportunity to get deeper and deeper in debt; nothing more. The American farmer is not asking additional credit; he is not asking to borrow more money. Anywhere in the United States where the farmer has sufficient collateral, he has no difficulty in negotiating loans and getting all the money he needs. What the American farmer needs is a better price for his farm products. [Applause.]

For years—and I speak with knowledge and from experience—the American farmer has not been able to market his products at the cost of production, much less obtain a reasonable profit thereon. It is the only vocation whose products have for years been marketed at prices that would not return

production cost, much less a reasonable profit. This condition is intolerable, and its continuance will inevitably produce nation-wide economic instability and social unrest. [Applause.]

Take the manufacturer. After fabricating his products and before putting them on the market, he charges up the cost of the raw material, the cost of labor, overhead expense, interest on his capital investment, wear and tear on his equipment, plant depreciation, and every other item of expense connected with the processing of the commodity in the manufacture of which he is engaged. Then when he markets that commodity he sells it at a price that will return to him, not only the cost of production but a reasonable profit over and above the cost of production. But the American farmer is not permitted, under our economic system, to fix or even influence the price at which he sells the products of his toil.

In the 15 minutes plus the 5 additional minutes allotted me I can not discuss in details the provisions of the Haugen bill. Under the special rule for the consideration of these bills sufficient time was not allowed for general debate, and in view of the large number of Members who desire to be heard on these measures no one Member could hope to secure sufficient time to analyze and discuss this bill in detail. I hope I may be able to get additional time before the general debate concludes to exhaustively analyze the provisions of the Haugen bill.

I believe the Haugen bill will work. I concede, gentlemen, that it is not a perfect measure. Neither were the bills creating the Interstate Commerce Commission, the Federal Reserve Board, and other governmental agencies perfect measures. The transportation act was not a perfect measure. There is not one act of constructive legislation in the history of this Nation that could be denominated a perfect bill at the time of its enactment. All just and workable legislation is the result of experimentation, and I believe there is a substantial basis for this bill and that it can be operated efficiently and for the substantial betterment of agriculture. I have confidence in the board that would be created to administer the provisions of this act. Wisely administered, this bill will contribute very materially to the rehabilitation of Amercan agriculture. [Applause.]

And may I say that there can be no nation-wide, no enduring, no worth-while prosperity in the United States unless the agricultural classes participate in that prosperity. I want to call your attention to an article written by George W. Hinman, a writer for the Hearst newspaper syndicate. Mr. Hinman, a hard-boiled reactionary and an advocate of class legislation and special privilege, reflects the attitude of the industrial classes toward farm-relief legislation. Until recently, all writers and speakers, both in and out of Congress, have admitted that the American farmer has a right to share in any prosperity that may come to this Nation, and that there can be no permanent prosperity if the agricultural classes are not permitted to share therein. Heretofore the attitude of big business toward agriculture has been conciliatory and outwardly friendly, but beneath the surface big business and the beneficiaries of special privilege have never been willing to give agriculture equality of opportunity or to permit the farmer to sit at the table around which the economic and business policies of this Nation are determined. Now big business, especially the manufacturing classes, are throwing off the mask and boldly proclaiming that this is a manufacturer's country and not a farmer's country. They are asserting that the industrialists have superior and paramount rights, and that the farmer does not belong to their class, and that his welfare is of secondary importance.

A propaganda is now being disseminated throughout the United States by the industrial classes to the effect that the prosperity of the American farmer is not of paramount importance and not a necessary factor in the equation of our national life; and that agriculture must henceforth become an industry of secondary importance. Mr. Hinman is speaking for the industrial classes of America.

He represents the New England school of political thought that exalts the industrial classes and insists that the prosperity of the industrial classes lies at the very foundation of national prosperity, and that it is the paramount duty of the Government to legislate so as to promote the prosperity of the industrial classes, even at the expense of all other vocational groups. This theory and this policy find universal acceptance among the manufacturing classes in the New England and Middle Atlantic States. These beneficiaries of special privilege believe in the divine right of the Government to levy tribute upon all other vocational groups in order to promote the economic well being of the industrial classes.

I quote from Mr. Hinman:

> If the farmers prosper, the country is prosperous. If the farmers are not prosperous, the prosperity of the country is blighted.

I assert that this is a wholesome and sound doctrine, but Mr. Hinman says it is a false philosophy. Listen to what he says:

> Statements of this sort have met the eye every day for a month in reports of farm conventions, in the pages of the CONGRESSIONAL RECORD, and in business predictions for this year, 1926. They met the eye to-day; if they were true, the outlook for the American people and their business occupations in 1926 would be gloomy enough. But the statements are not true.

Mr. Hinman admits that it has been universally conceded that if the farmers prosper the country is prosperous, and if the farmers are not prosperous the prosperity of the country is blighted, but he arrogantly challenges the accuracy of that universal belief. He would have us believe that the importance of the prosperity of the agricultural classes has been greatly exaggerated. He proposes a new school of political philosophy that will make agriculture a vocation of secondary importance. The industrial magnates of this country would fasten upon this Nation an economic policy, the fundamental basis of which makes the manufacturing classes prosperous, although such policy may drive the agricultural classes into bankruptcy.

Listen further to this spokesman of big business:

> Farm conditions have been out of joint in the United States, as in most other countries, for the last five years. Yet United States business has carried the handicap and mounted to the greatest heights in history. Would the Nation's business have mounted higher if the farmers had been more prosperous? Undoubtedly. But that is not the point. The point—the big and important point—is that the Nation's business can prosper, has prospered, and is prospering even though farming suffers reverses and in some places is blighted by misfortune. How does this come to pass?
>
> It comes to pass because a multitude of giant enterprises and industries have risen in the United States. It comes to pass because instead of being largely a farmer's country, this is to-day largely a manufacturers' country, an industrialist's country, a workingman's country. * * * What does all this come to in reckoning the prosperity of the Nation? To this, that industrially the United States has grown to such size that its mines and factories produce nearly $50,000,000,000 a year compared with perhaps a quarter of that amount produced on farms, and that, therefore, as much as farm depression is to be deplored and desirable as it is to relieve that depression, the fact remains that the Nation's industry is powerful enough to create and continue prosperity even though agriculture lag behind.
>
> Important as farm relief may be, there is only foolishness in the prediction that unless relieved at once, the troubles of the farmers mean general business disaster and prosperity's collapse. The Nation's business has passed out of the stage where such predictions prove true.

In other words, Mr. Hinman and the industrial classes he represents would have us believe that it is all foolishness to be concerned or seriously alarmed over the ignoble conditions into which agriculture has fallen. According to his theory, the manufacturing interests of this Nation are of supreme magnitude and their prosperity alone is synonymous with national prosperity. He tells us that this is no longer a farmers' country, but a manufacturers' country, and reading between the lines we are given to understand that the agricultural classes must recognize their impotence and unimportance.

And the major part of the opposition to the Haugen bill comes from the industrial classes. In this House the Representatives from the great manufacturing districts and the great commercial centers are practically unanimous in their opposition to the Haugen bill and to any and all legislation having for its object the restoration of agriculture to the list of profitable occupations.

Mr. Chairman, I want to drive home to the Members of this Congress and to the American people the proposition that if this farm legislation is defeated it will be defeated very largely by the Representatives from manufacturing districts. These Members represent constituencies that have enjoyed the bounty and benevolence of congressional legislation for three-quarters of a century; constituencies that have been permitted by Federal laws to levy tribute upon the masses of the American people; and they are seeking to defeat this legislation upon the theory that it is unsound economically, but the real basis of this opposition and the real motive which actuates them is selfishness.

The representatives of the great manufacturing districts are viciously opposing this legislation, thereby seeking to exalt industrialism at the expense of agriculture, seeking to hold the price of farm commodities at the lowest possible level so

their constituents may have cheaper foodstuff, and, moreover, to drive home the astounding proposition that this is an industrial country, a commercial country, and that the supreme purpose for which the American Government exists is to legislate special privileges and bounties to the industrial classes and thereby insure their prosperity. These gentlemen in substance hold fast to the theory that when prosperity has been brought to the industrial districts all has been done that needs to be accomplished.

I say to you, my friends, that a prosperity in which the American agriculturalist does not share is a jug-handle prosperity, it is a lopsided prosperity, it is an abnormal prosperity, it is an unhealthy prosperity. I want a prosperity in this Nation in which every class and occupation shall participate, a prosperity that will not enrich one district or one section at the expense of another district or section, a prosperity that will extend from the East to the West and from the North to the South, and which every man and every class and every vocational group will be permitted to enjoy. [Applause.] The other vocational groups must not be indifferent to the welfare of the agricultural classes. The prosperity and independence of American agriculture is of paramount importance and must be maintained at all hazards. The American farmer must not be merely a hewer of wood and a drawer of water. American farmers must not be reduced to a state of peasantry. [Applause.]

There can be no solution of this farm problem until it is solved right. There can be no economic rest in this Nation, no permanent or nation-wide prosperity as long as the farming classes are ignored and denied equal opportunity with other classes in the race for gain and in the pursuit of happiness.

I want to quote from the New York Journal of Commerce. This paper represents big business. Its editor, Mr. H. Parker Willis, is a gentleman of scholastic attainments, wide experience, and great versatility. He is a strong editorial writer, but it is not often that I find myself in accord with the positions he advocates. However, I rarely let a day go by without reading his editorial page. I want his point of view. I want to understand the reasoning of my opponent, and for that reason I read the editorial page of the New York Journal of Commerce every day.

Mr. ELLIS. Will the gentleman yield?

Mr. LOZIER. I regret that I can not yield to my friend, but I have only a few minutes in which to complete my statement. In a recent editorial in the above-mentioned newspaper, it was said:

> Let no one deceive himself with the idea that the farmers of this country can be put off indefinitely with vague promises or with meaningless measures. It has not, as a matter of fact, been possible to keep them entirely out of the National Treasury, as it is. Contributions from the taxpayers of the land for the aid of the farmer have so far been held within small limits compared with the demands that are now being made, but there is, and there can be no assurance in existing circumstances that a purely negative defense will always continue to prove effective. On the contrary, so long as the rural districts have a real grievance and are unable to distinguish the real from the apparent causes of their trouble, they will remain a menace. "Sops" thrown to them now and then may prove effective to the extent of postponing the day of reckoning, but they are actually rather expensive forms of temporizing, as well as wholly powerless to cure the underlying conditions. Merely as a measure of self-protection against righteous if misguided wrath, we need to bestir ourselves to some constructive and sound thinking and action with respect to our agrarian problems.

I wonder if the gentlemen who are opposing this farm relief legislation will heed this warning, coming as it does from one of the spokesmen of big business and special privilege. This editor realizes that the farmers have a real grievance; that they must be reckoned with; that pink pills and milk-and-water relief legislation will not meet the situation or satisfy the righteous demands of the American farmers.

In conclusion, let me say the industrial and commercial classes of this Nation are following a short-sighted and suicidal policy in their efforts to defeat this farm-relief legislation. Why should they deny to the agricultural classes a fair participation in the prosperity that has made this Nation rich beyond the dreams of avarice? [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. HAUGEN. Mr. Chairman, I yield to the gentleman from Ohio [Mr. THOMPSON].

Mr. THOMPSON. Mr. Chairman, I have sent a message to the Clerk's desk which I would like to have read into the RECORD.

The CHAIRMAN. Without objection, the Clerk will read.

There was no objection.

The Clerk read as follows:

COLUMBUS, OHIO, *May 7, 1926.*

CHARLES THOMPSON,

House Office Building, Washington, D. C.:

As director of agriculture it is my duty to refute statements that Ohio farmers do not favor Haugen bill. The farm organization leaders who made these representations speak for less than 5 per cent of our farmers. They by no means reflect public opinion in this State. The farm industry in Ohio is in a critical condition, the same as in other Corn Belt States. Our loss in land values has been $720,000,000 during the past six years. The majority of farmers here want the Haugen bill and are unalterably opposed to Tincher and Aswell bills.

CHAS. V. TRUAX,
Director of Agriculture.

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

The motion was agreed to.

Accordingly the committee rose; and Mr. TINCHER having taken the chair as Speaker pro tempore, Mr. HICKEY, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee having had under consideration the bill H. R. 11603 had come to no resolution thereon.

ADJOURNMENT

Mr. HAUGEN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 10 o'clock and 55 minutes p. m.) the House adjourned until to-morrow, Saturday, May 8, 1926, at 12 o'clock noon.

COMMITTEE HEARINGS

Mr. TILSON submitted the following tentative list of committee hearings scheduled for May 8, 1926, as reported to the floor leader by clerks of the several committees:

COMMITTEE ON INDIAN AFFAIRS

(10 a. m.)

To extend the civil and criminal laws of the United States to Indians (H. R. 7826).

COMMITTEE ON TERRITORIES

(10.30 a. m.)

To authorize the incorporated town of Wrangell, Alaska, to issue bonds in any sum not exceeding $30,000 for the purpose of improving the town's waterworks system (H. R. 10900).

To authorize the incorporated town of Wrangell, Alaska, to issue bonds in any sum not exceeding $50,000 for the purpose of constructing and equipping a public-school building in the town of Wrangell, Alaska (H. R. 10901).

To authorize the incorporated town of Juneau, Alaska, to issue bonds for the construction and equipment of schools therein (H. R. 11803).

For the purchasing, construction, and maintenance of an electric light and power plant, telephone system, pumping station, and repairs to the water front of Fairbanks, Alaska (H. R. 11843).

For the relief of special disbursing agents of the Alaska Engineering Commission or of the Alaska Railroad (H. J. Res. 243).

SPECIAL JOINT COMMITTEE

(10.30 a. m., room 347)

To investigate Northern Pacific land grants.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

(10 a. m.)

To authorize the refunding of evidences of indebtedness heretofore issued by a carrier in interstate commerce under the provisions of an act to provide for the operation of transportation systems while under Federal control, for the just compensation of their owners, and for other purposes, approved March 21, 1918, as amended by an act approved March 2, 1919, or under the provisions of section 207 of the transportation act, 1920, or of section 210 of said act as amended by an act approved June 5, 1920, and the reduction and fixing of the rate of interest to be paid by such carriers upon said notes or other evidences of indebtedness (H. R. 8708).

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

501. A letter from the Secretary of War, transmitting a report from the Chief of Engineers on preliminary examination and survey of Morristown Harbor, N. Y. (H. Doc. No. 371); to the Committee on Rivers and Harbors and ordered to be printed, with illustrations.

502. A letter from the Secretary of War, transmitting a report from the Chief of Engineers on preliminary examination and survey of White River and West Fork of White River, Ind., up to Indianapolis; to the Committee on Rivers and Harbors.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. HILL of Alabama: Committee on Military Affairs. H. R. 10984. A bill to amend the national defense act of June 3, 1916, as amended, so as to permit the Secretary of War to detail enlisted men to educational institutions; without amendment (Rept. No. 1107). Referred to the Committee of the Whole House on the state of the Union.

Mr. FISHER: Committee on Military Affairs. H. R. 11762. A bill to provide for the sale of uniforms to individuals separated from the military or naval forces of the United States; without amendment (Rept. No. 1108). Referred to the Committee of the Whole House on the state of the Union.

Mr. WRIGHT: Committee on Military Affairs. S. 3550. An act providing for an inspection of the Kennesaw Mountain and Lost Mountain and other battle fields in the State of Georgia; without amendment (Rept. No. 1109). Referred to the Committee of the Whole House on the state of the Union.

Mr. GRAHAM: Committee on the Judiciary. S. 4056. An act to amend section 98 of the Judicial Code as amended; without amendment (Rept. No. 1110). Referred to the House Calendar.

Mr. GRAHAM: Committee on the Judiciary. H. R. 10611. A bill to change the time of holding court at Elizabeth City and at Wilson, N. C.; without amendment (Rept. No. 1111). Referred to the House Calendar.

Mr. GRAHAM: Committee on the Judiciary. H. R. 7588. A bill to extend the time for the refunding of certain legacy taxes erroneously collected; with an amendment (Rept. No. 1114). Referred to the Committee of the Whole House on the state of the Union.

Mr. SPROUL of Illinois: Committee on the Post Office and Post Roads. H. R. 3837. A bill authorizing the Postmaster General to rent quarters for postal purposes without formal contract in certain cases; without amendment (Rept. No. 1127). Referred to the Committee of the Whole House on the state of the Union.

Mr. UNDERHILL: Committee on Claims. S. 2741. An act for the relief of the State of Ohio; without amendment (Rept. No. 1128). Referred to the Committee of the Whole House on the state of the Union.

Mr. ZIHLMAN: Committee on the District of Columbia. S. 2729. An act to authorize the refund of $25,000 to the Columbia Hospital for Women and Lying-in Asylum; without amendment (Rept. No. 1129). Referred to the Committee of the Whole House on the state of the Union.

Mr. FAIRCHILD: Committee on Foreign Affairs. S. J. Res. 62. A joint resolution to authorize the Secretary of Agriculture to accept membership for the United States in the Permanent Association of the International Road Congresses; with amendments (Rept. No. 1130). Referred to the Committee of the Whole House on the state of the Union.

Mr. ZIHLMAN: Committee on the District of Columbia. H. R. 10082. A bill to permit construction, maintenance, and use of certain pipe lines for petroleum and its products; without amendment (Rept. No. 1131). Referred to the Committee of the Whole House on the state of the Union.

Mr. ZIHLMAN: Committee on the District of Columbia. H. R. 11118. A bill to authorize the widening of Harvard Street in the District of Columbia, and for other purposes; without amendment (Rept. No. 1132). Referred to the Committee of the Whole House on the state of the Union.

Mr. ZIHLMAN: Committee on the District of Columbia. H. R. 9637. A bill to change the name of Dent Place NW., between Forty-fourth Street and Foxhall Road, to Greenwich Parkway; without amendment (Rept. No. 1133). Referred to the House Calendar.

Mr. McLEOD: Committee on the District of Columbia. H. R. 11575. A bill to amend an act entitled "An act to incorporate the American Social Science Association"; without amendment (Rept. No. 1134). Referred to the House Calendar.

Mr. McLEOD: Committee on the District of Columbia. S. 3012. An act to change the name of "The Trustees of St. Joseph's Male Orphan Asylum" and amend the act incorporating the same; without amendment (Rept. No. 1135). Referred to the House Calendar.

Mr. CHINDBLOM: Committee on Ways and Means. H. R. 11658. A bill to amend section 523 of the tariff act of 1922; without amendment (Rept. No. 1137). Referred to the House Calendar.

Mr. CHRISTOPHERSON: Committee on the Judiciary. H. R. 8321. A bill to confer jurisdiction on the Court of Claims to certify certain findings of fact, and for other purposes; without amendment (Rept. No. 1138). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. REECE: Committee on Military Affairs. H. R. 11877. A bill authorizing the President to reappoint John Marvin Wright, formerly an officer in the Corps of Engineers, United States Army, an officer in the Corps of Engineers, United States Army; without amendment (Rept. No. 1112). Referred to the Committee of the Whole House.

Mr. VINCENT of Michigan: Committee on Claims. S. 1886. An act to carry out the findings of the Court of Claims in the case of the Fore River Shipbuilding Co.; without amendment (Rept. No. 1113). Referred to the Committee of the Whole House.

Mr. CELLER: Committee on Claims. H. R. 2633. A bill for the relief of Anna Jeanette Weinrich; with amendment (Rept. No. 1115). Referred to the Committee of the Whole House.

Mr. GAMBRILL: Committee on Naval Affairs. H. R. 6006. A bill for the relief of Joseph S. Carroll; without amendment (Rept. No. 1116). Referred to the Committee of the Whole House.

Mr. UNDERHILL: Committee on Claims. H. R. 6806. A bill authorizing the payment of a claim to Alexander J. Thompson; with an amendment (Rept. No. 1117). Referred to the Committee of the Whole House.

Mr. THOMAS: Committee on Claims. H. R. 8923. A bill for the relief of Sheffield Co., a corporation of Americus, Ga.; with an amendment (Rept. No. 1118). Referred to the Committee of the Whole House.

Mr. UNDERHILL: Committee on Claims. H. R. 9707. A bill for the relief of L. L. Kyle; with an amendment (Rept. No. 1119). Referred to the Committee of the Whole House.

Mr. UNDERHILL: Committee on Claims. S. 107. An act for the relief of the Commercial Union Assurance Co. (Ltd.); without amendment (Rept. No. 1120). Referred to the Committee of the Whole House.

Mr. SABATH: Committee on Claims. S. 466. An act for the relief of Helen M. Peck; without amendment (Rept. No. 1121). Referred to the Committee of the Whole House.

Mr. UNDERHILL: Committee on Claims. S. 1728. An act for the relief of the owners of the steamship *San Lucar* and of her cargo; with amendment (Rept. No. 1122). Referred to the Committee of the Whole House.

Mr. UNDERHILL: Committee on Claims. S. 590. An act for the relief of Emily L. Hoffbauer; with amendment (Rept. No. 1123). Referred to the Committee of the Whole House.

Mr. KELLER: Committee on Claims. S. 3055. An act for the relief of Lawford and McKim, general agents for the Employers' Liability Assurance Corporation (Ltd.), of London, England; without amendment (Rept. No. 1124). Referred to the Committee of the Whole House.

Mr. UNDERHILL: Committee on Claims. H. R. 4632. A bill for the relief of W. P. Thompson; without amendment (Rept. No. 1125). Referred to the Committee of the Whole House.

Mr. UNDERHILL: Committee on Claims. H. R. 9150. A bill for the relief of the Niagara Machine & Tool Works; without amendment (Rept. No. 1126). Referred to the Committee of the Whole House.

Mr. ZIHLMAN: Committee on the District of Columbia. S. 3887. An act authorizing the health officer of the District of Columbia to issue a permit for the removal of the remains of the late Daniel F. Crump within Glenwood Cemetery; without amendment (Rept. No. 1136). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. WURZBACH: A bill (H. R. 11977) to authorize the payment of subsistence expenses to disabled veterans while necessarily absent from home to obtain artificial limbs; to the Committee on Invalid Pensions.

By Mr. LaGUARDIA: A bill (H. R. 11978) further to assure title to lands granted to the several States, in place, in aid of public schools and to quiet title; to the Committee on the Public Lands.

By Mr. COLLINS: Joint resolution (H. J. Res. 248) consenting that certain States may sue the United States and providing for trial on the merits in any suit brought hereunder by a State to recover direct taxes alleged to have been illegally collected by the United States during the years 1866, 1867, and 1868, and vesting the right in each State to sue in its own name; to the Committee on the Judiciary.

By Mr. DOUGLASS: Joint resolution (H. J. Res. 250) to amend the immigration act of 1924 by repeal of the national origin provision; to the Committee on Immigration and Naturalization.

By Mr. FISH: Concurrent resolution (H. Con. Res. 25) expressing the adherence of Congress to the doctrine of nonconfiscation of private property of enemy nationals; to the Committee on Foreign Affairs.

Also, resolution (H. Res. 260) requesting the Secretary of State to furnish information concerning the policy with respect to private property of enemy nationals; to the Committee on Foreign Affairs.

By Mr. CONNALLY of Texas: Resolution (H. Res. 261) to investigate the Alien Property Custodian; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. AYRES: A bill (H. R. 11979) granting a pension to Hannah Gilbert; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11980) granting a pension to Catharine Goodbody; to the Committee on Invalid Pensions.

By Mr. BOYLAN: A bill (H. R. 11981) for the relief of Katherine Cronhardt; to the Committee on Claims.

By Mr. BURTON: A bill (H. R. 11982) to correct the military record of Gustave Mendel; to the Committee on Military Affairs.

Also, a bill (H. R. 11983) for the relief of Ephraim A. Schwarzenberg; to the Committee on War Claims.

Also, a bill (H. R. 11984) granting an increase of pension to Emily S. Reader; to the Committee on Invalid Pensions.

By Mr. CANFIELD: A bill (H. R. 11985) granting a pension to Ella May Munger; to the Committee on Invalid Pensions.

By Mr. CORNING: A bill (H. R. 11986) granting an increase of pension to Elizabeth Heinmiller; to the Committee on Invalid Pensions.

By Mr. COYLE: A bill (H. R. 11987) granting an increase of pension to Catharine Warner; to the Committee on Invalid Pensions.

By Mr. DAVENPORT: A bill (H. R. 11988) for the relief of Mabel M. Johnson; to the Committee on Claims.

By Mr. DOUGHTON: A bill (H. R. 11989) for the relief of Caleb W. Swink; to the Committee on Claims.

By Mr. EATON: A bill (H. R. 11990) granting an increase of pension to Anna M. Middleton; to the Committee on Invalid Pensions.

By Mr. W. T. FITZGERALD: A bill (H. R. 11991) granting a pension to John Vetter; to the Committee on Pensions.

Also, a bill (H. R. 11992) granting an increase of pension to Mary L. Miller; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11993) granting an increase of pension to Mary E. Brown; to the Committee on Invalid Pensions.

By Mr. FLETCHER: A bill (H. R. 11994) granting a pension to John F. Herndon; to the Committee on Invalid Pensions.

By Mr. FROTHINGHAM: A bill (H. R. 11995) granting an increase of pension to Ruth P. Barrows; to the Committee on Invalid Pensions.

By Mr. HAWLEY: A bill (H. R. 11996) granting an increase of pension to Celia R. Spear; to the Committee on Invalid Pensions.

By Mr. HUDSON: A bill (H. R. 11997) granting a pension to Ida F. Davidson; to the Committee on Invalid Pensions.

By Mr. KNUTSON: A bill (H. R. 11998) granting an increase of pension to Angeline Kerr; to the Committee on Invalid Pensions.

By Mr. KURTZ: A bill (H. R. 11999) granting a pension to Clara May Bell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12000) granting an increase of pension to Helen McCord; to the Committee on Invalid Pensions.

By Mr. McKEOWN: A bill (H. R. 12001) granting an increase of pension to Ruth A. Stark; to the Committee on Invalid Pensions.

By Mr. MENGES: A bill (H. R. 12002) granting an increase of pension to Amanda Rickrode; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12003) granting an increase of pension to Lydia A. Miller; to the Committee on Invalid Pensions.

By Mr. MORGAN: A bill (H. R. 12004) granting a pension to Lydia E. Whitney; to the Committee on Invalid Pensions.

By Mr. NEWTON of Missouri: A bill (H. R. 12005) for the relief of Frank E. Ridgely, deceased; to the Committee on Naval Affairs.

Also, a bill (H. R. 12006) granting an increase of pension to Elizabeth Langley; to the Committee on Invalid Pensions.

By Mr. PRATT: A bill (H. R. 12007) granting an increase of pension to Clara Gavett; to the Committee on Invalid Pensions.

By Mr. SCOTT: A bill (H. R. 12008) for the relief of George Flowers; to the Committee on the Public Lands.

Also, a bill (H. R. 12009) for the relief of Christian Schultz; to the Committee on the Public Lands.

By Mr. TILSON: A bill (H. R. 12010) granting an increase of pension to Mary J. Lynch; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12011) granting an increase of pension to Carrie A. Greeley; to the Committee on Invalid Pensions.

By Mr. VINCENT of Michigan: A bill (H. R. 12012) granting an increase of pension to Julia Wiser; to the Committee on Invalid Pensions.

By Mr. WAINWRIGHT: A bill (H. R. 12013) granting an increase of pension to Margaret A. Organ; to the Committee on Invalid Pensions.

By Mr. ZIHLMAN: A bill (H. R. 12014) granting a pension to Harriet A. Wilson; to the Committee on Invalid Pensions.

By Mr. PORTER: Joint resolution (H. J. Res. 249) to authorize an appropriation for the compensation of William Wiseman; to the Committee on Foreign Affairs.

PETITIONS, ETC.

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

2091. Petition of the city council of the city of Chicago, protesting against Federal encroachments in the field of State legislation; to the Committee on the Judiciary.

2092. Petition of Daniel F. Hickey, presenting charges against Isaac M. Meekings, Federal judge for the eastern district of North Carolina; to the Committee on the Judiciary.

2093. By Mr. W. T. FITZGERALD: Petition of Clifford Thompson Post, No. 43, American Legion, Troy, Ohio, requesting enactment of House bills 10240, 4548, and 10277; to the Committee on World War Veterans' Legislation.

2094. By Mr. FULLER: Petition of Julian Larson, president Boone County Farm Bureau, Belvidere, Ill., and other individuals, urging early consideration of the Federal farm board bill; to the Committee on Agriculture.

2095. By Mr. GALLIVAN: Petition of Francis J. Good, department commander, the American Legion, statehouse, Boston, urging, at request State executive committee and auxiliary of the department of Massachusetts, American Legion, early and favorable consideration of the Johnson, Fitzgerald, and Green bills; to the Committee on World War Veterans' Legislation.

2096. By Mr. GARNER of Texas: Petition of citizens of Poteet, Atascosa County, Tex., against compulsory Sunday observance legislation; to the Committee on the District of Columbia.

2097. By Mr. HERSEY: Petition or resolution from Mrs. Velma Libby, Blaine, Me., district secretary Central Aroostook District Council of Religious Education, urging strict adherence to the principles of the prohibitory law; to the Committee on the Judiciary.

2098. By Mr. HUDSON: Petition of citizens of Michigan, protesting against the enactment of House bill 7179, known as the compulsory Sunday observance bill; to the Committee on the District of Columbia.

2099. By Mr. KINDRED: Petition of Ridgewood Unit, No. 695, of the Steuben Society of America, to the United States Congress, urging early and favorable vote on the alien property bill; to the Committee on Foreign Affairs.

2100. By Mr. KNUTSON: Petition of Mrs. C. A. Folkestad and others, protesting against compulsory Sunday observance; to the Committee on the District of Columbia.

2101. By Mr. LEAVITT: Petition of citizens of Roundup, Klein, Comanche, and Billings, Mont., protesting against passage of House bills 7179 and 7822, or any other pending national religious legislation; to the Committee on the District of Columbia.

2102. Also, petition of citizens of Big Timber and Hardin, Mont., protesting against passage of House bills 7179 and 7822, or any other pending national religious legislation; to the Committee on the District of Columbia.

2103. Also, resolutions of Great Falls Post, No. 3, American Legion, urging passage of the Johnson, Green, and Fitzgerald veterans' bills during the present session of Congress; to the Committee on World War Veterans' Legislation.

2104. By Mr. O'CONNELL of New York: Petition of Julien N. Friant, of Cape Girardeau, Mo., favoring the passage of the Haugen agriculture relief bill; to the Committee on Agriculture.

2105. Also, petition of the American Association of China, favoring the passage of House bills 6753 and 6771, referring to the construction of a new United States Government building in Shanghai, China; to the Committee on Foreign Affairs.

2106. By Mrs. ROGERS: Resolution by Andover (Mass.) Association of Ministers and Congregational Churches, favoring strict enforcement of the eighteenth amendment; to the Committee on the Judiciary.

SENATE

SATURDAY, *May 8, 1926*

(Legislative day of Thursday, May 6, 1926)

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

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

The VICE PRESIDENT. The clerk will call the roll.

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

Ashurst	Fess	King	Robinson, Ind.
Bayard	Fletcher	La Follette	Sackett
Bingham	Frazier	Lenroot	Sheppard
Blease	George	McKellar	Shipstead
Borah	Gerry	McLean	Shortridge
Bratton	Gillett	McMaster	Simmons
Broussard	Glass	McNary	Smoot
Bruce	Goff	Mayfield	Stanfield
Butler	Gooding	Means	Steck
Cameron	Greene	Metcalf	Swanson
Couzens	Hale	Neely	Trammell
Cummins	Harreld	Norbeck	Tyson
Curtis	Harris	Norris	Underwood
Deneen	Heflin	Nye	Wadsworth
Dill	Howell	Oddie	Warren
Edge	Johnson	Overman	Watson
Edwards	Jones, N. Mex.	Phipps	Wheeler
Ernst	Jones, Wash.	Ransdell	Willis
Fernald	Kendrick	Reed, Mo.	
Ferris	Keyes	Reed, Pa.	

Mr. CURTIS. I desire to announce that my colleague [Mr. CAPPER] is absent on account of illness in his family. I will let this announcement stand for the day.

Mr. JONES of Washington. I was requested to announce that the Senator from Missouri [Mr. WILLIAMS], the Senator from New York [Mr. COPELAND], and the Senator from Mississippi [Mr. STEPHENS] are engaged on business of the Senate in the Committee on Commerce.

The VICE PRESIDENT. Seventy-eight Senators having answered to their names, a quorum is present.

MOTHERS' DAY

Mr. SHEPPARD. Mr. President, to-morrow, Sunday, is Mothers' Day. It is a day set apart by virtue of a resolution of Congress, the author of which is now a distinguished Member of this body, the junior Senator from Alabama [Mr. HEFLIN]. He was a Member of the House when he introduced the resolution creating Mothers' Day.

In honor of to-morrow I wish to read to the Senate a brief poem on "Mother." This poem is by an anonymous author, and the Washington Times had the following to say of it:

Many will be glad to see reprinted the following poem, which has been a classic for a century. No scrapbook is complete without it.

I now read the poem:

MY MOTHER

Who fed me from her gentle breast,
And hushed me in her arms to rest,
And on my cheek sweet kisses prest?
My mother.

When sleep forsook my open eye,
Who was it sung sweet lullaby
And rocked me that I should not cry?
My mother.

Who sat and watched my infant head
When sleeping in my cradle bed,
And tears of sweet affection shed?
My mother.

When pain and sickness made me cry,
Who gazed upon my heavy eye
And wept for fear that I should die?
My mother.

Who ran to help me when I fell
And would some pretty story tell,
Or kiss the part to make it well?
My mother.

Who taught my infant lips to pray,
To love God's Holy Word and day,
And walk in wisdom's pleasant way?
My mother.

And can I ever cease to be
Affectionate and kind to thee,
Who wast so very kind to me—
My mother.

Oh, no; the thought I can not bear;
And if God please my life to spare
I hope I shall reward thy care—
My mother.

When thou art feeble, old, and gray,
My healthy arm shall be thy stay,
And I will soothe thy pains away—
My mother.

And when I see thee hang thy head,
'Twill be my turn to watch thy bed,
And tears of sweet affection shed—
My mother.

Mr. HEFLIN. Mr. President, I thank the Senator for his kindly reference to me. In 1914, when I was a Member of the House, Miss Annie Jarvis, a native of West Virginia, but now of Pennsylvania, came to me and requested me to introduce a resolution providing for Mothers' Day. Her great love for her own mother caused her to devote herself to the work of having Congress set apart a day to be known and observed as Mothers' Day. I prepared and introduced the resolution in the House, and it was passed by that body May 7, 1914. When it reached the Senate I requested the able and valuable Senator from Texas [Mr. SHEPPARD] to take charge of it, and he secured its passage by the Senate.

To-morrow is Mothers' Day, and the poem just read by the Senator from Texas is indeed beautiful and appropriate. Mr. President, I send to the clerk's desk and ask to have read a splendid tribute to mother by Tom Dillon.

The VICE PRESIDENT. The clerk will read as requested.

The legislative clerk read as follows:

MY MOTHER—A PRAYER

By Tom Dillon

For the body you gave me, the bone and the sinew, the heart and the brain that are yours, my mother, I thank you. I thank you for the light in my eyes, the blood in my veins, for my speech, for my life, for my being. All that I am is from you who bore me.

For all the love that you gave me, unmeasured from the beginning, my mother, I thank you. I thank you for the hand that led me, the voice that directed me, the breast that nestled me, the arm that shielded me, the lap that rested me. All that I am is by you who nursed me.

For your smile in the morning and your kiss at night, my mother, I thank you. I thank you for the tears you shed over me, the songs that you sung to me, the prayers you said for me, for your vigils and ministerings. All that I am is by you who reared me.

For the faith you had in me, the hope you had for me, for your trust and your pride, my mother, I thank you. I thank you for your praise and your chiding, for the justice you bred into me and the honor you made mine. All that I am you taught me.

For the sore travail that I caused you, for the visions and despairs, my mother, forgive me. Forgive me the peril I brought you to, the sobs and the moans I wrung from you, and for the strength I took from you, mother, forgive me.

For the fears I gave you, for the alarms and the dreads, my mother, forgive me. Forgive me the joys I deprived you, the toils I made for you, for the hours, the days, and the years I claimed from you, mother, forgive me.

For the times that I hurt you, the times I had no smile for you, the caresses I did not give you, my mother, forgive me. Forgive me for my angers and revolts, for my deceits and evasions, for all the pangs and sorrows I brought to you, mother, forgive me.

For your lessons I did not learn, for your wishes I did not heed, for the counsels I did not obey, my mother, forgive me. Forgive me my pride in my youth and my glory in my strength that forgot the holiness of your years and the veneration of your weakness, for my neg-