4684. Also, petition of C. J. Hollister, D. D. S., chief dental division, Pennsylvania department of health, favoring passage of H. R. 11026, Public Health Service bill; to the Committee on Interstate and Foreign Commerce.

4685. Also, petition of Council on National Parks, Forest, and Wild Life, indorsing the Anthony-Norbeck migratory bird conservation bills (H. R. 5467 and S. 2171); to the Committee on Agriculture.

4686. Also, petition of J. Q. Waters, West Newton, Pa., favoring passage of the Wurzbach bill (H. R. 6523) or Tyson bill (S. 1986); to the Committee on Military Affairs.

SENATE

WEDNESDAY, *February 29, 1928*

The Chaplain, Rev. ZeBarney T. Phillips, D. D., offered the following prayer:

Almighty God, our Heavenly Father, at this morning hour we render Thee our humble praises for all Thy mercies renewed to us each day. And from our thankful hearts we beseech Thee for all whom we love and upon whom we bestow our watchful care, for all who have blessed us with kindness, led us with patience, and restored us by their sympathy and help, for all who are bearing the burdens of life, for all who are sick and afflicted, and for all who are anguished in spirit, that Thou wouldest make Thy people one in heart and mind and purpose; and that our eyes may kindle to the beauty and glory of America when she looks forth as the morning, fair as the moon and clear as the sun in the splendor of Him who is the light of the world, Jesus Christ our Lord. Amen.

The Chief Clerk proceeded to read the Journal of yesterday's proceedings, when, on request of Mr. CURTIS, and by unanimous consent, the further reading was dispensed with and the Journal was approved.

CALL OF THE ROLL

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

The 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	Schall
Barkley	Fess	McKellar	Sheppard
Bayard	Fletcher	McLean	Shipstead
Bingham	Frazier	McMaster	Shortridge
Black	George	McNary	Simmons
Blaine	Gerry	Mayfield	Smith
Blease	Gillett	Metcalf	Smoot
Borah	Glass	Moses	Steck
Bratton	Gooding	Neely	Steiwer
Brookhart	Gould	Norbeck	Stephens
Broussard	Greene	Norris	Swanson
Bruce	Hale	Nye	Thomas
Capper	Harris	Oddie	Tydings
Caraway	Harrison	Overman	Tyson
Copeland	Hayden	Phipps	Walsh, Mass.
Couzens	Heflin	Pine	Walsh, Mont.
Curtis	Howell	Pittman	Warren
Cutting	Johnson	Ransdell	Waterman
Dale	Jones	Reed, Pa.	Watson
Deneen	Kendrick	Robinson, Ark.	Wheeler
Dill	Keyes	Robinson, Ind.	Willis
Edge	King	Sackett	

Mr. COPELAND. My colleague the junior Senator from New York [Mr. WAGNER] is detained on official business. I will let this announcement stand for the day.

Mr. GERRY. The Senator from New Jersey [Mr. EDWARDS] is necessarily detained from the Senate by reason of illness in his family.

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

PETITIONS AND MEMORIALS

Mr. TYSON presented a communication from the secretary of the executive committee of the New York Young Republican Club, of New York City, N. Y., which was ordered to lie on the table and to be printed in the RECORD, as follows:

Hon. LAWRENCE D. TYSON,
United States Senator, Washington, D. C.

SIR: The executive committee of the New York Young Republican Club, at its regular meeting held on the 17th day of February, 1928, approved the following resolution in regard to the Tyson-Fitzgerald bill now pending before the Congress:

"*Resolved*, That the executive committee of the New York Young Republican Club hereby approved the proposed legislation now pending before the Congress, commonly known as the Tyson-Fitzgerald bill (H. R. 500, S. 777), whereby all persons who served as officers of the Army of the United States during the World War, other than as officers of the Regular Army, and who during such service incurred physical disability rated to be in excess of 30 per cent permanent, shall be placed upon a separate list and granted the same compensation and perquisites as are received by retired officers of the Regular Army similarly situated; further

"*Resolved*, That the executive committee of the New York Young Republican Club respectfully urge upon the Senate and the House of Representatives the early passage of the said Tyson-Fitzgerald bill (S. 777 and H. R. 500) in order that belated justice may be done to the disabled officers of the National Army; further

"*Resolved*, That the secretary of this committee transmit a copy of this resolution to the President of the Senate, the Speaker of the House of Representatives, the chairman of the respective Committees on Military Affairs of the Senate and House of Representatives, and to the chairman of the Committee on Rules of the House of Representatives, with the request that the said Tyson-Fitzgerald bill (S. 777, H. R. 500) shall have their earnest and serious consideration."

We trust that this subject may have careful attention.

Very respectfully,

JOSEPH MARK BALDWIN,
Secretary Executive Committee.

Mr. REED of Pennsylvania presented a petition of the Philadelphia (Pa.) Board of Trade, praying for the passage of the bill (S. 351) prohibiting the sending of unsolicited merchandise through the mails, which was referred to the Committee on Post Offices and Post Roads.

REPORTS OF THE NAVAL AFFAIRS COMMITTEE

Mr. SWANSON, from the Committee on Naval Affairs, to which was referred the bill (S. 1377) for the relief of Lieut. Robert Stanley Robertson, jr., United States Navy, reported it with an amendment and submitted a report (No. 442) thereon.

Mr. SHORTRIDGE, from the Committee on Naval Affairs, to which was referred the bill (S. 151) for the relief of Charles R. Sies, reported it without amendment and submitted a report (No. 443) thereon.

Mr. HALE, from the Committee on Naval Affairs, to which was referred the bill (S. 2442) for the relief of Lieut. Henry C. Weber, Medical Corps, United States Navy, reported it without amendment and submitted a report (No. 444) thereon.

SESQUICENTENNIAL OF DISCOVERY OF HAWAIIAN ISLANDS

Mr. BORAH. Mr. President, from the Committee on Foreign Relations I report back favorably without amendment the joint resolution (H. J. Res. 141) to authorize the President to invite the Government of Great Britain to participate in the celebration of the Sesquicentennial of the Discovery of the Hawaiian Islands, and to provide for the participation of the Government of the United States therein, and I ask unanimous consent for its immediate consideration.

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

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the joint resolution, and it was read, as follows:

Resolved, etc., That the President be, and he is hereby, authorized and requested to extend a formal invitation to the Government of Great Britain to participate in the said celebration by sending a man-of-war with delegates representing the Dominions most interested.

SEC. 2. That for the purpose of defraying the expense of participation by the Government of the United States in the said celebration, an appropriation of the sum of $5,000, or so much thereof as may be necessary, is hereby authorized, to include transportation, subsistence, or per diem in lieu of subsistence (notwithstanding the provisions of any previous act), and such other expenses as the President shall deem proper.

The joint resolution was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

Mr. BORAH. I ask that there may be printed in the RECORD the House committee report and the message of the President in relation to the matter.

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

The report and message are as follows:

[H. Rept. No. 507, 70th Cong., 1st sess.]

AUTHORIZING THE PRESIDENT TO INVITE GREAT BRITAIN TO SESQUICENTENNIAL OF HAWAIIAN ISLANDS

Mr. MAAS, from the Committee on Foreign Affairs, submitted the following report to accompany H. J. Res. 141:

The Committee on Foreign Affairs, to which was referred House Joint Resolution 141, to authorize the President to invite the Government of Great Britain to participate in the celebration by the Territory of Hawaii of the Sesquicentennial of the Discovery of the Hawaiian Islands, and to provide for the participation of the Government of the United States therein, having considered the same, report thereon with the recommendation that it do pass.

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

The Hawaiian Islands were first sighted by the ships of the exploring and scientific expedition under the command of Capt. James Cook, January 18, 1778. Captain Cook was at that time making his third voyage of exploration into the Pacific, which had for one of its special objects the discovery of a northwestern passage which might allow of a shorter route from Europe to Asia. At the time of the discovery of these islands by Captain Cook, the inhabitants were found to be living in a condition, due to their surroundings and isolation, that can only be described as one equivalent to the stone age in Europe. They had neither metals, textiles, pottery, nor a written language, and the knowledge of Christianity, of course, had never been brought to their attention. It is possible that their ancestors had lived on these islands for 1,200 years or more.

Captain Cook, after discovering the islands, sailed to the northwest coast of the American Continent, and to what is now Alaska, and in November of the year 1778 returned to the islands with the idea of wintering there. The incidents of the second voyage showed that the Hawaiians looked upon Captain Cook as the incarnation of their god Lono. He and his men were treated with the greatest respect and hospitality, provided with supplies and food, and liberally entertained. Finally, on February 4, 1779, after a stay lasting through three months, the ships took their departure, and all would have been well had not one of the vessels suffered a casualty when off the northern end of the island of Hawaii, where the winds blow frequently in gusts, approaching gale strength, one of the masts was sprung, and Captain Cook decided to return to the Bay of Kealakekua to effect the necessary repairs. The third visit did not turn out so well. Possibly because the country had been impoverished because of the lavished gifts bestowed on the visitors, possibly because of the jealousy of the men because of the actions with the women, the fact remains that the cordiality which was present on the previous occasion was lacking. Quarrels arose; on the night of February 13 a boat belonging to the *Discovery* that had been left secured astern instead of being hoisted aboard overnight was found missing. The natives, covetous of the iron fastenings which it contained, had taken it and broken it to pieces. Captain Cook went ashore to see the King and compel the recovery of the boat and intending to bring the King on board his vessel as a hostage. A fight developed and Captain Cook was killed at the water's edge in trying to get back to his boats.

Following this discovery ships began to frequent the islands and American vessels and others engaged in the China trade stopped in these waters to refit or to obtain provisions. Whalers came to the islands. Finally, in 1820 the pioneer missionaries from New England arrived in the islands.

From this time dates the development and civilization of the islands and its people. American influence was always very marked, and through many steps culminated in the annexation of the Republic in 1898, since which time it has been an integral part of the United States.

It is these incidents which it is proposed to celebrate during the period from August 15–20, 1928, a date half way between the date of the first arrival of Captain Cook in the islands, January 18, 1778, and the date of his death, February 14, 1779. The Legislature of the Territory of Hawaii, impressed by the importance of the events, passed the following concurrent resolution:

CONCURRENT RESOLUTON

"Whereas the Territory of Hawaii, now an integral part of the United States of America, was first made known to the world by the explorations of Capt. James Cook, R. N.; and

"Whereas his discovery of these islands occurred on the 18th day of January, 1778, when, in the H. M. S. *Resolution* and H. M. S. *Discovery*, he sighted the island of Oahu, and on the 20th day of January, 1778, he first set foot ashore at Waimea, island of Kauai; and

"Whereas this discovery marked a turning point in the history of the islands which led them out of the past and into communication with the rest of the world; and

"Whereas the explorations of this celebrated navigator and leader of the British Empire, who also made known to the world the continents of New Zealand and Australia, continued until his death, which occurred at Kealakekua Bay, island of Hawaii, on the 14th day of February, 1779; and

"Whereas it is fitting that the Territory of Hawaii should celebrate the one hundred and fiftieth anniversary of the discovery of these islands by Captain Cook, in a manner to do honor to this bold and intrepid son of a friendly nation, and to celebrate the development and rise of this archipelago to its present position in this great Commonwealth of ours: Now therefore be it

"Resolved by the Senate of the Legislature of the Territory of Hawaii (the House of Representatives concurring), That a sesquicentennial celebration of the discovery of these islands be held during the week of August 15–19, 1928; and that the governor of the Territory respectfully request the President of the United States to extend a formal invitation to the Government of Great Britain, asking their participation by sending a man-of-war with delegates representing the Dominions most interested, and that the Federal Government be asked to send representatives for the occasion, with the presence of such units of the United States Fleet as may be spared; and be it further

"Resolved, That the governor request the proper authorities of the Federal Government to provide for the issuance of a suitable series of postage stamps commemorating the discovery of these islands, and the issuance of a commemorative 50-cent coin."

It also passed an act to carry into effect the celebration and providing $20,000 to meet the cost of conducting the ceremonies.

[Act 256]

An act providing for the appointment of a Cook Sesquicentennial Commission, making an appropriation and providing for its expenditure

Be it enacted by the Legislature of the Territory of Hawaii:

SECTION 1. The Governor of the Territory of Hawaii is hereby authorized to appoint a commission, in the manner provided by section 80 of the organic act, to be known as the Cook Sesquicentennial Commission, to consist of five members.

SEC. 2. The commission shall have charge of the arrangements for the ceremonies during the week of August 15–19, 1928, commemorating the one hundred and fiftieth anniversary of the discovery of the Hawaiian Islands by Capt. James Cook.

SEC. 3. The sum of $20,000 is hereby appropriated, out of any moneys in the Treasury not otherwise appropriated, for the purpose of providing entertainment for such delegates as may be sent to attend the said ceremonies and for the cost of conducting such ceremonies.

SEC. 4. This act shall take effect upon its approval.

Approved this 2d day of May, A. D. 1927.

W. R. FARRINGTON,
Governor of the Territory of Hawaii.

In consequence of these acts of the legislature, the governor of the Territory, through the Secretary of the Interior, initiated the steps looking toward getting the President's approval to the plan that was contemplated in the concurrent resolution. The Delegate of the Territory took the matter up with the State Department and the Interior Department. As a consequence, the Secretary of State on December 28, 1927, sent the following communication to the President:

The PRESIDENT:

From August 15–19, 1928, the Territory of Hawaii will celebrate the sesquicentennial of the discovery of the Hawaiian Islands by Capt. James Cook, and the Legislature of the Territory of Hawaii has appropriated $20,000 to meet the cost of the celebration.

The Hawaiian Legislature has also, by a concurrent resolution adopted in April last, authorized the Governor of the Territory to "request the President of the United States to extend a formal invitation to the Government of Great Britain, asking their participation by sending a man-of-war with delegates representing the Dominions most interested," and to ask that the Federal Government "send representatives for the occasion, with the presence of such units of the United States Fleet as may be spared."

In pursuance of this resolution, the Secretary of the Interior, acting for the Governor of the Territory of Hawaii, has recommended that the President be requested to ask of Congress legislation authorizing the President to extend the invitation, and an appropriation of $5,000 to enable participation by the Government of the United States in the celebration.

To these ends the undersigned, the Secretary of State, who is advised by the Director of the Bureau of the Budget that the request is not in conflict with the financial program of the President, has the honor to submit to the President a draft of a joint resolution, which he recommends, if the President approve thereof, be commended to the favorable consideration of the Congress.

Respectfully submitted.

FRANK B. KELLOGG.

DEPARTMENT OF STATE,
Washington, December 28, 1927.

The President, on January 4, 1928, sent the following message to Congress:

To the Congress of the United States:

At the request of the Governor of Hawaii, made through the Secretary of the Interior, in pursuance of a resolution of the Legislature of Hawaii, I commend to the favorable consideration of the Congress the draft of a joint resolution, attached to the accompanying report of the Secretary of State, to authorize the President to invite the Government of Great Britain and the governments of certain of the British Dominions to participate in the celebration at Honolulu of the Sesquicentennial of the Discovery of the Hawaiian Islands, and to provide for participation of the Government of the United States therein.

CALVIN COOLIDGE.

THE WHITE HOUSE, *January 4, 1928.*

Accompanying the President's message was the draft of the joint resolution and it is that draft which has been embodied in the House Joint Resolution 141 here being considered. The proposal to invite the Government of Great Britain and the Dominions most interested is due to the fact that Capt. James Cook and his expedition was sent out by the British Government, that in addition to the discovery of the Hawaiian Islands, he was concerned with the explorations on the

west coast of what is now the Dominion of Canada, made original surveys in the Gulf of St. Lawrence, and was responsible in a large measure for adding to the British Empire the continent of Australia and New Zealand. The invitation on the part of the Government of the Territory of Hawaii to Britain to take part in the ceremonies has already been transmitted through the American chargé d'affaires in London, but this resolution will authorize the President to transmit the invitation for the Territory.

The celebration will consist of a gathering of delegates in Honolulu, who will then be taken to the island of Kauai, the westernmost of the group, where at Waimea, the point at which Captain Cook first landed, there will be a pageant and dedication of a monument commemorating the first landing. The party will then return to Honolulu and proceed to Kealakekua, where Captain Cook spent the greater part of his second visit to the islands and where he died. Here it is expected that there will be the opening of a Territorial park and dedication of a memorial bronze tablet to mark the spot where Captain Cook fell, also the dedication of the tablet to mark the site of the first Christian burial in the islands. The party will then return to Honolulu for final exercises of a commemorative and literary character.

Hawaii, with its present population of three hundred and thirty-three thousand-odd inhabitants, with its marked development as an American community, with its splendid prosperity, dependent upon agricultural interests, is such a wonderful example of what America has achieved through its advancement of republican and Christian ideals, that the celebration of this occasion marking the one hundred and fiftieth anniversary of the modern birth of the islands is deemed one worthy to be celebrated by Federal cooperation.

This resolution will authorize Federal recognition of the event, will provide for Federal representation in the event, both by representatives and a part of the fleet, and authorizes an appropriation of the sum of $5,000 to take care for such representatives. The cost of the celebration in the islands is provided for by the Territory.

[H. Doc. 132, 70th Cong., 1st sess.]

SESQUICENTENNIAL OF THE DISCOVERY OF THE HAWAIIAN ISLANDS

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES TRANSMITTING DRAFT OF A JOINT RESOLUTION, ATTACHED TO THE ACCOMPANYING REPORT OF THE SECRETARY OF STATE, TO AUTHORIZE THE PRESIDENT TO INVITE THE GOVERNMENT OF GREAT BRITAIN AND THE GOVERNMENTS OF CERTAIN OF THE BRITISH DOMINIONS TO PARTICIPATE IN THE CELEBRATION AT HONOLULU OF THE SESQUICENTENNIAL OF THE DISCOVERY OF THE HAWAIIAN ISLANDS, AND TO PROVIDE FOR PARTICIPATION OF THE GOVERNMENT OF THE UNITED STATES THEREIN

To the Congress of the United States:

At the request of the Governor of Hawaii, made through the Secretary of the Interior, in pursuance of a resolution of the Legislature of Hawaii, I commend to the favorable consideration of the Congress the draft of a joint resolution, attached to the accompanying report of the Secretary of State, to authorize the President to invite the Government of Great Britain and the Governments of certain of the British Dominions to participate in the celebration at Honolulu of the Sesquicentennial of the Discovery of the Hawaiian Islands, and to provide for participation of the Government of the United States therein.

CALVIN COOLIDGE.

THE WHITE HOUSE, *January 4, 1928.*

The PRESIDENT:

From August 15 to August 19, 1928, the Territory of Hawaii will celebrate the sesquicentennial of the discovery of the Hawaiian Islands by Capt. James Cook, and the Legislature of the Territory of Hawaii has appropriated $20,000 to meet the cost of the celebration.

The Hawaiian Legislature has also, by a concurrent resolution adopted in April last, authorized the Governor of the Territory to "request the President of the United States to extend a formal invitation to the Government of Great Britain asking their participation by sending a man-of-war with delegates representing the Dominions most interested," and to ask that the Federal Government "send representatives for the occasion, with the presence of such units of the United States fleet as may be spared."

In pursuance of this resolution the Secretary of the Interior, acting for the Governor of the Territory of Hawaii, has recommended that the President be requested to ask of Congress legislation authorizing the President to extend the invitation, and an appropriation of $5,000 to enable participation by the Government of the United States in the celebration.

To these ends the undersigned, the Secretary of State, who is advised by the Director of the Bureau of the Budget that the request is not in conflict with the financial program of the President, has the honor to submit to the President a draft of a joint resolution, which he recommends, if the President approve thereof, be commended to the favorable consideration of the Congress.

Respectfully submitted.

FRANK B. KELLOGG.

DEPARTMENT OF STATE,
Washington, December 28, 1927.

DRAFT OF A JOINT RESOLUTION TO AUTHORIZE THE PRESIDENT TO INVITE THE GOVERNMENT OF GREAT BRITAIN TO PARTICIPATE IN THE CELEBRATION OF THE SESQUICENTENNIAL OF THE DISCOVERY OF THE HAWAIIAN ISLANDS, AND TO PROVIDE FOR THE PARTICIPATION OF THE GOVERNMENT OF THE UNITED STATES THEREIN

Whereas the Territory of Hawaii will celebrate from August 15 to August 19, 1928, the Sesquicentennial of the Discovery of the Hawaiian Islands by Capt. James Cook; and

Whereas the Legislature of the Territory of Hawaii has appropriated the sum of $20,000 to meet the cost of conducting such ceremonies, and for the purpose of providing entertainment of delegates; and

Whereas in pursuance of a concurrent resolution of the Legislature of the Territory of Hawaii, adopted by the senate thereof on April 14, 1927, and by the house of representatives thereof on April 16, 1927, the Governor of the Territory of Hawaii has requested the President "to extend a formal invitation to the Government of Great Britain asking their participation by sending a man-of-war with delegates representing the Dominions most interested," and has asked that "the Federal Government send representatives for the occasion, with the presence of such units of the United States Fleet as may be spared": Be it therefore

Resolved, etc., That the President be, and he is hereby, authorized and requested to extend a formal invitation to the Government of Great Britain to participate in the said celebration by sending a man-of-war with delegates representing the Dominions most interested.

SEC. 2. That for the purpose of defraying the expense of participation by the Government of the United States in the said celebration an appropriation of the sum of $5,000, or so much thereof as may be necessary, is hereby authorized, to include transportation, subsistence, or per diem in lieu of subsistence (notwithstanding the provisions of any previous act), and such other expenses as the President shall deem proper.

BILLS AND JOINT RESOLUTION INTRODUCED

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

By Mr. PINE:

A bill (S. 3415) to amend paragraph (5) of section 20 of the interstate commerce act; to the Committee on Interstate Commerce.

(By request.) A bill (S. 3416) to carry into effect the twelfth article of the treaty between the United States and the Shawnee Indians proclaimed October 14, 1868; to the Committee on Indian Affairs.

By Mr. BAYARD:

A bill (S. 3417) granting an increase of pension to Mary J. McIntyre (with accompanying papers); to the Committee on Pensions.

By Mr. BROUSSARD:

A bill (S. 3418) for the relief of John F. Mathews; to the Committee on Military Affairs.

By Mr. STECK:

A bill (S. 3419) for the relief of W. J. Price; to the Committee on Military Affairs.

A bill (S. 3420) granting an increase of pension to Harriett G. Baker; to the Committee on Pensions.

By Mr. KENDRICK:

A bill (S. 3421) for the relief of certain stock-raising homestead entrymen in the State of Wyoming; to the Committee on Public Lands and Surveys.

By Mr. OVERMAN:

A bill (S. 3422) for the relief of W. W. Ruark; and

A bill (S. 3423) for the relief of the Advance Manufacturing Co.; to the Committee on Claims.

By Mr. McNARY:

A bill (S. 3424) for the relief of Cynthia Rudler Osgood; to the Committee on Pensions.

By Mr. McKELLAR:

A bill (S. 3425) for the relief of John Miller Grove, alias James M. Groves; to the Committee on Military Affairs.

By Mr. CARAWAY:

A bill (S. 3426) to quiet title and possession with respect to certain lands in Faulkner County, Ark.; to the Committee on Public Lands and Surveys.

A bill (S. 3427) authorizing the Secretary of the Navy to make a readjustment of pay to Gunner W. H. Anthony, jr., United States Navy (retired); to the Committee on Naval Affairs.

By Mr. SCHALL:

A bill (S. 3428) to acquire by purchase, condemnation, or otherwise a site for and the erection and completion thereon of a suitable building for the use and accommodation of the United States post office, United States customs, United States immigration department, United States border patrol, and Department of Justice in International Falls, Minn.; to the Committee on Public Buildings and Grounds.

A bill (S. 3429) for the relief of Samuel S. Michaelson; to the Committee on Claims.

By Mr. WILLIS:

A bill (S. 3430) granting an increase of pension to William Frederick Gross (with accompanying papers); to the Committee on Pensions.

By Mr. McLEAN:

A bill (S. 3431) granting a pension to Mary Wagner (with accompanying papers); to the Committee on Pensions.

By Mr. BLAINE:

A bill (S. 3432) to amend section 200 of the World War veterans' act of 1924, as amended; to the Committee on Finance.

A bill (S. 3433) to amend an act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," as amended; to the Committee on the Judiciary.

By Mr. WHEELER:

A bill (S. 3435) to authorize an appropriation from tribal funds to pay part of the cost of the construction of a road on the Crow Indian Reservation, Mont.; to the Committee on Indian Affairs.

By Mr. HALE:

A bill (S. 3436) for the relief of George A. Sawyer (with accompanying papers); to the Committee on Claims.

By Mr. JONES:

A bill (S. 3437) to provide for the conservation of fish, and for other purposes; to the Committee on Commerce.

By Mr. NORBECK:

A bill (S. 3438) authorizing a per capita payment to the Rosebud Sioux Indians, South Dakota; to the Committee on Indian Affairs.

A bill (S. 3439) to authorize the Secretary of Agriculture to acquire a herd of musk oxen for introduction into Alaska for experimentation with a view to their domestication and utilization in the Territory; to the Committee on Agriculture and Forestry.

By Mr. HEFLIN:

A joint resolution (S. J. Res. 103) providing for the return of the remains of members of the Marine Corps and other naval forces who have died in Nicaragua during the present intervention by the United States; to the Committee on Naval Affairs.

FLOOD CONTROL

Mr. JONES. I desire to introduce a bill relating to the flood situation. It is a bill which embodies the action of the Commerce Committee, and I was authorized to prepare and introduce it in the Senate and then report it back as soon as possible. I expect to report it back to-morrow or the next day.

The bill (S. 3434) for the control of floods on the Mississippi River from the Head of Passes to Cairo, and for other purposes, was read twice by its title and referred to the Committee on Commerce.

AMATEUR BOXING IN THE DISTRICT OF COLUMBIA

Mr. WALSH of Massachusetts submitted an amendment intended to be proposed by him to the bill (S. 1954) allowing and regulating amateur boxing and sparring matches in the District of Columbia, which was referred to the Committee on the District of Columbia and ordered to be printed.

AMENDMENTS TO THE DISTRICT OF COLUMBIA APPROPRIATION BILL

Mr. CAPPER submitted an amendment proposing to make the appropriation of $250,000 immediately available "for proper grading, seeding, and sodding; for the construction of roads, walks, and steps; for seating; for running-track, baseball diamond, tennis courts, and other athletic facilities; for fencing and other necessary work to fit up for athletic purposes the ground purchased as a joint site for the Langley Junior High School and the McKinley High School," intended to be proposed by him to House bill 11133, the District of Columbia appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

Mr. NEELY submitted an amendment intended to be proposed by him to House bill 11133, the District of Columbia appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed, as follows:

In the items for "Street and road improvement and repair," on page 25, line 15, insert the following:

"Northeast: B Street, Sixteenth Street to Seventeenth Street, $5,000.

"Northeast: Seventeenth Street, A Street to B Street, $5,000."

EDGAR WALLACE

Mr. CARAWAY. Mr. President, I wish but a moment of the Senate's time to do, possibly, an unprecedented thing.

On the 25th of this month there died in a hospital here in the District of Columbia Edgar Wallace. For a number of years he was the legislative representative of the American Federation of Labor. Born in England, he came to America at a very early age. He had actual knowledge of the working conditions in this country through having earned his living by day labor. Later he became an official in the organization of which he was a member. Then he came to Washington as one of the representatives of the American Federation of Labor.

I knew Mr. Wallace intimately well. He was a man of great information, of stainless honor, and of the most kind and generous disposition. I was much shocked when I learned of his untimely death.

I wish merely to say this in testimony of the very high character of this representative of organized labor.

Mr. KING. Mr. President, the Senator from Arkansas [Mr. CARAWAY] has just paid an eloquent and fitting tribute to Edgar Wallace. I have known Mr. Wallace for a number of years and frequently met him in connection with legislation in which, as the representative of the American Federation of Labor, he was interested.

The Federal Government has become so powerful and the field of legislation which it covers is so broad that some organizations and individuals regard it as necessary that their views be presented to committees of Congress. Congress has, upon various occasions, enacted measures dealing directly or indirectly with social and industrial questions and with matters affecting labor, whether organized or unorganized. Mr. Wallace, in his activities in behalf of the organization with which he was connected, was always frank and temperate. His views were presented in a concise and convincing manner and were of value to committees charged with the responsibility of framing suitable measures. I regarded him as a man of honor and integrity, as one interested not only in the organization of which he was a representative, but in social and political questions affecting the industrial welfare of our country.

There are some persons who appear before committees and confer with Senators and Congressmen whose views are of importance and whose suggestions make for wise and sound legislation. In his devotion to the cause of labor I never found Mr. Wallace indifferent to the rights and interests of others. He was an upright, honest, and patriotic man. Organized labor has lost a valiant and courageous defender and our country a patriotic citizen. I sincerely regret his death and extend my sympathy to his immediate associates and those who have cause to mourn the great loss which his demise entails.

CORRECTIONS IN ENROLLMENT OF HOUSE BILL 10635

Mr. WARREN. Mr. President, from the Committee on Appropriations I report back favorably House Concurrent Resolution 25, and ask that it may be read. I also ask unanimous consent for its immediate consideration.

The concurrent resolution was read, and the Senate, by unanimous consent, proceeded to its consideration, as follows:

Resolved by the House of Representatives (the Senate concurring), That the Clerk of the House of Representatives is authorized and directed, in the enrollment of H. R. 10635 entitled "An act making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1929, and for other purposes," to make the following changes in the engrossed bill:

On page 20, line 13, after the word "act," where it occurs the first time, insert the words: ", as amended."

On page 20, line 24, after the word "act," insert the following: "and for carrying out the applicable provisions of the act approved March 3, 1927 (Stat. L. vol. 44, p. 1381)."

On page 20, line 25, after the word "officers," insert the word "attorneys."

On page 21, line 1, after the word "supervisors," insert the following: "gaugers, storekeepers, storekeeper-gaugers."

On page 22, line 9, after the syllable "tions," insert the word "prescribed."

On page 22, line 14, strike out the word "bonds" and insert the word "bonded."

Mr. WARREN. Mr. President, in explanation of the concurrent resolution, I send to the desk and ask the clerk to read a statement appearing in yesterday's CONGRESSIONAL RECORD in the House proceedings.

The VICE PRESIDENT. The clerk will read, as requested.

The Chief Clerk read as follows:

[From the CONGRESSIONAL RECORD, Tuesday, February 28, 1928, page 3706]

Mr. MADDEN. Mr. Speaker, I want to make a brief statement in explanation of this resolution, so it will be thoroughly understood and may be a part of the history showing the reason we are proposing the adoption of the concurrent resolution.

The concurrent resolution which has just been read makes five textual changes in the paragraph for the Bureau of Prohibition and the enforcement of the narcotic acts. None of the amendments adds or subtracts from the existing law affecting the service. Two of the amendments are to correct errors which have crept in in the printing of the bill at some stage of its passage.

The other three amendments are to clarify the text of the paragraph so as to make it conform to the requirements of the accounting laws. These three amendments result from the establishment of the prohibition enforcement as a separate bureau. They were deemed unimportant at the time the bill was framed in the House, and they may not be important now, but it is deemed advisable to have them made so that there may not be any criticism of the technical features of the language. In my judgment they are not absolutely essential, but for the purpose of clarification and to prevent technical interpretations they are desirable.

Mr. GARNER of Texas. What is the enlargement of the law with reference to officers and attorneys? Does it enlarge the opportunity of fixing salaries in that respect?

Mr. MADDEN. Attorneys are provided for in the law and are specified, but they are not specified in the appropriations, and it was to clarify the whole situation that we wanted to make the statement clear.

Mr. GARNER of Texas. Is this entirely agreeable——

Mr. MADDEN. Yes; it is absolutely agreeable. It does not make any change except textual changes.

The SPEAKER. The gentleman from Illinois asks unanimous consent for the present consideration of the resolution. Is there objection?

There was no objection.

The resolution was agreed to.

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

Mr. WARREN. Certainly.

Mr. KING. The statement made by the distinguished chairman of the Appropriations Committee in the House and the inquiry submitted by the Representative from Texas [Mr. GARNER] do not, to my mind at least, reveal fully the implication and the meaning of the changes. Mr. MADDEN repeatedly said that it is for the purpose of clarification and also that there might be no technical interpretation which could affect the measure. He further stated that at the time when the bill was originally drawn these matters were not deemed important, but they are now deemed important.

It would seem, in view of the statement made by Mr. MADDEN, that this is rather important legislation. I do not wish to delay the passage of the concurrent resolution, but if the Senator from Wyoming will explain just the effect of the amendments, I shall be very glad.

Mr. WARREN. I will say to the Senator that the concurrent resolution has been carefully considered by the committee. It merely provides for the insertion in the bill of certain language which the House originally did not put in and which the Senate committee did not recommend when the bill was before the Senate, because the amendments desired did not come to our notice until the bill had been completed and gone to conference, where, of course, it could not be changed.

I have here a letter consisting of two pages from the official in charge of this work, which, I think, gives the reasons why the action now proposed should be taken. I offer that letter for the RECORD and ask that it may be printed at this point. It is signed by Mr. J. M. Doran, who is the Commissioner of Prohibition.

The VICE PRESIDENT. In the absence of objection, the letter will be printed in the RECORD.

The letter is as follows:

TREASURY DEPARTMENT,
BUREAU OF PROHIBITION,
Washington, February 28, 1928.

Hon. FRANCIS E. WARREN,
Chairman Senate Committee on Appropriations,
United States Senate.

MY DEAR SENATOR: Through inadvertence certain, apparently, necessary requirements with relation to the appropriation for the Bureau of Prohibition were omitted from the draft of the act making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1929, etc.

The vital omission is in connection with personnel heretofore provided for in the appropriation for the Internal Revenue Bureau who were transferred to the Bureau of Prohibition by virtue of provisions of the act of March 3, 1927, creating the Bureau of Prohibition and the Bureau of Customs.

In order to cure these and other minor defects it is requested that you cause changes to be made in the draft of the act, as follows:

On page 20, line 25, after the word "officers," insert "attorneys."

On page 21, line 1, after the word "supervisors," insert "gaugers, storekeepers, storekeeper-gaugers."

On page 20, line 13, after the word "act," where it occurs the first time, insert the following: " ; as amended,"

On page 20, line 24, after the word "act," insert the following: "and for carrying out the applicable provisions of the act approved March 3, 1927 (Stat. L., v. 44, p. 1381)."

On page 22, line 9, after the syllable "tions," insert the word "prescribed."

On page 22, line 14, strike out the word "bonds" and insert in lieu thereof the word "bonded."

Your favorable consideration of these recommendations will be very greatly appreciated.

Very sincerely yours,

J. M. DORAN,
Commissioner of Prohibition.

Mr. WARREN. The Senator from Utah is aware of the fact, of course, that in legislation enacted heretofore we provided that some of the duties in connection with prohibition enforcement which were then being performed direct by the Internal Revenue Bureau should be transferred to the Bureau of Prohibition. That is probably the only explanation that is necessary. The concurrent resolution proposes to give the enrolling clerk of the House authority before the appropriation bill shall be enrolled to insert the minor items which are covered perhaps in a number of words, but which mean little when all is said and done.

Mr. KING. Mr. President, may I ask the Senator whether the adoption of the concurrent resolution will result in increasing the number of employees in either the Internal Revenue Bureau or the Prohibition Unit?

Mr. WARREN. I think not.

Mr. KING. Will it result in an increase in their salaries?

Mr. WARREN. I could not accept the responsibility of making an unqualified negative answer to the Senator's inquiry; but I see nothing in the resolution which would lead me to think that such a result would be brought about. I am unable, however, to say what may happen in that respect.

Mr. KING. Does it enlarge the powers of any of the officials or employees of the Government in either of the bureaus referred to?

Mr. WARREN. In my judgment, it does not; it is simply to enable the Prohibition Unit to do the work which was transferred to it from another bureau.

Mr. KING. As I understand the Senator, then, it transfers from one bureau or Federal agency to another some of the duties which were heretofore performed by the Bureau of Internal Revenue?

Mr. WARREN. As I have said, certain work that was heretofore performed by the Internal Revenue Bureau has been transferred to the Prohibition Unit, and the purpose of the concurrent resolution is to make provision to enable them to carry on that work.

Mr. KING. If we accept this proposed legislation we will do it upon the theory of faith, which is "the substance of things hoped for, the evidence of things not seen."

Mr. ROBINSON of Arkansas. Mr. President, from an examination of the concurrent resolution it appears that the first amendment proposed is to insert the words "as amended" after the word "act." Plainly that is a textual amendment.

The second amendment is to add, on page 20, line 24, after the word "act," the words "and for carrying out the applicable provisions of the act approved March 3, 1927." What is the act approved March 3, 1927, which is referred to?

Mr. WARREN. I have it not before me at this time.

Mr. BINGHAM. May I say to the Senator that is the act reorganizing the Prohibition Bureau and putting it under a separate division of the Treasury Department.

Mr. ROBINSON of Arkansas. Plainly that amendment does not depart from the purposes of the appropriation bill.

Mr. WARREN. Not at all.

Mr. ROBINSON of Arkansas. The third amendment is, on page 20, line 5, after the word "officers," to insert the word "attorneys"; the next amendment is, after the word "supervisors," to insert the words "gaugers, storekeepers, storekeeper-gaugers"; the fifth amendment is to insert the word "prescribed" on page 22, line 14; and the last amendment proposed by the concurrent resolution is to strike out the word "bond" and insert the word "bonded."

Mr. WARREN. The word "attorneys" was left out inadvertently when the bill was drawn.

Mr. ROBINSON of Arkansas. Plainly the amendments are intended to perfect the appropriation bill.

Mr. WARREN. Entirely so.

The VICE PRESIDENT. The question is on agreeing to the concurrent resolution.

The concurrent resolution was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9136) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1929, and for other purposes; that the House had receded from its disagreement to the amendments of the Senate Nos. 6 and 51 to the said bill and concurred therein, and that the House had receded from its disagreement to the amendments of the Senate Nos. 12 and 46, and agreed thereto each with an amendment, in which it requested the concurrence of the Senate.

INTERIOR DEPARTMENT APPROPRIATIONS

The PRESIDING OFFICER (Mr. ODDIE in the chair) laid before the Senate the action of the House of Representatives on certain amendments of the Senate to the bill (H. R. 9136) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1929, and for other purposes, which was read, as follows:

Resolved, That the House recede from its disagreement to the amendments of the Senate Nos. 6 and 51 to the bill (H. R. 9136) entitled "An act making appropriations for the Department of the Interior for the fiscal year ending June 30, 1929, and for other purposes," and concur therein.

That the House recede from its disagreement to the amendment of the Senate No. 12 and agree to the same with an amendment as follows:

In lieu of the matter inserted by said amendment insert the following: "For the construction and improvement of roads on the Turtle Mountain Indian Reservation, N. Dak., $5,000."

That the House recede from its disagreement to the amendment of the Senate No. 46 and agree to the same with an amendment as follows:

In lieu of the matter inserted by said amendment insert the following: "That section 3 of the act of August 25, 1916 (39 Stat. 535), entitled "An act to establish a National Park Service, and for other purposes," be, and the same is hereby, amended by adding the following thereto: *"And provided further*, That the Secretary of the Interior may grant said privileges, leases, and permits and enter into contracts relating to the same with responsible persons, firms, or corporations without advertising and without securing competitive bids: *And provided further*, That no contract, lease, permit, or privilege granted shall be assigned or transferred by such grantees, permittees, or licensees, without the approval of the Secretary of the Interior first obtained in writing: *And provided further*, That the Secretary may, in his discretion, authorize such grantees, permittees, or licensees to execute mortgages and issue bonds, shares of stock, and other evidences of interest in or indebtedness upon their rights, properties, and franchises, for the purposes of installing, enlarging, or improving plant and equipment and extending facilities for the accommodation of the public within such national parks and monuments."

Mr. SMOOT. Mr. President, when the conference report on this bill was up for consideration there were three items in the bill, put in by the Senate, that had to be taken back to the House. The matter went back to the House, and it has agreed to the Senate amendments with amendments in two cases.

I move that the Senate concur in the amendments of the House to Senate amendments Nos. 12 and 46.

Mr. ROBINSON of Arkansas. This represents a complete agreement?

Mr. SMOOT. Yes; a complete agreement.

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

The motion was agreed to.

INDEPENDENT OFFICES APPROPRIATIONS—CONFERENCE REPORT

Mr. BLACK. Mr. President, on Monday last I entered a motion to reconsider the vote by which the conference report on the independent offices appropriation bill was agreed to. I desire to state the object of the motion to reconsider. When the motion was made to agree to the report of the committee of conference unfortunately I was not able to learn what the motion was until it had been carried. I immediately sent for a copy of the report, and found that it was the conference report on the independent offices appropriation bill.

In the conference report there are two recommendations with reference to amendments which were adopted by the Senate. The Senate conferees agreed to recede from seven amendments which were placed upon the bill by the Senate, and in return for that the House agreed to one very small, insignificant amendment. Included in the seven amendments from which the Senate conferees have receded are two with reference to the Shipping Board, one which would limit the maximum salary to be paid to the attorney for that board to the sum of $10,000, and the other reducing the total amount which that board is empowered to expend for legal services.

Mr. BRATTON. Mr. President, will the Senator from Alabama yield to me?

Mr. BLACK. Yes, sir.

Mr. BRATTON. With all due deference to the Senator, I desire to state that we have a unanimous-consent agreement making another matter the special order for the morning hour. I believe it takes priority over the matter which the Senator is now discussing, and if it will not inconvenience him I should very much like to reach the special order and endeavor to dispose of it this morning.

Mr. BLACK. The motion which I have made has to come up to-day, as I understand, and is in order as business coming over from a preceding day.

The VICE PRESIDENT. It is not necessary for the motion to come up to-day, and it is not in order during morning business.

Mr. BLACK. I am in no hurry about it, but I shall not take over five minutes.

Mr. BRATTON. I shall take it as a favor if the Senator will let the measure to which I refer go forward.

Mr. BLACK. I yield for that purpose.

Mr. BRATTON. I thank the Senator for his kindness.

PUEBLO INDIAN LANDS

The VICE PRESIDENT. Morning business is closed, and, in accordance with the unanimous-consent agreement, the Chair lays before the Senate the amendment of the House of Representatives to the bill (S. 700) authorizing the Secretary of the Interior to execute an agreement with the Middle Rio Grande conservancy district providing for conservation, irrigation, drainage, and flood control for the Pueblo Indian lands in the Rio Grande Valley, N. Mex., and for other purposes. The question is on concurring in the House amendment as amended, which is open to further amendment.

Mr. BRATTON resumed and concluded the speech begun by him on yesterday. The speech entire is as follows:

Tuesday, February 28, 1928

Mr. BRATTON. Mr. President, the bill now before the Senate authorizes the Secretary of the Interior to make a contract with the Middle Rio Grande conservancy district, being a corporation organized under the laws of the State of New Mexico, to develop and reclaim certain lands owned by six tribes of Indians, all located within the proposed conservancy district, and authorizing an appropriation therefor. The Middle Rio Grande conservancy district embraces an area consisting of about 210,000 acres of land situated in the valley of the Rio Grande River in New Mexico. This area runs a distance of about 150 miles with the river and varies in width from 1 to 6 miles. Of the 210,000 acres, it is proposed to reclaim slightly in excess of 132,000 acres. That land is owned in part by whites and in part by Indians. The Indians own 23,607 acres. That land is not compact; it is not contiguous but it is separated into different tracts, and is interspersed with the white-owned land, thus making it difficult, if not impossible, to reclaim the white-owned lands without at the same time including the Indian-owned lands, and, conversely, making it difficult, if not impossible, at this or any future time to reclaim the Indian-owned lands without reclaiming the white-owned lands at the same time. In other words, Mr. President, the topography and the geography of the country are such that the two classes of land must be reclaimed concurrently and together.

Of the 23,607 acres of land owned by the Indians, 8,346 acres are now being cultivated and have been cultivated for many years in the past, thereby leaving an area of 15,261 acres of raw land owned by the Indians that it is proposed to reclaim along with other lands under this great project.

The present cultivated area is being irrigated and has been so for a number of years in an antiquated, obsolete, indifferent, and unsatisfactory manner; so much so that I call the attention of the Senate to the significant fact that, according to the statement made by the Assistant Commissioner of Indian Affairs, at one time these Indians cultivated about 25,000 acres of land in this area, but due to conditions——

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

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

Mr. FRAZIER. Do I understand that the Commissioner or Assistant Commissioner of Indian Affairs made the statement that 25,000 acres were cultivated there at one time by the Indians?

Mr. BRATTON. That is my recollection.

Mr. FRAZIER. I do not recall any such statement being made, and I should like to have reference to it if the Senator has it.

Mr. BRATTON. If the Senator will turn to the bottom of page 15 of the first hearings of the Senate Committee on Indian

Affairs held under date of January 20 this year he will find that the Assistant Commissioner of Indian Affairs said this:

My understanding is that the Indians at one time cultivated about 25,000 acres, whereas to-day they are cultivating approximately 8,000 acres of land—

Having reference, of course, to the district then under discussion.

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

The PRESIDING OFFICER (Mr. KING in the chair). Does the Senator from New Mexico yield to the Senator from New York?

Mr. BRATTON. I yield to the Senator from New York.

Mr. COPELAND. I do not want to divert the thought of the Senator; but it has been represented to me that these Indians now have about 8,000 acres of land. Is that correct?

Mr. BRATTON. They have 8,346 acres now in cultivation.

Mr. COPELAND. And that the proposal now pending would place on that Indian group a debt of about $560,000. Is that correct?

Mr. BRATTON. It does this, Mr. President: The Indians own two classes of land within this area. One of those classes comprises 8,346 acres of land that is now being cultivated in an indifferent, obsolete, antiquated, unsatisfactory way. That condition has obtained to the extent that their cultivated area, at one time was 25,000 acres, has been reduced now to 8,346 acres.

Mr. COPELAND. Has the tribe been reduced in numbers at the same time?

Mr. BRATTON. That I am not able to say to the Senator. I do not want to make a misstatement. I do not know.

In addition to the 8,346 acres now being cultivated, it is contemplated to reclaim 15,000 acres plus of raw land, which is not now being cultivated. The total area of Indian lands to be reclaimed would be 23,607 acres. The total cost of that is $1,593,311, and is based upon a maximum of $67.50 per acre on the whole area; but the lien to secure that sum does not attach to the present cultivated area. It remains free from lien. The income from it remains free. There is a lien placed upon the raw land, something that is now of a nominal value, if any value at all, for the whole debt, with the provision that that lien never shall be foreclosed as long as the Indians own the land, and that the reimbursement shall be made from proceeds of leases upon the newly reclaimed land.

Mr. COPELAND. If the Senator will bear with me, that is very interesting. Do I get it right now: These Indians are cultivating about 8,000 acres?

Mr. BRATTON. That is correct.

Mr. COPELAND. And then, in addition to that, they have about 15,000 acres of raw land, uncultivated land?

Mr. BRATTON. That is correct.

Mr. COPELAND. But, if this project is carried through, the mortgage, so to speak, will not be upon the 8,000 cultivated acres, but will be upon the raw acreage?

Mr. BRATTON. That is true, Mr. President. Do my answers satisfy the point the Senator from New York has in mind?

Mr. COPELAND. I am very much interested. What the Senator says does give me new light. I had supposed that the lien was upon all the acreage owned by the Indians.

Mr. BRATTON. No, Mr. President; the Senator's information in that regard is in error. If the Senator will turn to line 21, page 6 of the bill, he will find this language:

The share of the cost paid the district on behalf of the Indian lands under the agreement herein authorized, including any sum paid to the district from the funds authorized to be appropriated by the act of February 14, 1927, * * * shall be reimbursed to the United States under such rules and regulations as may be prescribed by the Secretary of the Interior: *Provided*, That such reimbursement shall be made only from—

That has been amended to read—

only from proceeds of leases from the newly reclaimed pueblo lands, and there is hereby created against such newly reclaimed lands a first lien, which lien shall not be enforced during the period that the title to such lands remains in the pueblos or individual Indian ownership.

Expressly limiting the lien to the newly reclaimed lands, expressly providing that that lien shall not be subject to foreclosure as long as the Indians own the land, and expressly providing that the reimbursement shall be made from proceeds of leases upon newly reclaimed land.

Mr. COPELAND. If the Senator will bear with me just a moment, I am very anxious, as the Senator knows, to be set right in the matter, for the reason that I have had many letters from people living in my State who appear to be interested in the Indians, and for the further reason that I have had the suspicion through the past several years that sometimes the interests of the Indians are not looked after as they should be. This is no reflection at all upon the Senator, and has no bearing on this bill.

If I am correctly advised, however, the Indians now have about 15,000 acres of what the Senator calls raw land, uncultivated land.

Mr. BRATTON. Yes.

Mr. COPELAND. Which they can not use at all under present conditions. Is that correct?

Mr. BRATTON. That is true.

Mr. COPELAND. In other words, if these Indians are at any time to have more land to cultivate some of this raw land must be taken over in order that it may be placed under irrigation?

Mr. BRATTON. That is true.

Mr. COPELAND. Then, as a matter of fact, if the Senator is right, it means that the Indians will be no worse off in any respect after this is over. They will still have their 8,000 acres unencumbered, and they will have a chance of selling or leasing these other lands or using them themselves if they feel so disposed?

Mr. BRATTON. Moreover, instead of their present 8,000 acres being irrigated in an indifferent, unsatisfactory, backward way, it will be reclaimed and will have a modern system of reclamation, which ought to make it produce fourfold over its present production.

Mr. COPELAND. Without any added expense to the Indians?

Mr. BRATTON. Exactly.

Mr. LA FOLLETTE. Mr. President, will the Senator yield?

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

Mr. BRATTON. I yield.

Mr. LA FOLLETTE. Is it not the contention of those who represent the Indians that these 8,346 acres are now under such an intensive cultivation that on the average 2½ acres support an individual Indian; and are they not contending, may I ask the Senator, that as a matter of fact they will not have any such proportionate benefit as is implied under the Senator's statement?

Mr. BRATTON. Mr. President, in answer to that, I suppose the Senator is referring to the contentions of the secretary of the Indian Defense Society when he says "those who represent the Indians."

Mr. LA FOLLETTE. Not entirely, Mr. President. I have also seen the statement made by Mr. Hanna, who, I understand, is attorney for the Pueblo Tribe involved.

Mr. BRATTON. Under the employment of this association, as I understand. He is a very high-class, distinguished gentleman.

Mr. LA FOLLETTE. My understanding and the Senator's understanding differ with regard to that; but that is not important, as I see it. The point I was trying to bring to the Senator's attention was that there is a contention that this 8,346 acres is, and has been for a great number of years, under sufficiently intensive cultivation that approximately 2½ acres support an individual Indian.

Mr. BRATTON. I can not answer the Senator's question in better language than to read the testimony given by Mr. Collier before the committee of which the Senator and I are members. I call his attention to the language beginning at the bottom of page 33, and I also invite the attention of the Senator from New York to this language. Before I read it, however, I want to call attention to the fact that the bill then under consideration involved an appropriation of the same sum of money. It contemplated reclaiming the same area. The only substantial difference between the bill as it then stood and as it now stands is whether there shall be a gratuity for a part of the sum and the balance reimbursable, or whether the entire sum shall be reimbursable.

Mr. LA FOLLETTE. That is quite a difference, Mr. President.

Mr. BRATTON. With that in mind, let me call the attention of the Senator to the facts as stated by Mr. Collier when he said:

I believe there are no dependable statistics, but we know the per capita income of these tribes within the last few years, which has varied from $15 to $45 per capita per annum, based on a yield per farm and the other factors of income. They are farmers.

The interest of the Indians in this project is just as direct and imperative as the interest of any white element in the valley. Although the project took its origin from the white end, and is a project of the general community, yet it is true that the interest of the Indians is direct, imperative, and important, because, first, as I said, the existing cultivatable acreage, now that there has been so much water-logged, is not sufficient to maintain a decent standard of living in at least three of these pueblos; and second, we are all

hoping for an increase of population in these tribes. They are strong, virile tribes. They are pure-blood Indians. Their habits are industrious. Altogether, they are model Indians. We are hoping for an increase of population through the extension of adequate medical services to them. If that increase of population comes, as it will come—it has begun already—it will be totally impossible, under the existing conditions, for that population to live on the existing limited area of the land. Either it must disperse or starve, because these Pueblos are located in regions where there is only an infinitesimal demand for casual labor. So the Pueblos face not only present hardship but increased future hardships; unless this plan is carried out they face what is to them the supreme evil—that of being compelled, with the growth of population, to break up and go out into distant places. In other words, they face the end of their tribal relations, and to them that is a supreme matter.

Mr. President, I do not believe I could answer the Senator's question with respect to the conditions that confront these Indians in any stronger language than the secretary of the Indian Defense Society, who is championing the opposition to this bill, described them in the language I have just read.

Mr. LA FOLLETTE. Of course, there is no argument so far as the 15,000 acres of raw land is concerned; and, of course, Mr. Collier suggests there in his testimony, if I followed the Senator correctly, that there will be great hardship if these tribes continue to grow in population. However, is it not a fact—and I ask this question in all good faith, because the Senator is familiar with this area and knows it well, and I do not—is it not a fact that these Indians are now deriving their sole income from and are living as a result of that income off these 8,346 acres?

Mr. BRATTON. Yes, Mr. President; they are living—such living as it is—from that source. But Mr. Collier described it as an intolerable condition, which must be remedied, or the Indians in the near future will be required to sever their tribal relations, and go out into the world.

Mr. LA FOLLETTE. That is predicated upon the theory that the population is going to increase, as I understood his testimony.

Mr. BRATTON. Yes.

Mr. LA FOLLETTE. I would like to ask the Senator a further question; I do not desire to interrupt his line of argument.

Mr. BRATTON. I yield.

Mr. LA FOLLETTE. Will the Senator explain, if he has the information, just what it is contemplated will be done on these 8,346 acres in the way of actual improvement of the irrigating system that now exists there, and in that connection, if it will not divert the Senator, I should like to draw his attention to the statement made by Mr. Burkholder, who, I understand, is the engineer for the conservancy district, where he said, as appears on page 376 of the hearings before the subcommittee of the House Committee on Appropriations, referring to the 8,346 acres:

It sustains the life of the Indians who exist there. The reason there is a distinction—

That is, that there was a distinction in that bill—

The reason there is a distinction there is that the acreage they have now, or the 8,000 acres, more or less, does sustain the Indians in the valley. It is their bread and butter, and if that is to go to them without any maintenance or betterment charges we know that they can sustain life and continue to exist—

I assume he was referring to the 15,000 acres—

Then if we charge them for the additional area which they might lease or farm in part by themselves, that seems to us to be absolutely fair.

Mr. BRATTON. May I ask the Senator what question it is that he propounds to me?

Mr. LA FOLLETTE. I ask the Senator to explain to us just exactly what in the way of betterments and improvements in the irrigation system on these 8,346 acres is contemplated, providing this bill is enacted, if he has the information.

Mr. BRATTON. As I understand it, the entire district, including the Indian lands, will have a modern system of storage, river control, silt control, and will relieve the land from its alkalied and water-logged condition. It has been testified without dispute that the cultivatable area in that district is gradually decreasing, because the water level is constantly rising. My attention was called in the last few days to a case of a well located in this district. The water was 8 feet below the surface only a few years ago. Now it is only 6 feet below the surface. It has risen 2 feet in the course of a few years. That illustrates how the water level is rising.

The Indian lands and the white lands have been reduced in area, so far as cultivation is concerned, because the water level has continued to rise, because the land has become alkalied and can not be cultivated as it was heretofore. The Indian area has decreased from 25,000 acres to 8,000 acres plus, and the white area has been reduced from 125,000 acres down to some 30,000, as I remember the figures.

It is intended, Mr. President, to change that condition by relieving the land from being water-logged and alkalied and to increase its productivity with a modern, up-to-date system of irrigation storage, river control, flood control, silt control, canals, and the accouterments that go with a modern system.

Mr. COPELAND. Mr. President——

The PRESIDING OFFICER (Mr. McKELLAR in the chair). Does the Senator from New Mexico yield to the Senator from New York?

Mr. BRATTON. I yield.

Mr. COPELAND. May I ask the Senator if these acres now referred to as raw land were formerly cultivated?

Mr. BRATTON. As I understand, they never were. It may be that some of that land was cultivated at one time. It is treated and referred to throughout as raw land—that is, land not now in cultivation. It may be that some of it was cultivated and has ceased to be so by reason of becoming alkalied and water-logged.

Mr. COPELAND. And on account of the elevation of the water?

Mr. BRATTON. And because of the elevation of the water level.

Mr. COPELAND. I ask unanimous consent to put into the RECORD the communications I send to the desk. They are from persons who are interested in this matter.

The PRESIDING OFFICER. Is there objection? There being no objection, the communications were ordered to be printed in the RECORD, as follows:

NEW YORK, N. Y., *February 25, 1928.*

Senator ROYAL S. COPELAND,
United States Senate:

Urgently request you to vote against the Rio Grande Pueblo conservancy bill (S. 700) as most unjust and unfair.

FRED M. STEIN.

NEW YORK, N. Y., *February 25, 1928.*

Senator ROYAL S. COPELAND,
United States Senate:

Trust you will use your influence to defeat the Rio Grande Pueblo conservancy bill (S. 700). This bill outrageous in its injustice to the Indians.

HOWARD S. GANS.

NEW YORK CITY, N. Y., *February 25, 1928.*

Senator ROYAL S. COPELAND.

DEAR SENATOR COPELAND: May I urge you to use all your influence to prevent the passage of the Rio Grande Pueblo conservancy bill?

It seems to me that it is simply a question of honor on the part of our Senate not to let it pass.

Yours truly,

GERTRUDE E. GROSSMANN,
33 West Sixty-seventh Street.

Mr. COPELAND. Mr. President, just one other question. As I see it, then, from the statement of the Senator, no imposition is thought of here. These Indians will be better off, in one respect at least, if their present 8,000 acres shall be given modern means of irrigation, and they have the further prospect of using other acres, redeemed by the irrigation project, and the expense of the project will be taken care of from the sale of leases in the newly irrigated area.

Mr. BRATTON. Mr. President, the Senator from New York has summarized the situation accurately. I think it may be analogized to a picture like this, if the Senator from New York will give me his attention. It may be compared with this kind of an arrangement.

The Senator from New York might say to me, "You are occupying a residence that has deteriorated through the years. It no longer is comfortable. It no longer is habitable. I will furnish the money to improve that residence and make it a modern, up-to-date, comfortable residence for the use and occupancy of yourself and family. I will furnish the money to build two new residences on opposite corners of your plot of land. I will charge the entire cost of constructing the two new residences and of modernizing your present residence to the two new residences, and I will look to the rent from those two residences to repay me the full investment; and while I am being repaid in that way

from something that is now worthless, you and your family may occupy the residence with comfort and convenience." It occurs to me that that is a perfect analogy to the situation that is contemplated under this bill.

Mr. LA FOLLETTE. Mr. President, will the Senator permit me to trespass on his time further?

Mr. BRATTON. Gladly.

Mr. LA FOLLETTE. In the hearings before the subcommittee of the House Committee on Appropriations, on page 375, Mr. CRAMTON asked Mr. Burkholder this question, and I am reading this because I should like to have the Senator's interpretation of what Mr. Burkholder said:

Mr. CRAMTON. Why do you think it necessary or desirable to have the provision that the 8,000 acres shall not be subject to charge against the Indians for operation, maintenance, and betterment, but that the other 15,000 acres which may hereafter be brought under cultivation will be subject? Before you answer that question, let me ask you another one as to the 8,000 acres: The operation cost, in so far as it applies to the works, separate and apart from the Indian lands, will, of course, be borne by the project as a whole, and you are just exempting the 8,000 acres of Indian land from that charge. As to any maintenance or operation upon the Indian lands, is it contemplated that the Indians will take care of that themselves?

Mr. BURKHOLDER. In so far as possible.

Mr. CRAMTON. There are certain maintenance ditches on the Indian lands, and you are exempting them. Now, is it your program that that work shall be done by the project, without compensation, or will it be done by the Indians themselves?

Mr. BURKHOLDER. In so far as possible it will be done by the Indians. The exception to that, of course, is where we have a main canal that passes entirely through a pueblo in order to serve another pueblo or white lands below. The canal must be operated by the district in order to insure a proper supply below. In other cases, where there is a lateral that will entirely serve an individual pueblo, it is the intention to deliver the water to this lateral, and let the Indians take care of it.

Mr. President, I rather construe that language to mean that it was in Mr. Burkholder's mind that the only works which they would intend to put through these acres which are now under cultivation and irrigation, and which they would maintain, would be these canals which were going through the present cultivated acres in order to get water to another pueblo or to white lands below. I would like to ask the Senator whether or not he places the same construction on that answer?

Mr. BRATTON. No, Mr. President; I do not. What Mr. Burkholder is talking about is the water after it is turned out of the main canals into the laterals running onto and through Indian lands. He says that the district will control the main canals traversing Indian lands, but that when the water is turned into laterals leading onto the Indian lands, for their use exclusively, instead of charging them with upkeep and maintenance, the Indians shall do that work themselves. If the Senator from Wisconsin will read the testimony he will find that the Assistant Commissioner of Indian Affairs understands it exactly that way, and is willing to have the Indians perform that service as to their own lands, after the water is turned out of the main canals into the laterals leading entirely to Indian lands.

Mr. LA FOLLETTE. It seemed to me that the statement that it was intended to refer to a case where a main canal crossed one of these Indian lands was an indication that that was all that was contemplated.

Mr. BRATTON. Mr. President, this legislation was considered by the Senate Committee on Indian Affairs, it was passed through the Senate by unanimous consent, it was considered by the House Committee on Indian Affairs and reported favorably. The Senate bill, after it was passed, containing a gratuity of about half a million dollars, went to the House, and there was amended by taking out the gratuity feature, and making the entire sum reimbursable. This is the first time I have ever heard it suggested that the district intends to deal unfairly or unjustly with the Indians in the matter of giving them a modern, up-to-date, adequate system of reclamation of their lands.

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

Mr. BRATTON. I yield.

Mr. COPELAND. What does the Senator understand to be the criticism of the Indian Defense Association?

Mr. BRATTON. It is this, Mr. President. The original bills introduced in both branches of the Congress authorized an appropriation of $1,593,000. That was a gratuity as to the present area of 8,346 acres, and was not reimbursable in any sense.

Mr. LA FOLLETTE. Mr. President, may I ask the Senator upon what theory that was made a gratuity appropriation?

Mr. BRATTON. It was made a gratuity appropriation because it was drawn that way in the bill. It speaks for itself. It was a gratuity because it was not reimbursable.

Mr. LA FOLLETTE. The point I have in mind is that it seems to me that gratuity was made a gratuity, so far as these 8,000 acres are concerned, on the theory that they were already partially under irrigation by works which the Indians themselves had constructed.

Mr. BRATTON. I shall come to that after I shall have answered the question of the Senator from New York.

It cost $563,355 to reclaim the present cultivated area, at a maximum of $67.50 per acre. The original bill made that part of the appropriation as a gratuity. It was not reimbursable in any wise.

[At this point, the hour of 2 o'clock having arrived, the unfinished business was laid before the Senate, and the consideration of the House amendment to Senate bill 700 was postponed until the following day.]

Wednesday, February 29, 1928

Mr. BRATTON. Mr. President, I desire now briefly to state to the Senate the scope of the project and the plan of the Indians' participation in it, and, if I am able to do so, to convince the Senate that the present bill is liberal and generous to the Indians.

Mr. President, the Middle Rio Grande conservancy district has a board of consulting engineers consisting of some of the outstanding engineers of the country. Mr. A. J. Wiley, of the State of Idaho, with whom, perhaps, the Senator from Idaho [Mr. BORAH] is acquainted, is a member of that board. For many years he has served as consulting engineer for the Bureau of Reclamation and has been connected with some of the notable reclamation projects in the West. Mr. D. C. Henny, a consulting engineer of Portland, Oreg., also is a member of that board. He has enjoyed equal distinction with Mr. Wiley. Mr. Arthur E. Morgan, of Dayton, Ohio, president of the Dayton-Morgan Engineering Co. and a consulting engineer of long experience and note, is a third member of that consulting board.

Mr. W. M. Reed, chief engineer for the Bureau of Indian Affairs, formerly identified with the Bureau of Reclamation, is the fourth member of the board. Mr. Wiley, of Idaho; Mr. Henny, of Oregon; Mr. Morgan, of Ohio; and Mr. Reed, of the Bureau of Indian Affairs, constitute the consulting board of this project.

Mr. BORAH. Mr. President——

The PRESIDING OFFICER (Mr. ODDIE in the chair). Does the Senator from New Mexico yield to the Senator from Idaho?

Mr. BRATTON. I yield to the Senator.

Mr. BORAH. The Senator from New Mexico has made reference to Mr. Wiley, and it may not be out of place for me to say, regardless of what effect it may have upon the pending measure, that Mr. Wiley is one of the most eminent men in his profession in the United States and his character is in entire accordance with his eminence in his profession.

Mr. BRATTON. I thank the Senator from Idaho for that statement. The report from which I am now about to read, made under date of November 17 last, was signed by all the gentlemen whom I have named except Mr. Wiley. He was abroad at that time serving the British Government in his professional capacity. The other gentlemen, however, all concurred in the report, from which I quote. They discussed the various features in the proposed reclamation.

Mr. LA FOLLETTE. Mr. President, may I ask the Senator from New Mexico if that report is printed in the hearings?

Mr. BRATTON. It is not. It is, however, contained in what is called House Document 141, prepared by the Secretary of the Interior in response to the act passed about a year ago.

The report outlines that the project contemplates flood control, drainage, irrigation, storage, water supply, and silt control. The board takes into account the fact that the project will cost $11,829,000. Let it be understood by the Senate that this is not a project of a million and a half dollars.

On the contrary, it is a project of more than $11,000,000 in scope and cost. After discussing the total cost this board says with reference to the reasonableness of that cost:

The degree of river protection afforded by the plan, as above explained, is reasonable and well balanced. The projected system of drainage and irrigation is of a permanent character, and follows the best practice. The water supply of the project is deemed sufficient, provided it is rigorously protected against upstream encroachment; and the estimates are comprehensive and conservative.

So that the combined voice of the outstanding engineers of the country characterizes this as being a project along modern and scientific lines, with a conservative estimate of cost.

This board has said something with reference to the manner in which the Indians' share of the cost should be arrived at. I desire now to call the attention of the Senate to that, and to show, if I may do so, that the suggestions made by the board have been followed in toto by the district.

At page 29 of the report of the first hearings, conducted on January 20, this board said:

In determining what part of the total construction cost is to be apportioned to Indian lands we believe that the following policy would be equitable and desirable:

From the total cost of the project there should be deducted the cost of any local protection work for the city of Albuquerque and the cost of protecting San Marcial and the Santa Fe Railway at that point. There should also be deducted a portion of the cost of irrigation storage, so as to exclude from storage charge the 9,000 acres, more or less, now being irrigated. The remainder of the cost of the project, including the cost of irrigation storage, may be distributed over all the benefited lands on an acreage basis.

The construction cost to the Indian lands would thus be in accordance with the ratio which the benefited area of Indian lands bears to the benefited area of the entire project, with the deductions noted above.

In regard to the cost of operation and maintenance of irrigation works which serve Indian lands, it would seem that the Indians should be relieved of such cost for the lands now irrigated under existing ditches, which are so far as possible to be operated and maintained by themselves as at present.

The new area of Indian lands to be irrigated under the proposed plan should pay its proper proportion of operation and maintenance.

In general, we feel that the above outlined apportionment of cost would be fair to the Indian population and at the same time give the cooperation equitably due to non-Indian landowners in making necessary improvements in the middle Rio Grande Valley.

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

Mr. BRATTON. I yield to the Senator.

Mr. COPELAND. I want to be made perfectly clear on the distribution of cost referred to just now by the Senator. If this is not a favorable time to make the inquiry, I will defer it.

Mr. BRATTON. I gladly yield to the Senator now for that purpose.

Mr. COPELAND. As I understand the situation, most of the lands that are now occupied and cultivated by the Indians are upstream lands. They are up the river.

Mr. BRATTON. Yes.

Mr. COPELAND. The new lands that are to be brought in—Indian lands and white lands—are down the river; but in order to get the water to the raw lands of the Indians and to other lands which will be benefited it is necessary to carry the main ditches through the present tilled or cultivated Indian lands.

Mr. BRATTON. I so understand, Mr. President.

Mr. COPELAND. I want to be made clear on that. As I understand, a charge of about half a million dollars will be made against the present cultivated Indian lands. Is that correct?

Mr. BRATTON. No, Mr. President.

Mr. COPELAND. Not any at all?

Mr. BRATTON. Not any at all. That charge, plus the charge of reclaiming the new land, is all placed against the new land, and the present area is absolved from any lien or any liability whatsoever.

Mr. COPELAND. I so understood the Senator yesterday, but as I thought about it I have wondered if there is not actually a charge made against the Indians of a half million dollars to cover the cost of improving the present cultivated land. Instead of being charged against those lands, that charge is made against the other lands?

Mr. BRATTON. That is true.

Mr. COPELAND. Then it seems to me that it is incumbent upon the Senator to show that the cultivated Indian lands are actually benefited by the expenditure of this money.

Mr. BRATTON. I shall be glad to do that.

If the Senator will turn to the statement made by the Assistant Commissioner of Indian Affairs at the last hearing, conducted under date of February 17, at page 56, he will find that in setting forth the benefits that the Indians will derive, under paragraph 14, the Assistant Commissioner of Indian Affairs set this out as one reason for the passage of the bill:

I want to emphasize that the Indians will also receive a very much increased value for their property by reason of the terms of this bill. It will cost the Government $67.50 to irrigate this land, but the Indians will have property, after it is irrigated, estimated to be worth anywhere from $150 to $200 an acre.

In that connection I call the attention of the Senator to the third paragraph, where the assistant commissioner refers to the raw land as worth $10 per acre and states that it will be worth from $150 to $200 an acre after it is reclaimed.

Mr. COPELAND. Mr. President, will the Senator permit an interruption there while the matter is in my mind?

Mr. BRATTON. Yes.

Mr. COPELAND. When this raw land is reclaimed, suppose an Indian or a group of Indians wanted to go there and use that land. Would they have to lease it in the same way that I would if I were to go there?

Mr. BRATTON. I think not; and in order to fortify myself I have consulted the Bureau of Indian Affairs. They do not interpret the bill as requiring that the entire land be leased to others, but as empowering the bureau, if they see fit to do so, to let the Indians use such portion of it as they may need in addition to their present area.

Mr. COPELAND. Then the Indians' rights are protected, so that if a group of them wish to go to the newly irrigated land and cultivate it they can do so under the same freedom that they do now with the cultivated acreage?

Mr. BRATTON. That is my view of the bill, and the department entertains the same view.

Mr. COPELAND. I thank the Senator for that information.

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

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

Mr. KING. I think the Senator should state—because that is the fact if I correctly interpret the bill that is before us—that while it is perhaps true that the 8,346 acres of land which have been cultivated for hundreds of years by the Indians, and from which they now make their living, may be absolved from a part of the expense incident to this gigantic project, costing more than $11,000,000, nevertheless the 15,000 acres of so-called raw land, a part of which at least heretofore has been cultivated, will have saddled upon it a burden of more than $109 per acre. It is obvious, it seems to me, that no Indian—and I doubt whether any white man—could go upon that raw land and successfully reclaim it, maintaining himself in the meantime, at a cost of $109.50 per acre; and, of course, if we are to judge the future by the past, I do not care how conservative the engineers may be, no irrigation project, if it is estimated at $11,000,000, can be completed for that sum. The cost will be greatly in excess of that amount.

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

Mr. BRATTON. I yield to the Senator from Wisconsin.

Mr. BLAINE. Preliminary to my questions, I want to assure the Senator that the questions I desire to ask him are not for the purpose of provoking a controversy, but rather to ascertain whether or not we can agree upon what the facts are in this matter.

Mr. BRATTON. I shall be glad to have the Senator propound any questions he has in mind.

Mr. BLAINE. I may also state that I have gone over the record in such time as I have had available, briefly, of course; and, as I understand, in this entire project the agricultural lands proposed to be redeemed or reclaimed are 133,346 acres.

Mr. BRATTON. I think 132,000 acres plus.

Mr. BLAINE. That is approximately right?

Mr. BRATTON. Yes.

Mr. BLAINE. Of that, 8,346 acres are now occupied and cultivated by the Pueblos.

Mr. BRATTON. Precisely so.

Mr. BLAINE. Included in that 132,000 or 133,000 acres is this 15,000 acres of raw land proposed to be reclaimed that belongs to the Pueblos.

Mr. BRATTON. Yes.

Mr. BLAINE. I understand that the cost of the entire project, including the provisions for flood control, is a little over $11,000,000, and that the bill provides that the Indians shall pay $1,593,311, plus $50,000 that was provided for by another bill, or a total of $1,643,311.

Mr. BRATTON. That is correct.

Mr. BLAINE. That is the amount that is reimbursable against the 15,000 acres of raw land to be reclaimed. Now, as I calculate the result of those figures, I find that the Indians' land—that is, the 15,000 acres—is to be encumbered by a lien at the rate of $109.554 per acre, or, in round numbers, $109.50 per acre.

Mr. BRATTON. I have not made the calculation, but we will assume that to be correct.

Mr. BLAINE. That figure is arrived at by dividing $1,643,311 by 15,000. I understand the record shows that the district made an estimate that the cost of this improvement, as against the white man's land, would be $76.12 an acre. I find that on page 400 of the House Appropriations Committee hearings. Is that correct?

Mr. BRATTON. I think that is substantially correct.

Mr. BLAINE. Then I find that if the Indian were compelled to pay this reimbursable amount, and were to pay at the rate the white man must pay, or $76.12 an acre, there would be reimbursable against the 15,000 acres the sum of $1,141,800. That is 15,000 times $76.12 an acre, taking the district's own estimate. I assume those figures are substantially correct.

Mr. BRATTON. We will assume them to be substantially correct.

Mr. BLAINE. We can agree on those facts. The only controversial proposition involved, then, from my viewpoint, is, why make the 15,000 acres of the raw Indian land to be reclaimed chargeable with $109.55 an acre and leave the white man's burden only $76.12 an acre?

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

Mr. BRATTON. I yield to my colleague.

Mr. CUTTING. Is not the Senator from Wisconsin assuming that the 8,000 acres of land already under cultivation are going to receive no benefit from the proposed legislation?

Mr. BLAINE. I understand that the claim is made that no benefits will accrue to the 8,346 acres; but if it is contended that benefits will accrue to the 8,346 acres, then it is our duty to ascertain what those benefits will be and not take a lump sum of over half a million dollars as an estimated benefit.

As I understand it, there is no showing that the 8,346 acres will be benefited by any amount. Theoretically it may be, but there are no facts, as far as I can find, that justify the levying of one single cent against the 8,346 acres and compelling the 15,000 acres to reimburse for this mythical benefit that is alleged to flow to the 8,346 acres. I may be mistaken in this, and I would like to be informed.

Mr. BRATTON. That is a fair question.

Mr. CUTTING. Mr. President, I do not want to interfere with the argument of my colleague, and I am sure he can show, and very successfully show, that the 8,000 acres will be benefited. The point I am trying to make is that lands under white settlement in this same area, lands which are under cultivation and likely to be improved by the irrigation works, are included in the total area to be benefited in calculating the $76.12 an acre.

Mr. BLAINE. We agree on that, on the basis of 132,000 or 133,000 acres.

Mr. CUTTING. Yes; that acreage includes land which is at present under cultivation but which will be improved by the proposed legislation.

Mr. BLAINE. How much?

Mr. CUTTING. I do not know the exact figures, but if the Senator is comparing the land under white settlement with land under Indian ownership, he ought to include the entire amount which may be benefited, including, we believe, the 8,000 acres.

Mr. BLAINE. My understanding was and is that the 132,000 or 133,000 embraces all of the raw land to be improved, plus the 8,346 acres. Then, in addition to that, as I understand it, the total amount is something like 210,000 acres, but outside of this 132,000 or 133,000, the balance is largely grazing land, and is not to be burdened on the basis of the improvement for irrigation and drainage. I just want to be straightened out on the facts.

Mr. CUTTING. The particular point I wanted to clear up was that that 132,000 acres includes land which would be improved under the present legislation, even though it may be land which is at present under some degree of cultivation. Is not that so?

Mr. BRATTON. Yes, Mr. President.

Mr. CUTTING. Therefore, as compared with the $76 an acre which the white land justly pays, the debt on the Indian land amounts to $67.50 an acre, rather than $109.50, provided we can show that the 8,000 acres are going to be benefited.

Mr. BLAINE. I do not understand that that is limited to $67.50 an acre. That is taking in the whole 23,000 acres.

Mr. CUTTING. Exactly.

Mr. BLAINE. Upon that basis; but there are 8,346 acres of that already improved. The senior Senator from New Mexico is going to advise us as to just what proposed improvements will accrue to the 8,346 acres, and I would like to hear him.

Mr. SMOOT. Mr. President, I want to ask the senior Senator from New Mexico one question, and he can answer it at the same time he answers the Senator from Wisconsin. The $109.50 an acre is reimbursable. Does that amount of money carry an interest charge?

Mr. BRATTON. It does not.

Mr. SMOOT. It is to be reimbursable within 40 years without interest?

Mr. BRATTON. It is reimbursable now under such rules and regulations as the Secretary may prescribe, but without interest. It provides that the lien on the new lands, which is the only land covered now by the lien, shall never be foreclosed so long as the Indians own the land, but that only proceeds from leases on the newly reclaimed land shall be used to reimburse the Government during the time the Indians continue to occupy the land. Their present acreage of 8,300 acres is free of lien, free of debt, and absolved from any liability whatever.

Mr. LA FOLLETTE. Mr. President, will the Senator yield?

Mr. BRATTON. I yield.

Mr. LA FOLLETTE. I should like to ask the Senator if the bill which previously passed the Senate did not provide that this reimbursable charge should not be collected faster than over a 40-year period.

Mr. BRATTON. That is correct, but it was changed.

Mr. LA FOLLETTE. That has been stricken out, and under any rules and regulations which the Secretary of the Interior might approve they could collect as rapidly as he would decide could be done.

Mr. BRATTON. Mr. President, I desire now to answer the inquiry propounded by the junior Senator from Wisconsin, which is an altogether fair one.

I read yesterday a statement made by the secretary of the Indian Defense Society, and I desire to call the attention of the Senator from Wisconsin to that, because perhaps it answers his question in more effective language than I could employ. This is what he said:

> I believe there are no dependable statistics, but we know the per capita income of these tribes within the last few years, which has varied from $15 to $45 per capita per annum, based on a yield per farm and the other factors of income.
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> * * * * * * *
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> The interest of the Indians in this project is just as direct and imperative as the interest of any white element in the valley. Although the project took its origin from the white end, and is a project of the general community, yet it is true that the interest of the Indians is direct, imperative, and important, because, first, as I said, the existing cultivatable acreage, now that there has been so much water-logged, is not sufficient to maintain a decent standard of living in at least three of these pueblos; and, second, we are all hoping for an increase of population in these tribes. They are strong, virile tribes. They are pure-blood Indians. Their habits are industrious. Altogether they are model Indians. We are hoping for an increase of population through the extension of adequate medical services to them. If that increase of population comes, as it will come—it has begun already—it will be totally imposible, under the existing conditions, for that population to live on the existing limited area of the land. Either it must disperse or starve, because these Pueblos are located in regions where there is only an infinitesimal demand for casual labor. So the Pueblos face not only present hardship but increased future hardships; unless this plan is carried out they face what is to them the supreme evil—that of being compelled, with the growth of population, to break up and go out into distant places. In other words, they face the end of their tribal relations, and to them that is a supreme matter.

Later he said this:

> Twice last year I stood and watched the whole male population of Santo Domingo pueblo working to restore a mother or main ditch which had washed out. They will not have to do that under the changed conditions. They are used to taking care of their domestic water-supply problems, etc.

Mr. BLAINE. Mr. President, if the Senator will permit this interruption, I fear I have not made myself clear in my question.

Mr. BRATTON. I think I understand the Senator, and I shall undertake to answer his question.

The present area of 8,300 acres is much less than the Indians used to cultivate. At one time they cultivated approximately 25,000 acres. That area has decreased progressively from year to year, because the water level has continued to rise, and the land has continued to become water-logged and alkalied, so that their cultivatable area has gradually decreased, and it will continue to decrease, and unless some such system of reclamation as is now contemplated is afforded the Indians, five years from now their cultivated acreage perhaps will be 5,000 acres or less. So, to say that the Indians will not reap a benefit from modernizing the system of irrigation and reclamation for the 8,300 acres is to entertain a misconception of the real situation.

This land is in a river valley. While the Indian area has decreased, as I have outlined, from 25,000 to 8,000 acres plus, white lands in cultivation have decreased in proportion. That area is continuing to decrease, both Indian and non-Indian, and will continue to decrease unless reclaimed. As was said, these Indians face intolerable conditions as to the 8,300 acres. Moreover, this system contemplates giving that acreage a modern, up-to-date system of reclamation, to be paid for under the direction of the Secretary of the Interior as the work advances to his satisfaction.

Mr. BLAINE. Mr. President, I would like to pursue my inquiry just a little bit further, if the Senator will yield, in order that I might make a brief explanation of what I mean, and then I think we will understand each other.

Mr. BRATTON. I yield.

Mr. BLAINE. I am satisfied with the theoretical deductions that have been made by the Senator, but they are purely theoretical deductions, in my opinion. I am getting at what are the actual benefits that should be assessed against the 8,346 acres. I understand, though I may be misinformed, that the matter of the water rising or lowering has not occurred within the last hundred years or more, and, for all I know, in some distant future time that water may recede or it may rise. But when we are undertaking an irrigation project or a drainage project we are not attempting to contemplate what God Almighty may do through the clouds or through the rivers, but what we can do presently as we find the water level and the water stage.

Assuming this to be an ordinary drainage district or irrigation district and application was made to assess the benefits, the benefits assessed are not theoretical benefits in these cases. The commission, if the administration be under a commission, or the board, if it be under a board, or whatever body it may be under, as an administrative body proceeds to estimate through the most reliable data they can acquire from engineers and so forth the cost of the improvement, whether it is drainage or irrigation. Then they take the land within that area and apportion pro rata that cost to the district for the drainage or irrigation, and that cost is the thing which we call, in legal parlance, the benefits. That is, the only way by which we can arrive at the benefits to the land that is being drained or irrigated is to ascertain what the cost of the project will be. Having ascertained that cost we have, therefore, ascertained the benefits that will accrue to the land.

The board or commission in the district to which I have referred as being organized does not determine the benefits that are going to accrue because of the enhanced value of the land that will build up a splendid community and furnish better homes, better schools, better churches, and better social conditions. Of course, all those benefits accrue to a district so organized when it is successfully carried out. But those are the benefits that naturally flow from the ingenuity and the intelligence and the industry of the people who are located in the district, be it an irrigation district or a drainage district. Those benefits to which the Senator refers are the imaginary, fictitious benefits, so far as actual dollars and cents are concerned. They may come to the Indians in future years, and they may not. But as a legal proposition, as a logical proposition, the only benefits that should be assessed against the 8,346 acres are the actual benefits derived by a process of mathematics in determining the actual cost of putting in the drainage or irrigation system because of these 8,346 acres.

I understand that the only cost involved—in fact, the only project—is an aqueduct or drainage ditch, and, as I have the map in my mind's eye, it is on the left-hand side of the river, though it may be on the other side. That ditch or aqueduct is of no benefit to this particular property except that it is proposed to put in a siphon at a certain place—I have forgotten the identical location—which may cost about $20,000, which will have the effect of controlling the flood waters and thereby operate as a benefit to the 8,346 acres.

I have gone into the hearings. I have endeavored to be fair. I have picked out every item that I would consider should be legally taxed against the 8,346 acres, and the only single item I can find as an actual benefit that will flow to these 8,346 acres is the building of the siphon in the drainage ditch. There may be other items. If there are, I should like to be informed about them, so I can add the cost of those items to the $20,000 and arrive at what actually, as matter of law, should be considered as benefits accruing to these lands. We should tax against the areas improved only the actual cost of construction and all those appurtenances that go with that sort of work in order to make it sufficient, adequate, and usable. That is all that ought to be taxed against these 8,346 acres, and not a single dollar or penny of theoretical or imaginary benefits which may flow from the general improvement of the community. If we are going to tax a prospective benefit against the 8,346 acres we ought to tax it against the Senator's home city, we ought to tax it against the community outside of that district, because just as sure as the project becomes a success each of those places will benefit, and from it will flow a great benefit to the whole community, to all the lands adjacent to the district, and to all the cities and villages; in fact, to the entire State.

So far as I am concerned, I am quite willing—in fact, I am ready—to grant to this district all the necessary powers that ought to be granted so far as the United States is concerned with respect to the Indians' rights in order to make there a great community, but I am opposed to taxing one single dollar against the 8,346 acres which the Indians have improved themselves with their own system, operating for many, many years; centuries, in fact, I understand. Eleven acres of that land have supported a family of five people. It must be an effective system. It is their system. They are an ancient people. I think it is wrong to tax against this proposition anything but the actual cash expenditure that is made upon the 8,346 acres.

I would like to have the Senator give us the information as to what other benefit, in a legal sense, as I have explained, will flow to the 8,346 acres. I am sorry to have taken so much of his time, and I apologize.

Mr. COPELAND. Mr. President, if the Senator from New Mexico will let me ask one question in addition, then I shall keep still. I think I have in mind the same thing that the Senator from Wisconsin has, that the raw lands of the Indians should be taxed no more than any other raw lands, unless the benefits to the cultivated Indian lands are sufficient to justify the placing of a charge upon the raw lands instead of upon the Indians' cultivated lands. I am sure that is what the Senator from Wisconsin intends to have pointed out.

Mr. BRATTON. In response to the series of observations made by the Senator from Wisconsin—and I say that in the best of good humor—I suggested a while ago that not only the engineering staff of the district has gone over this matter but that a staff of outstanding consulting engineers of the country, four in number, standing at the head of their profession, have pointed out how the cost should be apportioned to the Indians, and have said that when it is apportioned in that way it will be equitable and fair. They have said that the plans are modern, up to date, comprehensive, and satisfactory. I can not say where a canal will run or where a lateral will run. That is solely for the engineers to determine. But those engineers have stamped their approval upon the plans of the district.

As to the apportionment of the cost, if the Senator will give me his attention, I read a while ago what this staff of engineers said should be done in arriving at an equitable share of the cost to be assigned to Indian lands. If the Senator will turn to page 25 of the hearings of January 20, he will find that the district has adhered scrupulously to the recommendations of the consulting board. He will find that certain deductions have been made covering exactly what the Senator from Wisconsin has in mind, and that those deductions were made before allocating any cost to the Indian lands.

First is the capitalized interest for non-Indian lands—that is, developing isolated tracts—$500,000; special flood protection, for Albuquerque and San Marcial, $652,000; extra expense, Belen Canal, with which the Indians are not concerned, $75,000; silt control of the river, $500,000. This makes a total deduction there of $1,727,000.

On the next page the Senator will find a further credit to the Indian lands, as follows: Isleta drainage, paid by the Government, $50,185; El Vado Reservoir—the board recommended that no charge should be made against the 8,000 acres for that reservoir, and consequently a deduction of $103,300 has been made on that score, conforming to the recommendations of the board. There is also a preliminary expense of $50,000 that is deducted, making an additional deduction of $203,485.

Mr. BLAINE. If the Senator will yield further, I suggest I do not believe the Senator wants to lead us to understand that we can take the benefits which would accrue to the district, excepting the Indians, and add all those together, and then take the total cost of the project and deduct the benefits assessed to all the others excepting the Indians, and then say the difference is the benefit to the Indians. That is not a legal rule. It is not a sensible rule. It is an arbitrary rule. Those who made the estimates might just as well have said that the amount of the benefits to the whites was less and assess against the Indians $2,796,796 or more. That is not the basis for making an assessment of benefits, as I understand the law. I may be mistaken, but I never heard of a drainage district or an irrigation district that ever made an assessment of benefits on that basis at all. It is a new thing to me. I do not quite understand it.

Mr. BRATTON. Mr. President, this consulting board has been on the ground; the Assistant Commissioner of Indian Affairs visited this project last fall; my colleague [Mr. CUTTING] and I are familiar with it; the Representative of the State of New Mexico, in the Chamber at the other end of the Capitol, is familiar with it. We are in harmony in our support of the measure. Moreover, no voice was raised in opposition to this proposed legislation until the $500,000 plus neces-

sary to reclaim the 8,300 acres was converted from a gratuity into a reimbursable one. Then, for the first time, the question was raised that perhaps the Indians do not need this development; that perhaps the 8,300 acres will not be benefited, and perhaps the plans are not being developed along scientific lines.

Mr. BLAINE. Mr. President, will the Senator from New Mexico yield to me?

Mr. BRATTON. I yield.

Mr. BLAINE. In reference to the $563,000 plus, what proportion of that consists of a benefit to the 8,346 acres upon the usual legal basis on which benefits are ordinarily assessed?

Mr. BRATTON. If the Senator will consider the land at its present value of not to exceed $25 per acre, and then realize that after it is reclaimed it will be worth from $150 to $200 per acre, and that its yield will be increased fourfold, he may acquire some concept of what the benefits to that acreage will be.

Mr. BLAINE But, Mr. President——

Mr. BRATTON. And when the Senator has made the mathematical calculation suggested, he will see that the cost is entirely disproportionately low to the benefits that will be derived by the Indians.

Mr. BLAINE. If the Senator will yield, I should like to ask another question.

Mr. BRATTON. I yield.

Mr. BLAINE. If the Senator proposes to establish the rule for the assessment of benefits upon the basis of the difference of the value of land in its raw state and its improved state, that is another new theory to me. I do not understand that that is the accepted basis for the assessment of benefits.

Mr. BRATTON. Oh, no, Mr. President; when I said $25 an acre on the 8,300 acres I did not have raw land in mind; I had that particular land in mind.

Mr. BLAINE. I do not care what land may be contemplated. The measure of benefits, if there be benefits, is not upon the basis of enhanced value of the land by reason of improvements. The legal basis, and the equitable basis, confirmed by all our courts and by all legislation in every State where they have drainage and irrigation laws is the basis of actual benefits that accrue to the particular acreage within the district and not upon the enhanced value of the land because of the improvements, as I understand the law. If the latter were true, one could assess benefits far in excess of the actual expenditures that made it possible to cultivate and till and use the lands. Certainly no one will suggest that that is the correct rule, and I suggest I do not believe the Senator from New Mexico makes any such suggestion; but his argument, carried to its ordinary limits, is that because of the enhanced value of this land benefits will accrue to the extent of some $563,000 from that source. I should like to know the exact amount of benefits to accrue to these 8,346 acres measured by the cost of the improvement.

Mr. BRATTON. Mr. President, if I have not enlightened the Senator on that question I give up the task as being a hopeless one.

Mr. FRAZIER. Mr. President——

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

Mr. BRATTON. I yield.

Mr. FRAZIER. I should like to quote from the statement of Mr. W. M. Reed, on page 21 of the first hearings. As I understand, Mr. Reed is the engineer for the Department of the Interior who has been down there and inspected the land. He said in regard to this:

> The only relief that the Indians will have, of course, is on the main canal, which will serve not only their lands but the lands below.

On the next page, page 22, Mr. Reed further says:

> These Indians have had a system that has served their purpose, perhaps to them satisfactorily, but not scientifically. They still think that they can go on and exist and perhaps prosper under the same conditions. The lands that have become waterlogged have become so not from the acts of the Indians but as the result of civilization.

I should like to try to clear up the statement about the 25,000 acres which are supposed to have been cultivated there some time ago. On page 373 of the House hearings before the Appropriations Committee, Mr. Rodey, one of the engineers of the conservancy district in New Mexico, makes this statement:

> From various sources the information is that at one time probably as much as 125,000 acres of lands in the valley floor were cultivated. The prehistoric Indians are said to have cultivated as much as 25,000 acres.

It is a myth that the prehistoric Indians cultivated that acreage. In the last 300 years no such area has been cultivated; apparently at least we have no information from any source to show that to have been the case. There is merely an old story that prehistoric Indians cultivated 25,000 acres there.

Mr. BRATTON. Mr. President, I did not exist in prehistoric times and am not familiar with that. The Indian Bureau, speaking through Mr. Meritt, made the direct statement that 25,000 acres had been cultivated.

Mr. FRAZIER. He said, "It is said."

Mr. BRATTON. And the area is now reduced to 8,000 acres.

Now, Mr. President, I hope I may proceed. This bill originally carried a gratuity of $563,000 plus, the balance being reimbursable. There was not a voice raised in opposition to the measure; there was not a suggestion that it lacked merit; there was not an intimation that any harsh treatment to the Indians was contemplated either immediately or remotely. Not a word of that kind was uttered until the House amended the bill to make the entire sum reimbursable instead of a part of it, as it had theretofore provided.

Mr. FRAZIER. Mr. President, will the Senator yield to me further?

Mr. BRATTON. I yield.

Mr. FRAZIER. I should like to say in regard to that suggestion that there has been much information brought out in the later hearings that was not brought out in the first hearing. That is why, perhaps, there was no criticism made of the first measure.

Mr. BRATTON. Very well, Mr. President, if the Senator from North Dakota takes that view. I repeat that not a word of criticism was said until the House made that change, and in making the change it harmonized the bill with the policy that was established some 15 years ago of making appropriations for the reclamation of Indian lands reimbursable. I understand that that policy has obtained since 1913 to the present time. This proposed legislation is in harmony with that prevailing policy with one exception. That is that the legislation which has gone before has placed a lien upon the lands reclaimed, with no guaranty that it would not be foreclosed so long as the Indians owned the lands, whereas this bill provides that the lien shall not be foreclosed while the land remains in Indian ownership, thus being more liberal than the ordinary legislation.

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

Mr. BRATTON. Yes.

Mr. KING. I think the Senator should state at this point that when the project was first contemplated and discussed the Indians were led to believe that whatever appropriation was made only $1,000,000—and at first the amount was only $700,000 or $800,000—was to be reimbursable and a charge or lien upon the lands to be reclaimed, to wit, 15.000 acres. There was no intimation that an additional $589,000 or $600,000, if appropriated, was to be reimbursable. They understood that if anything above a million dollars was appropriated it was to be a gratuity; and that doubtless silenced opposition. Their assent to the original proposition was predicated upon the assumption that in no event was there to be a charge upon the Indians to exceed $1,000,000. Now, when the charge placed against their lands, and against the 15,000 acres only, is to be nearly $1,600,000, or $109.50 per acre, obviously the Indians object and voice their opposition in every reasonable and proper way.

Mr. BRATTON. Mr. President, I do not propose to be led into any discussion of veracity as between those who have discussed this subject in New Mexico. They are not in accord on the point referred to. The Senator's observation and his emphasis upon the fact that the newly reclaimed land bears a lien of $109.50 per acre is fallacious in this regard: He closes his eyes to the benefit to the 8,300 acres and regards that as being entirely eliminated from the equation. If we waive aside the 8,300 acres, forget the fact that the Government is expending $563,000 plus to reclaim that land, and increase its market value from, say, $25 per acre to from $150 to $200 per acre, and forget the fact that through the expenditure of that money that land will yield, perhaps, fourfold its present production—if all that is to be waived aside as immaterial and foreign, then it is correct to say that the new land bears a lien of $109.50 per acre; but to make the statement without considering that the 8,346 acres are being benefited in the way I have outlined, with protection afforded to the Indians, is an unfair statement of the situation.

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

Mr. BRATTON. Yes.

Mr. FRAZIER. As I understand, there are about 3,500 Indians on the 8,000 acres?

Mr. BRATTON. That statement has been made.

Mr. FRAZIER. According to all the evidence that was produced at the hearings they make their living out of the cultivation of these 8,300 plus acres. That is not quite 2½ acres to each Indian. If it is true that by this project the fertility of the land will be increased fourfold, it must be a very

productive tract of land. I do not know how good the land is down in New Mexico, but that would make it a remarkably productive piece of land, in my estimation.

Mr. BRATTON. I will say to the Senator that when that valley shall be reclaimed it will be as productive as any valley of the West. To defeat this proposed legislation will be visiting the greatest injustice upon those Indians that the Congress could visit upon them. It would thwart a development that will aid the State and will aid the country. In my judgment, the gravest mistake that the Congress could make would be to defeat this proposed legislation.

The Senator from North Dakota heard the Assistant Commissioner of Indian Affairs when he stated that the bureau set out to secure a gratuity, so far as the 8,300 acres were concerned; that that was its object, its purpose, and its hope; and the bureau stood for that until it became convinced that it was impossible to persuade Congress to depart from the policy of making these appropriations reimbursable. Then the Assistant Commissioner of Indian Affairs said to the Senator from North Dakota that this bill, even in its present form which did not grant to the Indians what he wanted, what he desired, what he hoped for, was one of the most liberal pieces of legislation that has ever been proposed in recent years. I concur in all of that.

Mr. President, without taking more time—I have taken too much time already—I want to read what the Assistant Commissioner of Indian Affairs stated before the Senate committee in the last hearings in summarizing the benefits and the protection that this bill gives to the Indians.

He said this:

I want to point out some of the benefits to the Indians that will accrue by reason of the passage of the bill now before this committee, and I do not believe that a single proposition can be controverted.

I call the attention of the Senator from North Dakota, both Senators from Wisconsin, and the Senator from New York to this, if I may have their attention:

First. The bill before the committee permits an agreement to be entered into between the Secretary of the Interior and officials of the district, and we propose to put in that agreement every provision that is possible for the protection of the Indians.

Second. Only lands susceptible of economic irrigation and cultivation within the Indian pueblos can be included under this bill, and the Secretary of the Interior is to determine what lands shall be included, and what lands he shall construe as susceptible of economic irrigation and cultivation. Therefore the district officials can not include any Indian lands within that district that are not subject to economic irrigation and cultivation.

Third. The cost of the improvements to this land is limited to $67.50 per acre over the entire 23,000 acres; $67.50 is not an excessive cost for irrigation. It has been pointed out that the average cost for irrigation at this time is approximately $100 per acre. The 15,000 acres of new land within the Indian pueblos not now irrigated are worth not to exceed at this time $10 per acre. When this land is irrigated, it will be worth at least $150 an acre. Therefore the Indians will receive a great benefit by reason of the improvement of this land.

Fourth. Another benefit the Indians will receive is the provision in the bill that the entire amount, 8,346 acres, has a guaranteed water right. That is a great protection to those Indians. Under the present conditions the Indians have no guaranteed water right on the 8,000 acres. There is no treaty provision with the Pueblo Indians that guarantees them any protection in their water rights.

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

Mr. BRATTON. I yield.

Mr. COPELAND. Has not that right been made use of for many, many years?

Mr. BRATTON. That is true; but it has never been adjudicated by any court, treaty, or otherwise. and it is susceptible of loss by nonuse or abandonment. The bill provides explicitly that the water rights to the 8,000 acres shall be prior and paramount to any rights of the district; that the water rights to the 15,000 acres shall be on a parity with the rights of the district; and that no water rights, either old or new, shall ever be lost by nonuse or abandonment, whereas under the law in New Mexico the nonuse of water for four years constitutes an abandonment of it. This bill protects those Indians in an extremely important way with respect to their water rights, as I have outlined.

Therefore those Indians will not get the benefit of the decision of the Supreme Court in the Winters case, and for that reason it is a great protection for the Pueblo Indians to have this provision in the bill, and that is one of the provisions we insisted should go into the bill after visiting the irrigation project.

Fifth. The water rights of the 15,000 acres are recognized in this bill, and they are protected in this bill. That is for the new land. The water rights, old as well as new, shall not be subject to loss because of nonuse or abandonment as long as title shall remain in Indians, pueblos, or individuals. That is another very great protection to the Indians of these pueblos.

It is a well-known fact that the Indians do not make good use of their water, and under certain State laws they are subject to forfeiture because of nonuse. But under the provisions of this bill they are protected in their water rights, even though they do not make use of the water.

Sixth. The 8,346 acres shall not be subject by the district to any pro rata share of any future operation and maintenance or betterment work performed by the district.

That is another very great protection to those Indians. In all future years they will not be called upon to pay any operation and maintenance cost for the irrigation of lands within the pueblos now protected, which amounts to 8,346 acres.

Seventh. The reimbursement shall be made out of rentals of newly reclaimed lands. In other words, the Indians occupying the 8,346 acres will not be called upon to pay out of the proceeds from their cultivated lands any of the reimbursable charges for the improvements. The reimbursable charges will be taken out of the rentals of the newly reclaimed lands.

Eighth. There will be no lien upon 8,346 acres for improvements or betterments. That is another protection the Indians get that they do not ordinarily get in irrigation legislation. Under this bill now before the committee there is no lien upon that land.

Ninth. Liens on the newly reclaimed land shall not be enforced during the period that the title shall remain in pueblos or in individual Indian ownership.

That is another protection to the Indians, because in ordinary legislation that provision does not obtain. Ordinarily the lien is enforceable against the Indian lands, even while it is owned by the Indians. But it is our practice not to enforce it as long as an Indian lives, but to take it out of the proceeds from the sale of land after the Indian dies.

Tenth. The department shall be recognized in all matters pertaining to the operation of the district in the ratio that the Indian lands bear to the total acreage of lands within the district. We will have a voice in the management of that conservancy district, and we can at any time have absolute control of conditions within the pueblos involved in this conservancy district.

Eleventh. Indian lands not taxable as long as held by Indians. Under the terms of this bill they will not be required to pay any taxes as long as they own the lands, and they are in Indian ownership, either individual or tribal.

Twelfth. Indians are not required to pay any interest on moneys advanced by the Government. Under the terms of this bill they will not be required to pay interest for the loan of this money, even if it is not returned to the Government within 100 years.

Thirteenth. The Indians will get a very great benefit by reason of flood protection under the terms of this bill. That land is subject to flood, and property there has been destroyed because of floods, but under the terms of this bill the Indians will get the benefit of flood protection.

Fourteenth. I want to emphasize that the Indians will also receive a very much increased value for their property by reason of the terms of this bill. It will cost the Government $67.50 to irrigate this land, but the Indians will have property, after it is irrigated, estimated to be worth anywhere from $150 to $200 an acre.

Fifteenth. The Indians, under the terms of this bill, will not be required to pay any of the irrigation charges so far as the 8,356 acres are concerned out of their products, but the white lessees will pay practically all of the reimbursable charges that are enforced under the terms of this bill.

* * * * * * *

That is our interpretation of the bill; but we will be glad to have the bill amended, and it is my understanding that there will be no objection on the House side to that amendment.

He is discussing there the amendment changing the language from "leases or proceeds" to "proceeds of leases," which has been done.

Mr. President, in conclusion, I want to say that I yield to no man in this Chamber or elsewhere in his attitude of sympathy and helpfulness toward the Indians. That is the duty of an ordinary citizen. It is one of the highest duties of an official who serves in this body. The bill as originally introduced contemplated a gratuity. The passage of the bill with the gratuity is utterly impossible. No Senator upon this floor need deceive himself as to that. Either this bill, in substantially the form with which we are now dealing with it, will be enacted or there will be no legislation in behalf of the Indians.

The Assistant Commissioner of Indian Affairs went over the district in person some 90 days ago. These members of the House Committee on Indian Affairs went through it at the same time. Every one was in accord that the legislation was wholesome, and not a voice of protest was raised until the gratuity was eliminated and the entire debt was made reimbursable under the language I have indicated. Then it was

that the controversy arose. It revolves around whether the money expended to reclaim the 8,300 acres shall be a gratuity or shall be reimbursable.

While the bill is not what was contemplated at the outset, I conclude by saying that, in my judgment, based upon an intimate knowledge of conditions, the bill is fair; it is liberal; it is generous; it will benefit the Indians; it will benefit the State; it will add prosperity to the Indians as well as to the whites. The importance of the legislation can not be overstated. I think that those who oppose the bill without having been on the ground, without first-hand knowledge of conditions, are led into an erroneous interpretation of the situation because of lack of information.

I very much hope, Mr. President, that the House amendment will be concurred in by the Senate, in order that the Indians may be improved and prospered and set upon a higher plane of living. I firmly believe that will be when this legislation is enacted and this great project is carried out.

Mr. CURTIS. Mr. President, I offer the amendment which I send to the desk, and I want to take a few minutes of the time of the Senate to explain it. I wish to have the amendment read.

The PRESIDING OFFICER (Mr. FESS in the chair). The clerk will read the proposed amendment to the amendment.

The CHIEF CLERK. On page 7, line 5, after the word "lands," insert: "except such parts thereof as the Indians shall themselves farm."

Mr. CURTIS. Mr. President, as I understand the situation, the Indians now occupy some 8,346 acres of land which are to be virtually exempt from the charge for improvements provided for in the bill. In addition to that, they own some 15,000 acres against which the assessments are to be a lien. The lien is not to be enforced as long as the 15,000 acres are owned by the Indians, but the money derived from leases is to be used for the purpose of reimbursement.

According to my understanding, the Indians would require about 12,000 acres in order that all of them might be accommodated. They have 8,346 acres now which they are farming, and, in my opinion, the Indians who own this land—the 8,346 acres and the 15,000 acres—should all be treated alike, and Indians who may take up land for actual farming purposes on the 15,000 acres should not be required to pay rental to be applied to the extinguishment of the lien for improvements. If we exempt the Indians on the 8,346 acres, surely the Indians who own a part of that, as well as the others who own and will take up a part of the 15,000 acres, should be exempted in the same way.

I believe that it would be a great benefit to the Indians if they could have the 8,346 acres so improved as to relieve the land from water logging and remove the danger of flood and then have enough of the other land—15,000 acres—so that all the Indians would have farm lands sufficient to support their families. I believe if that could be accomplished Congress would be justified in taking the money derived from leases on the remaining part of the 15,000 acres to pay for the balance of the land which is used—the 8,346 acres—and what might be required out of the 15,000 to accommodate the other Indians.

I know that this is a very heavy charge on the 15,000 acres, and I doubt very much if that charge is put against the Indians who want to occupy the land, or any part of it, if any of them can be persuaded to take it. They would be afraid. The act provides that this lien shall not attach as long as the land is owned by the tribe or by individual members of the tribe, so it must be the intention of the act not to apply the lien as long as the land is so held; and that being so, why attach a lien to the land which might be leased or occupied by the Indians out of the 15,000 acres?

I offer this amendment so that it may remove any fear upon the part of the Indians who want a part of the 15,000 acres. They might take a lease now, or have a few acres set aside for them now under an order of the Secretary of the Interior, without a cent of rental charged against them. A new Secretary might come in and say that the Indians on this 15,000 acres have been benefited and that they should pay a rental. If they should be required to do that, it would be found that they would not occupy and develop the land.

I have offered this amendment so that if this bill shall be enacted into law there will be no question but that the Indians who occupy the 8,346 acres will be relieved from any payment, and that those who take lands out of the 15,000 acres will be relieved in the same way, because the Indians on this land are entitled to the same kind of treatment.

Mr. KING. Mr. President, will the Senator permit an inquiry?

Mr. CURTIS. Certainly.

Mr. KING. I did not hear the amendment read, but judging from what the Senator has just said, his position, I assume, is that practically the entire amount of $1,596,000 plus shall be regarded as a gratuity from the Government to the Indians.

Mr. CURTIS. So far as the land they occupy is concerned, but I think the money derived from leases of the land which they do not occupy, which is leased to white people or others, should properly be applied to the extinguishment of the lien, but that under the provisions of the bill the lien should not be enforced against any of the land as long as the land is owned by the tribe or by individual members of the tribe.

Mr. KING. Let me ask the Senator whether any steps may be taken, and if so, what they are, by which the title may be taken from the Indians and transferred to whites?

Mr. CURTIS. There could not be under existing law. There might be in the future, of course, an act of Congress authorizing the selling of this 15,000 acres. I hope Congress will never pass an act permitting the Indians to sell the homesteads which they may own on the 8,346 acres or which they may take from the 15,000 acres. Many of the Indians who have been given allotments and who have been permitted to sell have lost their homes and are now homeless, and in many places are dependent on the charity of the counties to support them, which should not be. They should be permitted to occupy these lands without danger of their being sold to clear this lien, or sold for their own benefit. That is my judgment.

Mr. KING. Does not the Senator think that the adoption of his plan would produce such a condition of uncertainty and chaos as really to arrest the development of this 15,000 acres?

Mr. CURTIS. I do not see how it could, because, as I am advised, the Indians could not and would not need more than 12,000 acres.

Mr. KING. In addition to the 8,000?

Mr. CURTIS. No; about three or four thousand in addition to the 8,000. I would be perfectly willing that it be limited so that they would not have more than twelve or fifteen thousand acres all told. I do not want more set aside for them than they need.

Mr. BRATTON. Mr. President——

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

Mr. CURTIS. I yield; certainly.

Mr. BRATTON. In view of the legislative situation with which we are now confronted, and with which the Senator from Kansas is perfectly familiar, I would like to know if he would accept an amendment to his amendment, so as to add, after the word "lands," the words, "except such part thereof, not to exceed 4,000 acres, as the Indians shall themselves farm."

Mr. CURTIS. If the Commissioner of Indian Affairs should report that 4,000 acres, in addition to the 8,300 acres now being farmed, would be sufficient to accommodate the Indians, I should be perfectly willing to agree to that. I think it would be better if the amendment were limited to, say, "not to exceed one-half of 15,000 acres," and then provide that only such part of it as was necessary should be used.

Mr. BRATTON. The 4,000 acres would be approximately one-third.

Mr. CURTIS. It is now nearly 2 o'clock, and if the Senator will let his request go over until to-morrow I will talk with the Indian Office.

Mr. BRATTON. I should be glad to do that; and may I propose a unanimous-consent agreement to take this measure up to-morrow?

Mr. CURTIS. I am very anxious to have the measure disposed of, but in the last three days I have promised Senators that we would have a call of the calendar. I really promised them that there would be a call of the calendar this morning, as I had hoped that this bill would be out of the way yesterday. I would like to have to-morrow morning for the calendar, unless debate on this measure could be limited, and we could surely get it through to-morrow.

Mr. BRATTON. Having occupied the amount of time that I have occupied, I am not in a position to suggest a limitation of debate on the part of others.

Mr. ROBINSON of Arkansas. Mr. President, it has been only two or three days since we devoted time to the consideration of the calendar.

Mr. CURTIS. I shall not make the request for to-morrow.

Mr. BRATTON. Mr. President, I ask unanimous consent that at the conclusion of the routine morning business to-morrow the Senate shall proceed to the consideration of Senate bill 700, commonly called the conservancy district bill.

Mr. HEFLIN. Mr. President, about how long does the Senator think it will take to dispose of the bill?

Mr. BRATTON. I am reasonably confident that we can finish it during the morning hour to-morrow. That is my hope and my belief.

Mr. HEFLIN. I was thinking that if we could finish the consideration of the bill to-day within an hour——

Mr. BRATTON. The Senator from Nebraska [Mr. NORRIS] has advised me that he desires to conclude his address respecting the measure which is the unfinished business.

Mr. HEFLIN. Very well. I did not know but that my suggestion would suit the Senator from Nebraska as well; but I have no desire to interfere with his desire.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New Mexico? The Chair hears none, and it is so ordered.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7201) to provide for the settlement of certain claims of American nationals against Germany and of German nationals against the United States, for the ultimate return of all property of German nationals held by the Alien Property Custodian, and for the equitable apportionment among all claimants of certain available funds.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills:

H. R. 121. An act authorizing the Cairo Association of Commerce, its successors and assigns, to construct, maintain, and operate a bridge across the Ohio River at or near Cairo, Ill.; and

H. R. 5679. An act authorizing the Nebraska-Iowa Bridge Corporation, a Delaware corporation, its successors and assigns, to construct, maintain, and operate a bridge across the Missouri River between Washington County, Nebr., and Harrison County, Iowa.

MUSCLE SHOALS

The PRESIDING OFFICER. The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business, Senate Joint Resolution 46.

The Senate, as in Committee of the Whole, resumed the consideration of the joint resolution (S. J. Res. 46) providing for the completion of Dam No. 2 and the steam plant at nitrate plant No. 2 in the vicinity of Muscle Shoals for the manufacture and distribution of fertilizer, and for other purposes.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Mississippi [Mr. HARRISON]. The Senator from Nebraska [Mr. NORRIS] is entitled to the floor.

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

The PRESIDING OFFICER. The clerk will call the roll.

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

Ashurst	Ferris	McKellar	Shortridge
Barkley	Fess	McMaster	Simmons
Bayard	Fletcher	McNary	Smith
Bingham	Frazier	Mayfield	Smoot
Black	George	Metcalf	Steck
Blaine	Gerry	Moses	Steiwer
Blease	Gillett	Neely	Stephens
Bratton	Glass	Norbeck	Swanson
Broussard	Hale	Norris	Thomas
Bruce	Harris	Nye	Tydings
Capper	Harrison	Overman	Tyson
Caraway	Hayden	Phipps	Wagner
Copeland	Heflin	Pine	Walsh, Mass.
Couzens	Howell	Ransdell	Walsh, Mont.
Curtis	Johnson	Reed, Pa.	Warren
Cutting	Jones	Robinson, Ark.	Waterman
Dale	Kendrick	Sackett	Wheeler
Deneen	Keyes	Schall	Willis
Dill	King	Sheppard	
Edge	La Follette	Shipstead	

The PRESIDING OFFICER. Seventy-eight Senators having answered to their names, a quorum is present. The Senator from Nebraska will proceed.

Mr. NORRIS. Mr. President, when the Senate adjourned yesterday I had not yet finished the comment I was making upon the activities of Mr. Gray, the Washington representative of the American Farm Bureau Federation. I have quite a large amount of material here that I intended originally to use on that subject, but I am taking so much of the time of the Senate and I am so desirous of concluding my remarks to-day, if I can, that I have made up my mind to say but little more, at this time at least, upon that branch of the subject.

I want to read, however, extracts from a letter that Mr. Gray wrote, and a copy of which I presume every Member of the Senate received, and to show from the facts how misleading are the statements which he makes. I have shown, I think, that in the propaganda in which he has interested himself and in the things he has sent out over the country he has been misleading—and that is a mild term to apply—in practically every statement he has made and every statement he has sent out for publication. He has not, as I said yesterday, in my judgment, been a fair representative of a great farm organization, inasmuch as he did not state to his constituents more than one side of a proposition, and while he often told what was technically true, the deception came about often because he told only part of the truth. I am going to take some of the statements in his letter and compare them with his own bill, for which he is asking the Members of this body to vote.

His letter is dated February 16, and refers in the first paragraph to a map which he had sent out and about which I commented yesterday. Further on in his letter he said:

> The amount of power has been referred to on the floor of the Senate as 1,250,000 horsepower. Just as the Farm Bureau has looked up the facts with regard to the cyanamide process, we have looked up the facts as to the amount of power at Muscle Shoals and desire to present them to you for your information.

I had made the statement that the so-called Willis bill, which he is asking us to pass, provided for an installed horsepower exceeding 1,000,000, and I am going to prove that statement by the very bill that he asks us to pass. In this letter he said that these misrepresentations had been made on the floor of the Senate. He summarizes, after going along on that line for some time, and specifies in items what the power is at Muscle Shoals, as follows: Dam No. 2, 134,000 horsepower; Dam No. 3, 54,000 horsepower; steam, 120,000 horsepower. He has omitted entirely from the list Cove Creek. He has misstated the installed horsepower in every respect excepting steam.

Further on in the letter he said:

> So that instead of over a million horsepower being a true statement of the power available, the facts are that there is only about 345,000 horsepower, of which 308,000 is at Muscle Shoals and less than 40,000 at Cove Creek.

Those are the statements made by Mr. Gray, and made for the purpose of influencing votes in this body. I hold in my hand the Willis bill, for which Mr. Gray has been propagandizing during the last several months, even before it was introduced. I am going to read from that bill what it provides about horsepower. I wish Senators would take their lead pencils now and write down the amounts that I read from the bill.

Commencing at the bottom of page 9 of the Willis bill, under Title B, is this language:

> In addition to the payments above covenanted to be made the lessee covenants and agrees that it will—
>
> (1) At its own cost and expense complete the steam-power plant connected with said United States nitrate plant No. 2 by installing such additional electrical generating and other equipment as will increase the generating capacity of said plant up to at least 90,000 kilowatts.

That means 125,000 horsepower. That fact he has stated correctly in his letter. I ought to comment there, perhaps, just in a few words, because this provision states that the lessee—that is, the Cyanamid Co. and the Air Nitrates Co.—must make this installation.

I explained to the Senate several days ago that that is the only place where they spend any money that they do not get back in the way of addition to fertilizer that they get out of the farmer. All other expense is met by the taxpayers. There is 120,000 horsepower. Mark that down. On the same page, in paragraph 2, there is a provision about the installation of additional power in Dam No. 2, which reads as follows:

> (2) In accordance with plans and specifications which have been or may be prepared or approved by said Secretary of War and out of funds which the lessor hereby covenants and agrees promptly to make available for that purpose—

That is, the lessee shall install it, but the Government of the United States shall pay the bill and furnish the money—

> install in the power house of said Dam No. 2, with reasonable promptness after such funds are so made available, such additional electrical-generating units, together with necessary hydroelectric and operating appurtenances, accessories, and facilities as will increase the generating capacity of the equipment of said Dam No. 2 up to approximately 600,000 horsepower.

Now mark down 600,000 horsepower. The Willis bill also provides for the building of Dam No. 3. The provision for the building of that dam will be found on page 4:

> Subject to the provisions of Article D hereof—

The bill is specifying the things that are included in the lease—

Dam No. 3, with its lands, water rights, power house, structures, and facilities, which shall include installed electrical-generating equipment sufficient to generate there 250,000 horsepower.

Mark that down. That is what the Government has got to provide at Dam No. 2. Some Senator may want me to read Article D, because the bill provides that this must be done subject to the "provisions of Article D," which will be found on page 12 of the Willis bill:

D. The lessor—

That is, the Government of the United States—

for the purposes of navigation improvement, national defense, and to secure the maximum production of fertilizers at Muscle Shoals in time of peace—

All those are beautiful phrases—

covenants and agrees to acquire and construct with reasonable promptness the dam generally known and designated as Dam No. 3 and described in paragraph (2) of the granting clauses hereof.

That is the clause I have read, which states that the Government must install machinery capable of the generation of 250,000 horsepower.

On page 50 of the Willis bill will be found another provision that will add more horsepower at the expense of the Government for the benefit of the lessee.

The lessor—

That is, the United States Government—

for the purposes of navigation improvement, national defense, incidental flood control, and to secure the maximum production of fertilizers at Muscle Shoals in time of peace—

They are beautiful objects the author of the bill has in view—

covenants and agrees to acquire and construct with reasonable promptness, Cove Creek Dam, to be constructed upon the Cove Creek site on the Clinch River located approximately 8 miles in a direct line north of Clinton, in the State of Tennessee.

Further on, on the same page, it is provided:

Said Cove Creek Dam shall have a height of approximately 225 feet, a power house and hydroelectric installations and equipment for the generation of at least 200,000 horsepower—

Put that down, add the figures together, and what do we have? We have 1,170,000 horsepower provided for in the bill for which the Senator from Ohio is asking us to vote. I distinctly said the other day that this horsepower was not all primary horsepower; one could not get that much power every day in the year, but it is to be the installed horsepower able to be generated at some seasons of the year. As I explained in reference to the operation of Cove Creek Dam, if it were operated by the Government, the Government owning Dam No. 2, by letting out water when the Tennessee River is low it would improve navigation and improve the power production at Dam No. 2, and, for that matter, at all other dams between there and Dam No. 3; but a private individual owning Cove Creek Dam, as I explained, might want to use the power at a time when it would be to the advantage of the person operating Dam No. 2 and Dam No. 3 not to have it operated, because he might let out water when there was already too much water in the river and not let out water when there was not enough in the river.

However, the point I wish to make is that the man representing this great farm organization who, as everyone must concede, ought to be fair with the farmers and with the Members of the Senate, writes the character of letter I have read, when the facts are in the bill that he is advocating and from which I have read. While I am referring to that bill I wish to mention some other dams about which he has not said anything. Not only does the lessee under this bill get all the power facilities I have enumerated, but he gets a preferential right to build under the national Federal dam act, three other dams without paying any rental or making any return as provided for under the Federal dam act. I want to read to Senators that portion of the bill. That is another bonus the lessees are to get for which the Government gets nothing. That is provided for on page 55 of the Willis bill, which refers to additional dams. In addition to all those that we have been talking about—

The lessee—

That is, the American Cyanamid Co. and the Air Nitrates Corporation—

will, within 90 days after the date hereof, cause to be organized under the laws of one of the United States a subsidiary corporation, empowered to engage in the business of developing, generating, transmitting, and distributing electric power, and will cause said subsidiary corporation to file, within 90 days after its organization, with the Federal Power Commission an application for a preliminary permit to enable said subsidiary corporation to secure the data and perform the acts required by section 9 of the Federal water power act, with a view to acquiring and obtaining a license to construct, operate, and maintain, in accordance with the terms and provisions of said act, except as herein otherwise provided—

And that is important—

the following dams, to wit: (1) Senator Dam, to be constructed upon the Senator site on the Clinch River, above the mouth of the Emery River; (2) Melton Hill Dam, to be constructed upon the Melton Hill site on the Clinch River, in Anderson and Knox Counties; (3) Clinton Dam, to be constructed upon the Clinton site on the Clinch River, near Clinton, all of said sites being located in the State of Tennessee; and thereupon the said commission shall issue such a preliminary permit forthwith.

That is not done ordinarily, but in this case as soon as the application shall be made a preliminary permit is to be issued, without according anyone else the right to be heard, without giving any other bidder the right to intervene; in other words, it is made compulsory upon the Power Commission to issue the preliminary permit. Such permit is merely issued for the purpose of letting the beneficiaries of this bill make the necessary examination to see whether or not they want to utilize the dams; and as it will be found later on in the bill, if they desire to utilize them they can take all or any one or more of them.

The bill goes on to provide how they can acquire these dams. Remember that under the general dam act certain fees must be paid. The beneficiaries of this bill, however, would escape that. They will not only have the right first to investigate the dams, but after they have investigated them, if they find that they want all of them or any one or any two of them, they have the right to take such of them as they may desire, in preference to anyone else. Then there is a further provision which reads:

Provided, however, That said subsidiary corporation shall not be required to pay, under and pursuant to the terms and provisions of subsection (f) of section 10 of said act, to the lessor any annual charges for interest, maintenance, and depreciation on said Cove Creek Dam on account of the said subsidiary corporation's use and operation, as licensee under said act, of any dam or dams mentioned and described in this article.

Mr. President, I have been somewhat criticized because I have devoted so much time to the Cyanamid Co.'s bid, it being said that upon analysis it is found to be so indefensible that there is not any danger of the Senate adopting it. I hope I have made it that plain; I hope the conditions and circumstances have been made so clear that the Cyanamid Co. bid has already been entirely eliminated from consideration; but I felt it my duty to discuss the question. It seems to me that we ought not only to know about the propaganda that this man has circulated for a long time, especially among the farmers of America, but we ought to know of the deceptive practices in which he has indulged with Members of the Senate themselves in order to try to get them to vote for this bill. The figures which I have just given demonstrate, it seems to me, the deceptive character of the literature which he has sent out. It is true he could say, "I was not speaking of installed horsepower," but who will read that letter and not understand that he was. It is true he may have left a technical hole out of which to crawl, but any man who will read the letters and then get the facts as I have given them from the bill itself can see for himself that the letter is almost criminally deceptive.

Mr. President, so far as I am now going into it, I have finished that particular branch of my subject. I wish now to take up a different line. I realize the honest disagreement among Senators and people generally about, as the phrase is usually employed, the Government going into business. I realize that many arguments may be made on each side of any proposition affecting the production and distribution of electric power, waterworks, and of other activities which some people desire the Government to take over and operate. I speak with great respect for those who do not agree with me on the subject, but I wish briefly to call to the attention of such Members of the Senate who are opposed to the Government going into any kind of business to the fact that we are already in this business. We have spent the Government's money to the amount, in round numbers, of $150,000,000. It is not a question of going in. If it were, I would concede there would be greater weight to the arguments which are advanced. There

is not involved here directly the ordinary question of whether a municipality should own its electric-light generating and distributing systems, although, as a general rule, I favor that; for we already have the generating plant; we already have the machinery; we already have the necessary housing to provide shelter to all of the necessary employees. The homes are all modern, finely built, well located, with all modern city advantages. The Government has done all that work and paid for it all out of the people's money.

No one denies that in case of war—and that was the primary object in first constructing the plant at Muscle Shoals—we would need every facility that we have there. We provided in the original statute that we would never lease it to any corporation or any individual, but the Government would retain it and operate it. So the question involved is not exactly one of Government operation. I wish to give the Senate some instances where, in my judgment, the Government can better do the operating than can a private individual, and I will only touch a few high spots.

I remember that the able Senator from California [Mr. JOHNSON] not long ago called our attention to the fact that the very light in this building, the very electricity that enables us to read here, is generated and distributed by the Government of the United States. We are working under the light of a Government-built, Government-owned, and Government-operated electric-light plant right now, and we are getting electricity cheaper than the other consumers in the District of Columbia can get theirs.

I heard the same Senator on a former occasion call the attention of the Senate to the Government-operated plants on the various reclamation projects, stating that in some of those reclamation projects they were heating the homes by electricity, it was so cheap—Government owned, Government operated. Before this debate is over I wish the Senator from California would again call the attention of the Senate to those governmental plants. They are illustrative of what the Government can do and what the Government does do.

Mr. JOHNSON. Mr. President——

Mr. NORRIS. I yield to the Senator.

Mr. JOHNSON. After I made the few remarks that I did the other day, in respect to the light by which we read in this Chamber and the heat that warms us as we sit in our seats coming from a power plant maintained, operated, conducted, and owned by the United States Government, the junior Senator from Virginia [Mr. GLASS] called to my attention the fact that the Government also is maintaining a coal yard in the District of Columbia, and selling coal to employees of the Government at a reduced rate under Government auspices, and is in the coal business so far as its employees are concerned.

Mr. NORRIS. I thank the Senator for his contribution. I could enumerate a great many governmental operations; but when it is applied to electricity, briefly, this is the condition, as it seems to me, with which we are confronted:

The generation and distribution of electricity is becoming more general every day. It is almost as necessary in a modern home as water. Water used to be supplied by private corporations and private individuals. That practice has almost passed out of date now, because it is conceded that the supplying of water is a governmental operation, a municipal operation. You must have a monopoly, to begin with, in order to do it economically, and a monopoly ought to be owned and controlled and operated by the Government, not by private individuals, because if private individuals have a monopoly of anything it is just as natural as the rising and setting of the sun that they will take advantage of it to the very limit.

If you are to have electricity supplied economically, it is necessary that it be a monopoly not only in a city but it ought to spread out and cover the entire country, because, as I have often explained here, by the touching of a button we can in effect transfer electricity from Boston to Chicago, or from Chicago to St. Louis, and so on around the country. So, in order to get the greatest amount of electricity for the smallest amount of money, a monopoly is necessary; and I do not believe a free people will always submit to a private monopoly controlling one of the necessaries of life.

I am going to demonstrate, I think, that even municipalities scattered in different parts of the country have brought to their people by municipally owned plants the cheapest electricity that is enjoyed anywhere under the United States flag, cheaper than anywhere else in the world except in Ontario, Canada, where they not only have municipal operation but they have a wholesale operation, so that they have a giant power scheme that covers the entire Province.

I want to call the attention of the Senate, and I hope before this debate closes somebody will call the attention of the Senate in more detail than I will as I pass through some of these cities, to the advantages of Government operation in a thing of this kind as illustrated by the Government plants under the Reclamation Service.

We have this plant at Muscle Shoals. If it is turned over to a private company, the people of that vicinity will get no benefit. It is demonstrated already that they will not. It has been turned over to a private concern ever since it was completed. It has been rented by the Government to the Alabama Power Co.; and nobody has yet shown a single instance of a reduction to the consumer on account of the cheap electricity that the Alabama Power Co. gets.

I think I ought to read at this point part of a letter that I have received from James M. Proctor, of Scottsboro, Ala. I will read only a part of the letter; but he says:

> We are supplied with electricity by the Southern Cities Power Co., with principal offices in Shelbyville, Tenn. I am informed that the current is generated by a lock and dam upon the Tennessee River, near Chattanooga. It is brought to us by transmission lines from that point, about 100 miles. It is my understanding that this company only supplies three towns in Alabama—to wit, Stevenson, Scottsboro, and Bridgeport—all in Jackson County and all located along the route of the transmission line above referred to. For the use of current in residences these three Alabama towns are charged 11 cents per kilowatt for the first 50 kilowatts. For the next 50 kilowatts we are charged 9 cents per kilowatt, and all over 100 kilowatts is charged for at the rate of 6 cents per kilowatt. Thus 94 kilowatts cost the consumer $9.46. All of this current, it will be remembered, is generated by water power upon the Tennessee River. In other words, the consumer must use 94 kilowatts before the rate averages 10 cents per kilowatt, which seems to be the average rate in Alabama.

As compared with that rate at which electricity is sold to consumers by subsidiaries of the Electric Power Trust which reaches from the Atlantic to the Pacific and even into foreign countries, I want to call attention to the city of Pasadena, in California, which owns and operates a municipal light and power plant, and has done so for quite a number of years. I want to read from the official report of that light and power plant:

> At the time the people began to talk about building an electric utility the rates for electrical energy were 15 cents per kilowatt-hour, but a cut was made from this rate to 12½ cents. This was being charged at the time the city entered the field and established the above-mentioned rate of 8 cents per kilowatt-hour for domestic service and an 80-cent minimum instead of $1 with a top rate of 4 cents for power ranging down to as low as 1.2 cents. This, it will be observed, was a little more than half what had been charged before the city entered the field, and at the same time the service in those days was not what the service is to-day or since the city established its electric utility.
>
> * * * * * * *
>
> The company immediately filed a new schedule of rates, but they were lower than those charged by the city. The 8-cent rate was continued by the city until such time as the earnings justified a further reduction to 7 cents. The company dropped to 5 cents, a difference of 2 cents per kilowatt-hour. However, the citizens of Pasadena had been paying 15 cents per kilowatt-hour prior to the installation of the municipal light and power plant, and this was not forgotten by a large number, who continued to patronize their own plant, even though it cost more than if they had purchased their electricity from their own competitor. This support enabled the plant to show what could be done, and as the business grew in volume and operating costs were reduced the rate was further reduced to 5 cents per kilowatt-hour for light, scaling down to 3 cents, and 50 cents minimum, and a maximum of 4 cents per kilowatt-hour for power, scaling down to as low as 1.2 cents. The company, the city's competitor, immediately reduced its rates to a maximum of 4 cents per kilowatt-hour, stating that they would go below any rate made by the city—

And so on. They did not always do that. That was quite a number of years ago, and the city plant continued to grow and continued to reduce rates, as will be seen from the following figures:

> The maximum rate charged by the private company before the plant was started was 15 cents per kilowatt-hour.
>
> The maximum rate charged by the private company at the time the plant started was 12½ cents per kilowatt-hour.
>
> The maximum rate charged by the municipal light and power department at the time the plant was started was 8 cents per kilowatt-hour.
>
> All rates have since been reduced very nearly to those set by the municipal light and power department, and at this time the rates charged in Pasadena for light and power are as follows:
>
> The first 100 kilowatt-hours, 5 cents per kilowatt-hour.
>
> Next 400 kilowatt-hours, 4½ cents per kilowatt-hour.

Next 500 kilowatt-hours, 4 cents per kilowatt-hour.
Next 1,000 kilowatt-hours, 3½ cents per kilowatt-hour.
Over 2,000 kilowatt-hours, 3 cents per kilowatt-hour.
Minimum charge per month, 50 cents.

This plant started, I think, in 1906; and, as shown, they had hard sledding to begin with. The private company put the price down below their price, although it was the fact that the municipal plant was started that compelled the company to do it.

In order to run the municipal plant out of business the private company at first put the price below that of the municipal plant; and if the citizens of Pasadena had not been loyal they would have been led astray by this unfair competition, and the municipal plant would have failed and gone out of business. Because of their loyalty, however, they kept patronizing the plant, it kept getting more customers and doing more business, until it reached the point where it was able to cut down the price below where competition was possible from the private plant.

The first year the municipal plant lost $5,463.71. The next year they lost $12,525.63. They lost money for two years. The next year, however, they made a profit of $1,261.49—that was the year 1908–9—and they have made a profit every year since. It went up to $8,000 the next year, then to $17,000 the next, to $18,000, to $23,000, and so on until in 1923–24 the surplus profit of that municipal plant was $297,223.33, with rates which, while not as low as they will be able to have them there, are away below what they ever dreamed of getting them when they were subject to the control of a privately owned plant generating and distributing for profit. They are paying something always toward the amortization of their investment, and eventually they will have it free of debt and have no expense but maintenance.

A good illustration of what has been accomplished in municipally owned generating and distributing plants is afforded by the city of Seattle, in the State of Washington. I have a letter here written to me by the superintendent of lighting of that city, and I want to read from it just a little:

It will be of interest to you to know that the Stone & Webster Co., which opposes us here—

The Stone & Webster Co. are the owners of a private system that was in operation before the municipal plant was put in, and is still in operation—

filed as their cost, exclusive of interest charges and depreciation, $1,502,158,41 for the serving of 39,795 customers in the Seattle district—that is, King County—while our cost only amounted to $1,309,862.33 for serving 83,228 customers; that is, $200,000 less to serve twice the number of customers.

Compare those figures and see whether there is any consolation in the claim that private operation, with a beautiful private initiative, has advantages over the municipal plant, properly managed and properly operated.

Again, in these charges made by the municipal plant of Seattle there is an item amortizing the cost, doing away with the capital cost, which will eventually wipe it out entirely.

The history of operations in Seattle is exceedingly interesting. Here is a bill showing just what it would cost in various cities on the coast in the vicinity of Seattle. Suppose we take a bill, as they did here, for 519 kilowatt-hours used in one month, which would be a big consumption. Under the privately owned company in Aberdeen, Wash., that amount of electricity would cost the consumer $32.40, and I think it is the same in every one of the cities. It is Stone & Webster competing in Seattle, and not competing in the other places. In Wenatchee that energy would cost $22.03. In Yakima it would cost $19.03. In Walla Walla it would cost $19.24. In Puyallup it would cost $18.24. In Bellingham it would cost $15.80. In Everett it would cost $17.55. In Spokane it would cost $16.34, and, incidentally, Spokane has within its very limits one of the greatest water powers on earth, one that would turn every wheel and light every house in that city, at a rate that ought to be between 1 and 2 cents a kilowatt-hour, but privately owned, and what do they pay there? It would cost, as I have said, $16.34. What would it have cost in Seattle with a municipally owned plant? It would have cost $8.98.

Mind you, the private plant in Seattle, the same one that is charging these rates in the other cities, is charging the same rate the municipal plant charges, proving that they can operate and make money at the rate the municipal plant is charging.

As showing the scientific management of the private company in Seattle, Stone & Webster and the municipal company—I want to call attention to this fact—that Stone & Webster have $475 in stocks and bonds against every horsepower they own, while the municipal plant has only $173 against each horsepower. In other words, after a while the municipal plant will be in a position where it will have no debt, it will all be paid, and the private company there, as well as the private companies everywhere, like Tennyson's brook, will go on forever. They are always trying to increase capitalization, increase the issuance of bonds and stock, rather than to cut them out.

I have here the official report from Seattle, and I want to read an extract or two from it. This is for the year 1926.

The revenue for the year, $3,859,042.17 is 10.8 per cent in excess of that for 1925. The department's assets at the end of the year are $35,492,767.96, and bonds outstanding $22,305,000. During 1926, $497,000 worth of bonds have been retired, including bonds maturing up to 1929. A total of $1,422,000 worth of bonds have been retired before they were due.

That does not have any private initiative in it, but it seems to have some kind of initiative that is expertly working the people out of debt, reducing the charge for electricity, which will continue to be reduced as time goes on.

The year 1926 continues the financial success of Seattle's municipal light plant, which has shown an unbroken record of increased earnings each year for 22 years. Although carrying the interest charges on nearly $13,000,000 invested in the Skagit development, a large part of which is for preliminary work for the entire Skagit power project, the department earned $349,760.87 surplus above all operating expenses, interest, and very liberal depreciation charges in 1926 * * *.

At the end of 1926 the department served 11,000 ranges.

They are cooking by electricity in Seattle. They will cook everywhere in civilization by electricity if we can get rates as cheap as they get them in Seattle. There were 3,406 ranges in the last year in that city.

A large number of down-town business blocks were also connected to the city's system in 1926, as were also two more street railway substations.

This report states:

Every year since 1906 the plant has shown a surplus above all expenses, interest, and depreciation charges, and its income has increased each year over the previous year at an average rate of increase since 1906 of 19.13 per cent. The total earnings of the plant in the 22 years of its life were $32,781,212.37. Of this amount, $12,661,183.57 has been returned to the system in extensions and betterments, being the net earnings above expenses and interest charges * * *.

Before the city plant was started in 1902, consumers were paying 20 cents per kilowatt-hour for current. When it became evident that the city was actually to build a municipal plant the private companies reduced rates to 12 cents per kilowatt-hour. In 1905 the city began taking contracts under rates for residence service, as follows:

Eight and one-half cents for the first 20 kilowatt-hours.
Seven and one-half cents for the second 20 kilowatt-hours.
Six and one-half cents for the third 20 kilowatt-hours.
Four and one-half cents for all over 60 kilowatt-hours—

Some weeks later the private corporations reduced their rates to—

Ten cents for the first 20 kilowatt-hours.
Nine cents for the second 20 kilowatt-hours.
Eight cents for the third 20 kilowatt-hours.
Five cents for all over 60 kilowatt-hours—

with a 10 per cent discount for prompt payment, making the company's rate approximately one-half cent higher than the city rate. Early in 1911, when the municipal plant had grown to be a serious competitor, the company removed this differential and made its rates the same as the city rates.

July 1, 1911, the municipal plant reduced its rate to 7 cents for the first 60 kilowatt-hours and 4 cents for all over 60 kilowatt-hours, and this reduction was met by the company in November of the same year. July 1, 1912, the city again reduced the rate to 6 cents for the first 60 kilowatt-hours and 4 cents for all over 60 kilowatt-hours, and reduced the minimum monthly bill, which had been $1 to 50 cents. The company met the reduction one month later.

April 1, 1915, the city established the rate:

Five and one-half cents for the first 45 kilowatt-hours.
Two cents for all over 45 kilowatt-hours—

with a monthly minimum of 50 cents, and the company reduced its rates to the same schedule. During the war and up to 1920, the rate for light and power was one of the very few exceptions to the general rise in prices during the war. Rates were raised in 1920 to—

Six cents for the first 45 kilowatt-hours.
Two and one-half cents for all over 45 kilowatt-hours—

with a monthly minimum of 75 cents.

Effective since June 1, 1923, the present residence rates are:

Five and one-half cents for the first 40 kilowatt-hours.
Two cents for the next 200 kilowatt-hours.
One cent for all over 240 kilowatt-hours.

The complete rate schedule for all classes of business is given on pages 38 to 42.

It is to be noted that every reduction in rates has been made by the municipal plant and followed by its competitor.

The average residence rate in all cities of the United States of 200,000 population or more is 8 cents as compared to the average in Seattle for 1926 of 3.28 cents.

We must remember, Mr. President, that it was not only the consumers of the municipal plant who got this benefit but all the consumers of Seattle, those who still stay with the private company, who are still patronizing it, are getting the benefit of the reduction that has been brought about by the establishment of the municipal plant.

During the last six years the use of electric ranges in Seattle has increased until it is apparent that electric cooking will soon be universal throughout the city. At the end of 1926 there were 11,127 ranges connected with the city light system, of which 3,406 were installed during 1926. Under the residence rate, the electric range is placed on the same meter with the lights in the home, and the cost for electric cooking compares most favorably with that for cooking by gas, coal, or wood.

The residence rate in Seattle is 5½ cents for the first 40 kilowatt-hours, 2 cents for the next 200 kilowatt-hours, and 1 cent for all over 240 kilowatt-hours used per month. The larger part of current consumed for cooking under this schedule comes under the 2-cent rate, and the average residence bill for cooking and lighting, including the ordinary household electrical appliances, is $5.25 a month—

That is cheaper than we can cook in any other way—

Water heaters may be used on the same combined rate, which is equivalent to 1 cent per kilowatt-hour for that service.

Mr. President, I have some more statistics here with regard to Seattle, which I shall not present. But I do want to say that it has always seemed to me queer that any resident of Seattle would think for a moment of not patronizing the city plant which has brought thousands and hundreds of thousands of dollars of reduction to all the people of Seattle. It is queer to me why anybody in the city still refuses to patronize the city government, but continues to patronize the private company that used to charge them 20 cents per kilowatt-hour.

But it does not seem so queer when I see some of these grave and reverend Senators who, when anyone says that the Government may not do anything, are so incensed that they almost have hysterics. There is no doubt in my mind but what some people grieve every time they deposit a letter in the post office with a 2-cent stamp on it, that is to be carried across the continent, because nowhere from the beginning to the end of that service does any private corporation make any profit out of it. It is a Government operation all the way through. It is an illustration, and electricity is another, where a monopoly is necessary to get good service. A monopoly like Stone & Webster had in Seattle before the establishment of the municipal plant, and which charged the people 20 cents per kilowatt-hour, only demonstrates what is the natural thing for any monopoly to do.

The city of Cleveland has had a great experience with a municipal light plant, but it has never had a fair test, in my judgment. They started one there. It succeeded in reducing the rate, but has never been as successful as it seems to me it ought to be, mainly, as I believe, because it has had an unfriendly legislature, much of the time an unfriendly administration in the city, and some of the time, I am informed, even those who were managing the plant were unfriendly; but it made a wonderful record notwithstanding that. I want to read an excerpt from a letter sent to me by Newton D. Baker, ex-Secretary of War, who has been and still is a resident of the city of Cleveland. He said:

Of course, any company, public or private, distributing electric current for light or power is always obliged to deal with large consumers on the basis of cost of installation and operation of private units—that is to say, a manufacturer who has need for a substantial block of current can install a small generator and operate it from his own steam plant, and he will do so unless he can buy the current he needs at less cost than overhead and operation upon the installation of his own apparatus. In Cleveland, therefore, the rates fixed by the Cleveland Electric Illuminating Co. up to 1911 were deemed fair and adequately low to all large consumers, but the small domestic consumers, who could not install their own devices, paid the freight.

In other words, they were not able to get into competition.

The principal purpose of the new municipal plant was to protect these small domestic consumers by establishing a rate for them which the old company would be obliged ultimately to meet competitively. In 1906 the city of Cleveland acquired by annexation the South Brooklyn Village plant, as described in my previous letter. The competition thus brought into the field reduced the rate charged for arc lights in the streets from $67.92 to $54.94.

That was a reduction by which every taxpayer in the city of Cleveland benefited, a reduction which came to him by virtue and solely by virtue of the establishment of the municipal plant. Hundreds of thousands of additional dollars would have been taken from the people by taxes if it had not been for the establishment of that plant.

The method used by the Cleveland Electric Illuminating Co. in charging domestic consumers was so complicated that it was never possible to show variations in its rates very clearly. At the outset they charged 12½ cents per kilowatt-hour for a definite number of units and then a decreasing rate for succeeding numbers of units. As competition began to make itself felt, the privately owned company reduced the maximum but increased the number of units to which it applied, so that it was never easy to demonstrate a flat reduction, but that company has for years been constantly reducing its rate under the pressure of municipal competition.

In a postscript to his letter Mr. Baker said:

During a recent examination of the question as to whether the municipal electric-light plant should be continued and enlarged, expert engineers estimated that it had saved Cleveland and its people $13,849,000 during the period 1915 to 1923 by the lowered rates which its competition had secured from the private company.

I think the rate in Cleveland by the municipal plant is 3 cents per kilowatt-hour, but I do not have the rate before me and am speaking from memory.

From the official report of that plant I find that the customers increased in number from 37,610 in 1924 to 39,360 in 1925, a gain of 1,750 for the year, not as good a showing, it seems to me, as the plant ought to be able to make. The municipal plant was operating with coal. Their coal during the year covered by this report cost them $1.60 a ton, on which they had to pay $1.83 freight per ton, so that the coal cost them delivered $3.43.

The report says:

The plant has more than paid its way and to-day the city has an equity in it of over $2,000,000.

Consistent with its original purposes it has rendered real service to the people of this city:

1. It has saved the community at least $20,000,000 by reason of its low light and power rates to its own customers; and

2. Through the reduction of rates by the private company which has consistently followed since the municipal plant started operation.

3. As a result of its existence Cleveland enjoys the lowest domestic light rates in the United States, both through the municipal plant and the private company; and

4. In addition, especially low street-lighting rates.

I presume the statement that it is the lowest in the United States would probably be questioned by some other cities, but the point I want to make—and that is about all I care to do as I pass along—is that it was on account of the municipally owned plant and municipal competition that the rates in Cleveland came down. The private company had to meet the rate, and the people owe every cent of saving to the establishment of that municipal plant.

Another illustration in the United States of the cheapening of rates by municipal competition is given us by the city of Los Angeles. Here are the rates now charged in Los Angeles:

For the first 100 kilowatts consumed in any one month, 5.6 cents per kilowatt-hour.

For the next 150 kilowatt-hours consumed in any one month, 5.3 cents per kilowatt-hour.

For the next 250 kilowatt-hours consumed in any one month, 4.8 cents per kilowatt-hour.

For the next 500 killowatt-hours consumed in any one month, 4.1 cents per kilowatt-hour.

For the next 1,000 kilowatt-hours consumed in any one month, 3.2 cents per kilowatt-hour.

For the next 1,000 kilowatts consumed in any one month, 2.4 cents per kilowatt-hour.

For all in excess of 3,000 kilowatts consumed in any one month, 2 cents per kilowatt-hour.

Then, here are the power rates that the city gives, I think very low and perhaps lower in proportion than the domestic rates:

For 6,000 kilowatts consumed in any one month, 1.77 cents per kilowatt-hour. Then it goes down to 1.48, 1.37, and on down until it gets down to 0.87 cent per kilowatt-hour.

It is, then, because of this cheap power rate particularly that Los Angeles got some of its industries. Some of its most important industries have been located there because of the inducement that was given to them in the way of cheap power from the municipal plant in Los Angeles. As I remember it now, when Los Angeles started to put in the municipal plant such industries were paying to the private company 10 cents per kilo-

watt-hour. They have been reducing that rate until they are operating now, because of the competition they had, at the same rate the municipal plant charges.

Remember, Senators, that the municipal electric plant in Los Angeles has no cheap power. It is water power, it is true; but they have to go 250 miles from the city to get the water, and it costs them many millions of dollars to get the water into the city. The municipal light plant in Los Angeles compelled the privately owned plant to reduce its rates and they have been continually reduced until they reached the point I have just stated, with regard to both power and domestic rates.

I want to call the attention of the Senate in this connection to a letter from Mr. Scattergood, the chief electric engineer of Los Angeles, quite a noted engineer, and one of great reputation as I remember it. He touches on points I have often mentioned in the Senate, but he does it so much better than I have been able to do it that I want to read what he said, as follows:

The question is not one of complete public ownership or complete private ownership of electric utilities throughout our country. The question is, as you well put it, one of preventing private monopoly of our national resources having to do with power supply. This is vital to our prosperity and national strength as affected by our ability to compete in the world markets by the sale of the products of our industries whether agricultural or manufacturing.

I wish those words could sink deep into the hearts of every legislator, whether he be a Member of the Senate or of the House of Representatives or of a State legislature. Whether we get cheap or expensive electricity has a great deal to do with "our ability to compete in the markets of the world by the sale of the products of our industries, whether agricultural or manufacturing."

There is an absolute necessity for the establishment and maintenance of examples of public ownership on a large scale in order that public regulation of privately owned utilities may be economical and effective, and furthermore in order to avoid the evil consequences of complete private monopoly in our political life, aside from its effect on the cost of electric power and, in turn, on the cost of the products of our industries.

The existing important examples of public ownership in the United States and Canada afford the only criterion to which regulatory bodies may turn for assistance in determining reasonable costs of construction and operation for rate fixing and valuation purposes.

Several rate proceedings, for example, have been held recently before the State Railroad Commission of California for fixing rates to be charged by the Southern California Edison Co., doing business throughout the greater part of southern California. The combined municipalities have employed an attorney and similarly the farm bureau districts have been represented by an attorney. These attorneys have resorted to the records of the city's bureau of power and light in each instance for comparative data and segregation as a basis with which to analyze the cost and determine the reasonableness of the costs claimed by the company.

I wonder if Senators appreciate that point, relating to the importance of having standing out prominently throughout the country municipal-owned plants for the development and distribution of electricity. That is necessary in order to keep down the excessive costs that would otherwise come to the people and to manufacturing industries, and it is necessary in order when we want to regulate privately owned companies distributing electricity that we may have some place to go in order to get a standard; that we may have some place to go to find out the cost; that we may have some place to go where no deception can be practiced on us, where everything is open, and where we may have opportunity to see just what may be done, and thus effectively perform the governmental function of regulating privately owned distributing plants. Mr. Scattergood continues:

They have also utilized the bureau's cost accountants in making such analysis, and for testimony, with positive results in proving the unreasonableness of the company's claims and the company's actual costs. Were it not for the examples of public ownership in Los Angeles, Seattle, Tacoma, Pasadena, and other cities, the rates of the privately owned companies throughout the Pacific coast would be very substantially higher than they are and the character of service and treatment accorded the public would be much inferior to what it is; and what is true of the Pacific coast is true of our whole country, although to a much less degree in a greater part of it.

Our country's strength among the nations of the world is not sufficient to withstand ultimately the effect of supplanting considerations favorable to the general public except by special privilege and exploitation such as would result from a private monopoly of our power resources.

No man who will give study to this question can dispute or deny for a moment the conclusions that Mr. Scattergood reaches. If it were not for the municipally owned plants, if it were not for the cranks who in agitating reduction in rates have been calling attention to these examples, these points of interest that are standing out so prominently, we would be paying in the city of Washington and in every other city in the United States two-thirds more or perhaps twice as much more than we are now paying for electric lights. We saw in this great city of Washington the privately owned corporation oppose a reduction of rates, fight it through the courts, and finally agree to a compromise; but almost before the agreement went into effect, although the corporation had been previously claiming that it could not possibly reduce the rates below 10 cents per kilowatt-hour, it voluntarily reduced the price to less than 7 cents.

Commissions of all kinds have been deceived in their examinations. The place where they get the truth, as Mr. Scattergood says, the place where they go to get the evidence if they want to reduce rates is to municipally owned plants.

Mr. SIMMONS. Mr. President——

Mr. NORRIS. I yield to the Senator from North Carolina.

Mr. SIMMONS. I agree with the Senator that the rates of municipally owned plants based upon reasonable profits and sometimes upon actual cost without any profit would generally furnish a very helpful guide, to say the least, in determining what rates should be fixed by the various State agencies which are set up for the purpose of regulating the rates for power and other public-utility service. Most of the States, including mine, have such agencies. In my State power is conferred upon the public-service commission to regulate the rates. The difficulty that I see, however, in utilizing the rates charged by a municipal plant as an index to the rates to be charged by a privately owned plant is this: It is helpful, as I have stated, but I do not think we should get very far with such an index, because the municipally owned plant sells its electricity within a very short distance of the location of its power plant. One of the chief elements in determining the cost of power is the distance of transmission, and the transmission distances in the case of a municipal plant are so much shorter than the transmission distances in the case of power distributed by a private plant over stretches of 200, 250, or 300 miles that the index suggested is merely helpful, it seems to me, rather than being a criterion. I just throw that thought out for what it may be worth.

Mr. NORRIS. Some of the rates that I have here were made by power companies——

Mr. SIMMONS. Mr. President, if the Senator will pardon me, I wish to say just a word further along the same line.

Mr. NORRIS. Very well.

Mr. SIMMONS. I happen to know of a certain town in my State where the rate for electric current is much higher than it is in Washington; but that is justified by saying that the patrons are limited in number, while the Washington municipally owned plant has a large patronage; and the North Carolina plant can not afford, therefore, to give the same rate that is given here. So we have to pay a much higher rate in that town, which is the town where I live.

Mr. NORRIS. The Senator refers to a municipally owned plant in Washington. Of course, there is not a municipally owned plant in Washington.

Mr. SIMMONS. I was merely assuming that there was one here; I was using that for the purpose of illustration. I know there is not a municipally owned plant in Washington.

Mr. NORRIS. It is true, Mr. President, that electricity ought to be supplied in a large city cheaper than in a little village; that is reasonable; but the Senator's argument——

Mr. SIMMONS. But I did not finish, if the Senator will pardon me.

Mr. NORRIS. Very well.

Mr. SIMMONS. I was going to say that in that very town, my home town, there is another corporation which leases power from the municipally owned plant and distributes that power to cities within a radius, I will say, of 40 or 50 miles. That corporation has its lines running out to those other places, and it charges three or four times as much for that power in those towns located 40 or 50 miles away as it pays for the power which it buys from the city-owned plant. The corporation, however, justifies its rates upon the ground that the chief cost is not in producing the power but in transmitting the power. I should like to hear the Senator upon that question. I have been bothered very much because of that situation in North Carolina. I have complained very seriously of it, and I have almost gotten into a lawsuit about it.

Mr. NORRIS. There is no justification whatever for that claim. The cost of the transmission of electricity for 40 or

50 miles is so small that it can hardly be estimated. Electricity from such a plant as is located in Ontario, Canada, is carried for 250 miles and sold to the individual consumer in his home at less than 2 cents a kilowatt-hour. In transmitting current 40 or 50 miles there is practically no loss whatever, if the right kind of a system is used.

Mr. SIMMONS. Does the Senator include in his statement the cost of the line and the maintenance of the line, as well as the power?

Mr. NORRIS. Yes, sir; I include everything, even an amortization charge that will pay the entire cost in 30 years. There is more deception practiced upon the people of the United States in the case of electric-light rates than in almost any one thing that I know anything about.

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

Mr. NORRIS. Yes.

Mr. SHORTRIDGE. Is it or is it not possible to ascertain the cost of the plant and of the transmission line and then of the several elements of expense necessary to furnish the power? If it is possible, can not the regulating body, be it a council or be it a commission, ascertain all of those facts and then fix rates accordingly?

Mr. NORRIS. Yes; there is no difficulty about it whatever; that is what is done under any scientific arrangement.

Mr. SHORTRIDGE. I should like to make a further inquiry. Why, then, if it is easy to ascertain all these elements of cost, initial cost and running expenses, are not those items ascertained and rates appropriately fixed, so that a company may earn a reasonable return?

Mr. NORRIS. The utility companies deceive the regulating body.

Mr. SHORTRIDGE. I am not asking the question in a controversial spirit.

Mr. NORRIS. I understand that. The men who are regulating rates in California, for instance, are coming in daily contact with the finest experts in the world and they are always on one side; they are continually confronted with them. They are honest; they lean backward in order to be fair and not do an injustice; and the result is that they are often deceived, honestly deceived. That is what Mr. Scattergood says. We ought to have these signposts, these places where you can go and have the books thrown open, without any attempt or desire to deceive you or to mislead you; and I will call attention right now to a comparison between Los Angeles and San Francisco.

San Francisco was supplied—I do not know whether it is still that way or not, but until recently, at least, and perhaps still, San Francisco was supplied—with electricity from a privately owned corporation. It was supplied with water from a privately owned corporation. Los Angeles was supplied with electricity from a municipal plant, and with water from a municipal plant. The cities were not very different in population. Now, here are the rates:

The rates for lighting in San Francisco are 11.2 per cent higher than in Los Angeles. Sometimes it is asserted that these municipally owned plants make low rates for the people in their homes, but that they charge exorbitant rates for power. That is an argument that is sometimes used, and they say it is a political maneuver; but it is not true. That is the only thing I know about it that is wrong; it is just simply untrue; and San Francisco and Los Angeles illustrate that.

The rates for lighting in San Francisco are 11.2 per cent higher than in Los Angeles, and the rates for power in San Francisco are 12.7 per cent higher than in Los Angeles. There you have the comparison for both light and power. They are cities of nearly the same size, in about the same locality, one owning its electric-light plant and its water plant and the other supplying its citizens with water and with light from a privately owned system.

Mr. McKELLAR. Mr. President, do they have a regulatory commission in California?

Mr. NORRIS. Yes, sir; they have a regulatory commission.

Mr. McKELLAR. How do they regulate rates in such a way as to have one rate for one city and another rate for another?

Mr. NORRIS. They do not regulate the municipal rates. Those rates go down below their regulations. I assume that the commission in California is composed of able and honest men, and this private company supplying water and light to San Francisco make their arguments day after day, time after time, with the best experts in the world on their side and nobody on the other side, at least not experts on the other side, and the members of the commission perhaps are not experts, and that is the result. That is the result everywhere. These commissions do lots of good, I take it; but there is nothing like competition from a few outstanding places.

Now let me give you another comparison between Los Angeles and San Francisco.

If the people in Los Angeles had paid the same rates for their water and their power in 1924 that were charged by the private utilities in San Francisco that year, they would have paid nearly $15,000,000 for the water and power that they actually used. There is a difference between those two cities in one year of almost $15,000,000, and I understand that that is more than the entire municipal tax of the city of Los Angeles for that year. That pretty nearly meets this tax bugaboo that we always hear about.

Mr. President, much more could be said about Los Angeles, but I want to pass on. I am going to take up Tacoma. That is out on the coast also; and I shall have something to say about taxes at Tacoma.

Tacoma owns its municipal electric-light plant.

Mr. SHORTRIDGE. Mr. President——

Mr. NORRIS. I yield.

Mr. SHORTRIDGE. Before the Senator turns away from those California cities, assuming that we have honest officials to pass upon the matter of rate fixing, I suppose they take into consideration the cost of the plant and the cost of delivering the product to the consumer; and taking those things into consideration, they seek to fix a rate which will yield a fair return upon the investment. I suppose that is the process.

Mr. NORRIS. I suppose so.

Mr. SHORTRIDGE. If a given rate is manifestly too high, then it argues that something was wrong in the process of rate fixing, does it not?

Mr. NORRIS. I should think so; yes.

Mr. SHORTRIDGE. Then where does the relief come?

Mr. NORRIS. The relief comes in doing what Los Angeles did. I supposed the relief was going to come to San Francisco long ago when I did the best I could to see that San Francisco got her power and her water from the great Hetch-Hetchy development; but it seems, under some kind of manipulation, that the people of San Francisco and the surrounding cities did not get the benefit of that legislation.

Mr. SHORTRIDGE. There is one other method, is there not, to get the proper relief, and that is to elect the right kind of men to fix the rates?

Mr. NORRIS. Yes, sir; and I ought to say to the Senator that that applies both to the privately owned and to the municipally owned plants. I concede that if you elect or appoint a lot of crooks to run a municipal plant they will run it into the ground. They would do the same thing with a privately owned plant. In other words, there is not any place for dishonesty and crookedness in any of these things, whether private utilities or public utilities.

Mr. SHORTRIDGE. What we want is honest and capable men.

Mr. NORRIS. Exactly.

Now I will take up Tacoma; and, Senators, this is one of the most interesting studies, I think, of any city in the United States. They have by nature cheap power; that is true. They have an advantage over a good many other localities.

First I want to give you their electric rates:

Lighting and cooking, 4½ cents per kilowatt-hour for a quantity—at least 20 kilowatt-hours—equal to four one-hundredths of the floor space of the house with bedrooms and hall taken as half size; 1 cent per kilowatt-hour for the remainder; minimum charge, 50 cents per month.

That is a little bit complicated, but if you will look it squarely in the face it is very easy of solution. A good many cities, even in Canada—and I think that method of counting cost is increasing—do it on the basis of floor space, so as to charge the man with a mansion just a little bit higher initial rate than the man with an ordinary house. For instance, I think in Toronto, Canada, their rate starts out by charging 2 cents a kilowatt-hour for the first three kilowatts for each 100 square feet of floor space. It is not hard to figure. It results in the man with a great big mansion paying a little bit more for the first three kilowatt-hours and then the rate drops to all alike to 1 cent a kilowatt-hour, which, on the average, reduces the rates much below 2 cents per kilowatt-hour in that city. Tacoma has something similar as to that; but before I leave Tacoma I will give you a sample of just how this figures out in a large house and compare it with houses somewhere else. So it goes down to 1 cent per kilowatt-hour. For commercial lighting—that is, for stores, and so forth—there are two schedules. The customer can take his choice. Schedule 1 is 3½ cents for the first 1,000 kilowatt-hours; all over 1,000 kilowatt-hours, 2 cents.

That is a very low rate. That is away below the average of the cities of the world. In Tacoma there are a good many houses that are heated by electricity. There are houses in

Tacoma that have not any chimneys, that have been built since this plant has been in operation, and take their heat from the municipal plant.

Here is a bill of current consumed between March 14 and April 11, 1927, a little less than a month. The consumer used 158 kilowatts during the month. The total amount that he had to pay for that much electricity was $2.90. He had a range and a washing machine and all kinds of things in his house. Suppose he had been in Washington, D. C.—and we have much lower rates here than a good many other cities—and he had used that much current here; let us see how much he would have had to pay. He would have had 58 kilowatt-hours, at 6¼ cents, $3.62. He would have had 10 kilowatt-hours if he had had a range—I am assuming that he had one—at 6¼ cents, 63 cents, and 90 kilowatt-hours, at 3 cents, $2.70; so his total bill in Washington, D. C., would have been $6.95—practically $7. In Tacoma it cost him $2.90—practically $3. In other words, it would have cost him more than twice as much in Washington, D. C.. as he paid in Tacoma.

Mr. President, I have here a very interesting table from Tacoma that I desire to have printed in the RECORD at this point in my remarks. I ask unanimous consent to have it printed in the RECORD.

The PRESIDING OFFICER (Mr. FESS in the chair). Without objection, it is so ordered.

The matter referred to is as follows:

Comparison Tacoma municipal lighting versus Alabama Power Co.

POWER

Horsepower	Kilowatts	Load factor	Consumption, kilowatt-hour	Monthly cost		Average rate per kilowatt-hour		Difference	Per cent difference
				Tacoma	Alabama Power Co.	Tacoma	Alabama Power Co.		
		P. ct.				*Cents*	*Cents*	*Cents*	
10	7.46	15	805.7	$11.86	$25.36	1.472	4.389	2.917	198.2
		25	1,342.8	14.54	48.05	1.083	3.578	2.495	230.4
		40	2,148.5	18.57	64.16	.864	2.986	2.122	245.6
25	18.65	15	2,014.2	29.65	78.26	1.472	3.885	2.413	163.9
		25	3,357.0	36.37	105.12	1.083	3.131	2.048	189.1
		40	5,371.2	46.44	141.69	.865	2.638	1.773	205.0
50	37.30	15	4,028.4	59.31	146.52	1.472	3.637	2.165	147.1
		25	6,714.0	72.74	183.09	1.083	2.727	1.644	151.8
		50	13,428.0	106.31	250.23	.792	1.864	1.072	135.4
75	55.95	20	8,056.8	99.03	224.50	1.229	2.786	1.557	126.7
		30	12,085.2	119.17	264.78	.986	2.191	1.205	122.2
		50	20,142.0	159.46	345.21	.792	1.714	.922	116.4
100	74.60	20	10,742.4	129.82	279.32	1.208	2.600	1.392	115.2
		30	16,113.6	156.68	333.04	.972	2.067	1.095	112.7
		50	26,856.0	207.12	433.60	.771	1.615	.844	109.5
200	149.20	20	21,484.8	209.64	236.33	.976	1.100	.124	12.7
		30	32,227.2	259.79	354.50	.806	1.100	.294	36.5
		50	53,712.0	324.24	581.48	.604	1.083	.479	79.3
300	223.80	20	32,227.2	289.47	354.50	.898	1.100	.202	22.5
		30	48,340.8	344.68	525.08	.713	1.086	.373	52.3
		50	80,568.0	441.37	858.18	.548	1.065	.517	94.3
500	373.00	25	67,140.0	474.19	722.47	.706	1.076	.370	52.4
		50	134,280.0	675.61	1,361.02	.503	1.014	.511	101.6
		90	241,704.0	997.88	2,306.98	.413	.954	.541	131.0
750	559.50	25	100,710.0	666.29	1,058.89	.662	1.051	.389	58.8
		50	201,420.0	968.42	1,964.57	.481	.975	.494	102.7
		90	362,556.0	1,451.82	3,334.23	.400	.920	.520	130.0
1,000	746.00	25	134,280.0	858.38	1,361.02	.639	1.014	.375	55.9
		50	268,560.0	1,261.22	2,535.26	.470	.944	.474	100.9
		90	483,408.0	1,905.76	4,361.47	.394	.902	.508	128.9
2,500	1,865.00	25	335,700.0	2,010.95	3,105.95	.599	.925	.326	54.4
		50	671,400.0	3,018.05	5,959.40	.450	.888	.438	97.3
		90	1,208,520.0	4,629.41	10,524.92	.383	.871	.488	127.4
5,000	3,730.00	25	671,400.0	3,931.90	5,959.40	.586	.888	.302	51.5
		50	1,342,800.0	5,946.10	11,666.30	.443	.869	.426	96.2
		90	2,417,040.0	9,168.82	20,797.34	.379	.860	.481	126.1
10,000	7,460.00	25	1,342,800.0	7,773.80	11,666.30	.579	.869	.290	50.1
		50	2,685,600.0	11,802.20	23,080.10	.439	.859	.420	95.7
		90	4,834,080.0	18,247.64	41,342.18	.377	.855	.478	126.8
15,000	11,190.00	25	2,014,200.0	11,615.70	17,373.20	.577	.863	.286	49.6
		50	4,028,400.0	17,658.30	34,493.90	.438	.856	.418	95.4
		90	7,251,120.0	27,326.46	61,887.02	.377	.853	.476	126.3
20,000	14,920.00	25	2,685,600.0	15,457.60	23,080.10	.576	.859	.283	49.1
		50	5,371,200.0	23,514.40	45,907.70	.438	.855	.417	95.2
		90	9,668,160.0	36,405.28	82,431.86	.377	.853	.476	126.3

Mr. NORRIS. I desire to comment on this table.

We have heard it said so often, "These municipal plants and this Canadian municipal company"—a publicly owned company; it is not municipal—"give the domestic consumers the advantage. They do not give the power consumers a fair show." I have shown you about Los Angeles having power from her municipal plant 12 per cent cheaper than San Francisco from the privately owned plant. Now I am going to compare the rate charged for power—this is purely a power proposition—at Tacoma, from the municipal plant, with the rate charged for power by the Alabama Power Co. I have a table here running from 10 horsepower all the way up to 20,000 horsepower by easy stages, showing just what it would be in each place.

Let us take the case of a small user of power, and assume that he had 10 horsepower, and let us assume that the load factor is 15 per cent. That is a very low load factor. That is, he would be using it only 15 per cent of the time. The man in Tacoma who used that 10 horsepower for a month would have had to pay $11.86. If he had bought it from the Alabama Power Co. in Birmingham, Ala., he would have had to pay $25.36. You can take your choice. The privately owned plant is a beautifully equipped one, with all the incidents of efficiency; but the poor, neglected consumer has to pay more than twice the amount for power supplied by the Alabama Power Co. that he would have had to pay at this wretched municipal plant out in Tacoma. It is an awful thing, is it not? Suppose we say 25 per cent load factor, with the same 10 horsepower. He would have had to pay to the municipal plant in Tacoma $14.54, but the Alabama Power Co. would have charged $48.05 for the same service. That would have been an increase of 230.4 per cent.

Suppose, again, that there was a 40 per cent load factor, that he was using the current 40 per cent of the time. He would have had to pay in Tacoma $18.57. He would have had to pay the Alabama Power Co. $64.16, a difference of 245 per cent.

Suppose this consumer was going to take a hundred horsepower under a 20 per cent load factor. In one month that much power, if he had gotten it from the Tacoma municipal plant, would have cost him $129.82, and if he had bought it from the Alabama Power Co., it would have cost him $279.32, an increase of 115 per cent.

Suppose he wanted a thousand horsepower. That would have cost him at Tacoma $7,773.80 on a 25 per cent load factor. The Alabama Power Co. would have charged him $11,666.30, an increase of just a little bit over 50 per cent.

Suppose he wanted 20,000 horsepower, and he wanted it on a 90 per cent load factor, using it 90 per cent of the time. It would have cost him in Tacoma, from the municipal plant, $36,405.28; but the Alabama Power Co. would have charged him $82,431.86, an increase of 126 per cent. That is power comparison.

I want to add that I am going to consider taxes in this comparison. It is said that the Alabama Power Co. pays taxes, and that those taxes must be considered in figuring what it charges for service. That is true, I admit; but out in Tacoma the municipal plant pays what is equivalent to taxes to meet the tax argument. They pay 5 per cent of their gross receipts to the treasury for taxes. I want to read from their report. In 1925 that municipal plant paid $77,730 in lieu of taxes. They have paid, commencing back in 1917, when they paid $28,219.02 in taxes, increasing every year, because their business increased, until in 1925 they paid over $77,000 in lieu of taxes.

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

Mr. NORRIS. Certainly.

Mr. CARAWAY. How much is the investment worth?

Mr. NORRIS. I have the figures here somewhere.

Mr. CARAWAY. If it is not convenient, I will not bother the Senator.

Mr. NORRIS. I have the figures here in this book, but I do not know that I have the place marked, and I could not give the figures from memory.

Mr. CARAWAY. Somebody has to furnish the capital on which the municipal plant operates?

Mr. NORRIS. Yes; and they are paying interest on all the capital. They borrow money to carry on, and are paying the debt off; and included in these rates is an amortization fee, to pay off the principal of money they have borrowed.

Mr. CARAWAY. Is the overhead, the pay of the men, supervision, and all those things, borne by the plant, or is it borne by the municipality?

Mr. NORRIS. Oh, yes; it is all paid by the system itself. I think it is Tacoma, perhaps of some other town the statistics of which I have here, but I have the statistics of one town where the system is supplying electricity, and even paid rent to the city for the rooms it occupied in the city hall.

The taxes paid for the year 1925 by the private power companies amounted to 4.86 per cent of their total gross revenues. This amount can be contrasted with the 5 per cent which the city of Tacoma pays to its general fund which last year amounted to more than $80,000.

Few people realize that Tacoma's municipal plant pays a 5 per cent gross revenue tax into its general fund each year, which appears to be a greater tax than is paid by the private power companies in this State. In face of this it is incontrovertible that Tacoma's power and light

rates are the lowest in the United States, taken as a whole; you, of course, realize why; the reasons are set out more fully in one of my inclosed articles under the caption of "Financing causes high power rates."

That is from a letter written by Kenneth G. Harlan, public-utility engineer—and incidentally I want to say that Mr. Harlan prepared the table from which I have been reading and which I will print in the RECORD.

In 1925 the Tacoma plant, after paying all the expenses, including 5 per cent in lieu of taxes——

Mr. SHORTRIDGE. Five per cent in lieu of taxes?

Mr. NORRIS. Yes. Under the law they are not taxed, but in order to meet the tax argument the charter provides that they shall pay 5 per cent of their gross revenue into the treasury of the city.

Mr. SHORTRIDGE. In lieu of taxes?

Mr. NORRIS. Yes. Their surplus in 1925 was $914,862.39. That was for one year. They have had a surplus every year since 1917, exceeding in each year $250,000, and in only one year was the surplus less than $300,000, and in only one year was it less than $400,000 during all those years.

Mr. SHORTRIDGE. May I ask the Senator another question?

Mr. NORRIS. Certainly.

Mr. SHORTRIDGE. Did that surplus go into the general fund of the city?

Mr. NORRIS. No.

Mr. SHORTRIDGE. What became of it?

Mr. NORRIS. That is kept in its business, of course. I suppose they take that surplus and use it to build additional plants, to extend the service, and so on. It represents, in reality, their profit, after setting aside the depreciation and all that.

Mr. SHORTRIDGE. But it is money belonging to the city?

Mr. NORRIS. Of course, the plant is owned by the city. The plant is owned by the city, but operated by a company.

Mr. SHORTRIDGE. The company retains that surplus as the legitimate profit arising from the operation of the plant?

Mr. NORRIS. Oh, yes; it goes into the business.

I want now to read from an article by Mr. Bone, the general counsel for the Port of Tacoma. I may say to the Senator from California that I may be wrong about it, but I think the technical, legal name of the activity that furnishes the electricity is the "Port of Tacoma." It is a sort of incorporated concern, incorporated to carry on this business, all owned, of course, by the city. Mr. Bone is general counsel for the Port of Tacoma and the municipal corporation which operates the port terminals in the Washington city. Here are some of the things he says:

A clerk in the offices of the grand lodge consumed 70 kilowatt-hours of electricity in October, for which he paid $4.38 to a private Power Trust.

He could have secured the same amount of "juice" from the municipal plant in Tacoma for $1.54.

In other words, he contributed to the Power Trust in October $2.84, or about $34 a year.

Tacoma's publicly owned light plant is saving her citizens over $3,000,000 annually.

If Tacoma raised its rates to meet the price charged in its neighboring city, Tacoma could cease to collect taxes and make the light department run the city—

That is mathematically true.

On July 1, 1926, the base rate was again lowered to 4½ cents. The second rate is 1 cent and the third rate is one-half cent. There are 30,000 light customers. The rates above noted cover house lighting, cooking, and accessories of all kinds. Taking all of these homes, the average consumption at the base rate is 32 kilowatt-hours per month. Many of the small homes get the 1-cent rate after using 20 kilowatt-hours of service.

The home of the writer is very large and must consume 54 kilowatt-hours at the base rate before getting the 1-cent rate. In January, this home consumed 628 kilowatt-hours for lighting, cooking, and accessories. The bill for this service would be as follows:

54 kilowatt-hours, at 4½ cents	$2.43
574 kilowatt-hours, at 1 cent	5.74
628 kilowatt-hours	8.17

or about 1⅓ cents per kilowatt-hour for all current used.

Tacoma also gives a rate of one-half cent for house heating, which is on a separate circuit.

Listen to this:

And some 2,700 homes use electric heat, many of them being without chimneys. Dirt is banished by the magic of "white coal." Thousands of electric ranges are in use and more are being added daily. The range goes on the lighting circuit, and practically all of the range current is at the 1-cent rate, which drops to one-half cent after using 800 kilowatt-hours.

So, Mr. President, I might go on almost without limit.

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

Mr. NORRIS. I yield.

Mr. HARRIS. One of the points of opposition raised against this measure is that it would put the Government into business. I am sorry I missed part of the Senator's remarks, and I am wondering whether he has shown that the Government has been in business for nearly a hundred years in manufacturing munitions other than nitrates at the Frankford Arsenal, at Rock Island, and near Washington, and at a number of other places. I wonder if the Senator has brought that out.

Mr. NORRIS. No; I will say to the Senator that I have not brought that out, and I will be very glad if he would do so. Some time ago I referred to the fact that I had been taking up so much time of the Senate that I had cut out a good many things I wanted to say. I would be very glad, indeed, if the Senator himself would take up that subject and discuss it.

Mr. HARRIS. I have asked the War and Navy Departments to give me information as to what the Government is doing along that line. This is not a new development.

Mr. NORRIS. Mr. President, I am going to take up the city of Springfield, Ill., where they have municipally owned electric-light plant. I have before me the report for the year ending February 28, 1927. I have a later report, but I made my calculations on the basis of this report before I received the later one. They are practically the same, however.

The Springfield, Ill., plant is owned by the city of Springfield. In the vicinity of Springfield are several other cities, and I want to compare the rates charged for electricity in Springfield with the rates charged in the other cities in that vicinity in Illinois, all of them privately owned, and, I think, every one of those cities supplied by corporations dominated by Mr. Insull, who, it will be remembered, was recently trying to convince the Senate that he was entitled to buy a seat in this body for his special favorite. It is interesting to know that this man Insull comes in competition, not directly but in a way, with the municipally owned plant at Springfield.

Let us take a bill for 150 kilowatts of lighting or domestic service, a bill of 1,500 kilowatts of commercial service, and a bill for 4,000 kilowatts upon the power-service basis and compare them in all these cities. I want to compare the domestic service, the commercial service, and the power service.

For 150 kilowatts on the lighting service in Springfield, Ill., the customer would have to pay $5.28. If he lived in Bloomington, Ill., where Mr. Insull, under the blessed private initiative scheme, lives and operates and dominates, he would have to pay $15. If he lived in Danville, Ill., where Mr. Insull likewise, I presume, controls the situation, he would have to pay $11.25. If he lived in Decatur, Ill., he would have to pay $15. In East St. Louis he would have to pay $7.43; in Elgin, Ill., $15; in Peoria, $6.84; in Quincy, $9.75; in Urbana, $13. Remember that the same man in Springfield, Ill., would have to pay only $5.28.

Suppose that man was in business and taking light as a commercial customer and consumed 1,500 kilowatts per month. In Springfield, Ill., it would cost him $30. In Bloomington, Mr. Insull's blessed prerogative, it would cost him $100.50; in Danville, $84; in Decatur, $96; in East St. Louis, $64.97; in Elgin, $73.12; in Peoria, $55.28; in Quincy, $58.50; in Urbana, $97.50. I hope that Senators have not forgotten that the bill for the same service in Springfield, Ill., would be $30.

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

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

Mr. NORRIS. Certainly.

Mr. SHIPSTEAD. The Senator realizes, of course, that the responsibilities and duties of a sovereign require that he levy taxes of some kind. A man who has aspired to sovereignty and achieved sovereignty certainly must have some way of supporting his system of government.

Mr. NORRIS. Of course. If Mr. Insull paid $125,000 toward the candidacy of Mr. Smith, who had supervision over all these towns to which he furnished electricity, he had to get it back in some way, and so the poor people in Bloomington and Decatur and the other towns I have named had to bear the burden and pay the bill, as they always do. The big fellows never pay the bill. The customers pay the bill. Add 2 cents, and lo! it all comes in as by magic. It is easy.

Mr. SHIPSTEAD. Sovereigns do not like to have other people look into their affairs.

Mr. NORRIS. No; that is true.

Mr. SHIPSTEAD. They stand upon their rights as sovereigns. They do not like investigations.

Mr. NORRIS. I would like to go on with this comparison just a little further. Suppose we were buying power and we consumed 4,000 kilowatts per month. The Springfield municipal plant would charge us $68. In Bloomington, Ill., if we lived there and got our power from Mr. Insull, we would pay $166 for the same thing; in Danville, $142; in Decatur, $162.50; in East St. Louis, $101.89; in Elgin, $213; in Peoria, $98.10; in Quincy, $118; in Urbana, $174; all of which could have been bought in Springfield, Ill., of this much-hated and much-despised municipally owned plant for $68.

We talk about manufacturing, we talk about wanting to make goods cheaply so the consumers of the country will not be overcharged, and so we can compete with foreign competitors, and yet it will be insisted that we pay such prices for power to these privately owned corporations that are spending your money and my money in trying to corrupt the Senate of the United States and buy seats here. Some people insist on giving them $2 for this service instead of getting it for $1 or less from a municipally owned plant like they have in Springfield, Ill. Oh, consistency, you are fled to the woods! There is no consistency left.

If we want to advance in industry, if we want to be able to compete in foreign markets, it behooves us that we should say to the Water Power Trust in Illinois, represented by Insull, "Your control over politics in the Government of the State and of the Nation is ended, and we are going to do business on a fair and honest scale. We will not listen longer to this condemnation of governmental inefficiency when you yourselves are the most inefficient of any concern that can possibly be brought into public view."

Mr. SHIPSTEAD. The Senator would not confine that to Illinois, would he?

Mr. NORRIS. Oh, no; I would not confine it to Illinois.

Mr. SHIPSTEAD. I thought the Senator said Illinois.

Mr. NORRIS. Oh, Mr. Insull does not confine himself to Illinois, either.

The Springfield municipal plant had a very hard time in the beginning. They had the same experience that all municipal plants have had. I think I have among my papers a statement with reference to the lawsuits in which they became involved. The privately owned concerns always commence injunction proceedings and all kinds of litigation and obstruct municipal plants in every way possible. They go into politics and denounce as a Bolshevik or something worse the man who says, "I want a municipal plant." They go into the courts, and the litigation goes to the Supreme Court of the United States, for all of which the people have to pay on both sides, because the privately owned plant with almost unlimited expenses gets every cent of its income from the pockets of the people who consume electricity, which goes into every home, and goes to every student working his way through college, and to everybody else who consumes electricity. In the budget of every workingman's home and every business man's home everywhere in the United States are found these exorbitant rates, made in many instances as a result of the use of the flowing water which God has placed on the mountain tops and which delivers its unseen power into our homes and puts money and profit into the coffers of the rich as it trickles down the mountain side and turns itself into what we call electricity.

Let us see what are the rates in Springfield, Ill. The first 30 kilowatts cost 6 cents each, the next 70 cost 3 cents each, and all over 100 kilowatts cost 2¾ cents per kilowatt, with a minimum monthly bill of 50 cents. If this municipally owned utility once gets out of debt, as it is rapidly doing, those rates of course will be reduced much further. They have a separate rate for cooking of 1½ cents per kilowatt-hour. That is what the people pay for cooking in Springfield, Ill., if they are getting current from the municipal plant.

The street lighting, water, and electric rates per kilowatt-hour are 2 cents, and if we figure it out it will be found that that is very cheap. The lighting rates in force at the time the municipal plant in Springfield, Ill., was established were 13 cents for the first 30 kilowatts, 9 cents for the next 30 kilowatts, and 6 cents for all over 60 kilowatts, less 10 per cent discount for prompt payment.

I want to read from an article in a newspaper published in Springfield, Ill., entitled "A wicked public ownership," as follows:

> A distinguished public-utility magnate is quoted in the press as declaring that public ownership is "wicked." If that be true, Springfield, the capital of Illinois, is an example of extreme and continuing wickedness.
>
> In 1894 some public-spirited citizens of that town got together and subscribed $60,000 to build a plant for street lighting, to escape the extortion of the private corporation which then had a monopoly. The plant paid for itself in five years and then was donated to the city. This, from the corporation point of view, is appalling wickedness. It should have been capitalized at "reproduction cost" and unloaded on the community in that form.
>
> For 21 years the plant continued lighting the streets. Then, in 1915, Willis J. Spaulding became manager and started in on commercial lighting and power distribution. By 1925 the city had secured 11,637 customers and had cut the rate for lights from 13 cents per kilowatt-hour to 6 cents. Obviously this is worse wickedness and more of it.
>
> But that is not all. Instead of running behind, as publicly owned plants are supposed to do to suit corporation arithmetic, the public plant of Springfield is making money. It earned $115,000 above all charges in 1924 and $159,000 in 1925. This surplus—about $2 per year for each man, woman, and child in the city—belongs to the people instead of to a corporation. In addition the plant saved the people $549,000 in 1925 through reduced rates. Samuel Insull would agree that this is unparalleled wickedness!

In other words, the people of Springfield are saving more out of their water and electric plants than their city government costs them. Words fail to describe such wickedness.

Mr. President, I shall take up a branch of the tax question now. I am sorry that my good friend the senior Senator from New Jersey [Mr. EDGE] is not present, because I want to refer to a town in his State. South River, Mr. President, in New Jersey, is called——

Mr. EDGE entered the Chamber.

Mr. NORRIS. I am glad to see that the Senator from New Jersey is now present.

South River, in New Jersey, is called "The town with no local tax." I have here [exhibiting] a picture of a billboard that is on the outskirts of the town. When one is driving into that beautiful place, he sees by the side of the highway that billboard with the legend, "The town with no local tax—South River."

Mr. EDGE. It is to be congratulated, is it not?

Mr. NORRIS. It is, indeed. The billboard further reads:

> Electric light, water, sewers, garbage collections, paved streets, gas, etc.; water front and railroad connections; ideal residential town; manufacturers investigate before locating elsewhere.

That is South River, N. J. I hardly know how it can be in the same State in which the Senator's home is located, but it is. For electric light the municipally owned plant in South River does not charge any more nor any less than is charged in adjoining cities, but that municipal plant makes so much money that the town levies no tax. We are always told that these measly, inefficient municipal plants do not pay. Here is one that makes such profit that the town does not have any local taxes to pay. Nobody pays taxes in South River for municipal purposes. The people there merely pay their electric-light bills at the same rate that citizens in neighboring towns pay, and they make so much money that they do not need to tax themselves. That is in New Jersey.

Mr. EDGE. Mr. President, has the Senator from Nebraska the figures that would warrant his statement that the profit on the electric-light system is the only income that the people have which produces that utopian situation where no one is compelled to pay taxes?

Mr. NORRIS. I have the figures, and I am about to produce them.

Mr. EDGE. I shall be delighted to hear them.

Mr. NORRIS. They charge for some things. I suppose if I went there to sell something on the street, I would have to pay a license; I have an idea I would, but I do not know. However, South River is a taxless town. It owns and operates its electric-light and water-supply systems. The net income from these public utilities is sufficient to provide the funds required for the municipal budget. The rates charged for electric light and city water service are the same as the charges in adjoining towns which are supplied by private companies. Both the electric and water systems are modern installations, well maintained and efficiently operated. They have efficiency in these publicly owned electric-light plants even in New Jersey.

Mr. EDGE. We usually have efficiency in the conduct of municipal affairs in New Jersey.

Mr. NORRIS. When the Senator finds out how efficient the municipally owned plant in South River is he will have to change his ideas, I am afraid, about some things. Let me give the Senator some figures.

Mr. EDGE. I do not know that the Senator from Nebraska is entitled to state the ideas of the Senator from New Jersey.

Mr. NORRIS. I shall not try to do so.

Mr. EDGE. The Senator from New Jersey himself usually states his ideas when it is necessary to do so.

Mr. NORRIS. I shall be willing to concede that right to my friend. If I misstate his position I want to be corrected.

I will tell the Senator just where South River is, so that he may visit that town. South River is located midway between New Brunswick and Perth Amboy, in New Jersey, on the South River, giving the town direct water transportation to New York.

The town covers an area of 8 square miles, and has a population estimated at over 10,000. Its leading industries are needle work, laces, embroideries, and its manufacturing establishments principally clay products, such as hollow tile, stucco, and enameled brick. The electric power and light and the city water service are supplied by the city, which owns and operates these two public utilities. Electric power is generated by two Diesel engines—they do not even have water power there—of 520 horsepower and 720 horsepower, respectively. A third engine of 1,150 horsepower, with building capacity for a duplicate unit, is now being installed, making the ultimate capacity of the plant 2,520 horsepower, or approximately 2,000 kilowatts.

Mr. FLETCHER. Mr. President, will the Senator allow me to interrupt him?

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

Mr. NORRIS. I yield.

Mr. FLETCHER. I take it that the fuel used there is oil.

Mr. NORRIS. Yes.

Mr. FLETCHER. And the town being on the water, they have water transportation for their oil, and get it at a very reasonable rate.

Mr. NORRIS. I suppose they do.

Electric service is sold at rate schedules closely approximating the rates for similar service furnished by the public utilities to adjoining towns which are served from the system of the Public Service Co. of New Jersey and the Eastern New Jersey Power Co. The rate schedules are compared, as follows:

Residence lighting in South River for first 500 kilowatt-hours, 9 cents; Public Service Co. rates in adjoining towns, first 20 kilowatt-hours, 9 cents.

The rates, then, run a little differently; the next steps being—

South River: Next 500 kilowatt-hours, 8.1 cents; next 1,000 kilowatt-hours, 7.2 cents.

Public Service Co.: Next 30 kilowatt-hours, 8 cents; next 700 kilowatt-hours, 7 cents.

The price of retail power in South River for first 100 kilowatt-hours is 8.1 cents; for the first 20 kilowatt-hours furnished by the Public Service Co., use of demand, the rate is 9 cents. The rates are practically the same, although the rate of the South River plant, first step, is for a hundred kilowatt-hours, while for the private company the first step is only 20 kilowatt-hours.

For the next 50 kilowatts the privately owned company charges 5 cents, while for the next 900 kilowatts the South River plant charges 7.2 cents. It would be necessary to figure out bills in order to know which charge was the greater. In other words, the people of South River are undertaking at their plant to charge the same rates that consumers elsewhere in New Jersey have to pay. The engineer who made this comparison for me has figured it out and shows that there is practically no difference in the cost to the consumer of either domestic or commercial consumption of electricity.

Mr. HARRISON. May I ask the Senator what is the cheapest rate for industrial power from the municipally owned plant?

Mr. NORRIS. I do not know whether I can give the figures. As to wholesale power, the charge for the excess above 10,000 kilowatt-hours in the case of the South River plant is 2.7 cents, while in the case of the privately owned plant the charge for the excess above 7,000 kilowatt-hours is 1 cent. It will be found, however, if the figures are run down that in some of the lower schedules much more electricity is allowed.

I was just about to read the result of an analysis made by Mr. Rau, who, in my judgment, is one of the best electrical engineers in the United States, a man of national, if not international, reputation. After citing all the figures, he says:

These comparisons indicated that the cost of electric service to domestic consumers is from 10 to 15 per cent less than that charged by the private companies and to the retail and wholesale power consumers from 10 to 15 per cent more.

In other words, as he works out the figures they practically equalize. He says that the domestic consumer gets 10 or 15 per cent the advantage from the municipally owned plant and the power consumer gets from 10 to 15 per cent advantage from the privately owned plant.

But he explains that as follows:

This latter condition, however—

That is, the difference in the cost of power—

affects very few consumers in a town such as South River, there being only three consumers who would receive a lower rate from the private companies on the wholesale power schedule in South River.

The electric plant generated during the year 1926 something like 3,112,850 kilowatt-hours, and the sales were as follows:

I have the table of sales made, the load carried, and all the details, which probably would not be interesting either to the Senate or to the ordinary reader.

Gross operating revenue for the year 1926 was $135,494.67, subdivided as follows:

Paid to electric department by the city:	
Pumping plant	$14,590.00
City street lighting	5,244.68
Electric lighting (estimated 8 cents)	56,501.68
Commercial power (estimated 4½ cents)	59,158.31
Total	135,494.67

Gross revenue per kilowatt-hour generated, 4½ cents.

Operating expenses per kilowatt-hour generated, 1.8 cents.

Gross revenue per kilowatt-hour sold, 5¼ cents.

Operating revenue per kilowatt-hour sold, 2.2 cents.

And out of it comes "the taxless town"!

Total fixed capital in electrical department at the close of 1926 was $300,042.48, of which $117,500 is a funded debt at 5 per cent interest, for which a sinking fund of $8,000 must be set aside each year.

You see, they are paying off their debt. They are setting aside, over there in New Jersey, $8,000 each year as a sinking fund; and here is the financial computation:

Interest and sinking-fund charges are therefore $13,875.

Fixed charges per kilowatt-hour sold, one-half cent.

Net earnings, exclusive of other fixed charges, per kilowatt-hour sold, 2.55 cents.

The gross operating income from the city water department for 1926 was $11,706.32.

The total net income from the electric and water departments was $80,348.84.

The income from these two public utilities, in addition to collection of local licenses and other sources, was more than necessary to provide the funds required under the town budget; therefore the slogan, "The town with no local tax."

Mr. EDGE. Mr. President, if the Senator will permit an interruption——

Mr. NORRIS. Yes.

Mr. EDGE. I just want to express my personal appreciation of the Senator's commendation of the municipal management of that town and to supplement that by the statement that, according to my general recollection, there are a number of towns in New Jersey, including my home town of Ventnor, where the water department is owned by the municipality and conducted, I think, in a very economical and businesslike manner. I think that is quite possible in various cases throughout the country. I join with the Senator in recognizing such management as that and approving of it.

Mr. NORRIS. I thank the Senator most sincerely for his commendation of my course. It is the first time that I have ever known him to approve it publicly.

Mr. EDGE. I was limiting the commendation for the moment to the evidence that the Senator had produced in my hearing.

Mr. NORRIS. Oh, I am not going to hold the Senator liable. I will let him change his mind to-morrow if he wants to, and the next time he speaks in favor of this beautiful private efficiency I want him to think of South River, over in his State, where they levy no tax. The next time he is opposing something that I want on the ground that public ownership pays no taxes, I want him to think of South River.

Mr. EDGE. The Senator will always consider these exceptions where unusual management has made possible these very satisfactory results and still be opposed to the general principle.

Mr. NORRIS. Oh, I had no such thought as converting the Senator. He is too hard-boiled. I do not expect to convert him; but I am glad to get the admission out of him that even in rock-ribbed corporation New Jersey it is possible that there should be a town so efficiently managed that its officials operate it without levying any taxes.

Mr. EDGE. The Senator should emphasize his commendation that New Jersey does produce those results.

Mr. NORRIS. I am trying to do it.

Mr. EDGE. Perhaps he can not demonstrate similar results in some other States of the Union.

Mr. NORRIS. Yes; I can demonstrate it in a good many places, but I am extremely delighted to demonstrate it in New Jersey.

Mr. HARRISON. Mr. President, is the Senator sure that the town is not named "Salt River" instead of "South River"? I was thinking that if the name was "Salt River" the Senator would not invite the Senator to make a visit up there.

Mr. EDGE. I might add, too, for the benefit of the Senator from Mississippi, that South River is one of the very, very strong Republican cities, with a Republican mayor and a Republican municipal government.

Mr. NORRIS. That is another thing I am delighted to hear. It comes so seldom from Members of this body that I am glad to have testimony to my Republicanism, that I am lauding a city over here whose officials are looking after their people so efficiently that they do not need to levy a tax, and they are all Republicans. I am delighted to hear it. Nothing has pleased me more for a good while. I did not know that before.

Mr. EDGE. Mr. President, as I understand, the Senator now classifies our school of thought as the radicals and his school of thought as the conservatives. Is that the new designation?

Mr. NORRIS. I had not classified it.

Mr. EDGE. I thought I understood the Senator to say something like that in some previous speech.

Mr. NORRIS. Perhaps I did say something of that kind; but, like the Senator from New Jersey when he commends my course, I reserve the right to change my mind and to take the other side.

Mr. President, I have a letter here about New Jersey. It is headed, "Is south Jersey paying for South America's electricity?" I ought to read some of it, I think. This is a letter written to the Board of Public Utility Commissioners of New Jersey.

Mr. FLETCHER. Mr. President, the Senator will bear in mind that one of the headquarters of the Cyanamid Co. is in New Jersey.

Mr. NORRIS. Yes; but it is not at South River.

BOARD OF PUBLIC UTILITY COMMISSIONERS OF NEW JERSEY.

GENTLEMEN: In your annual report for 1927 to Governor Moore, just made public, you take a strong stand against Federal control of interstate electric power lines.

After discussing the rapid extension of such power lines, by which New Jersey draws her current from sources in Pennsylvania, Maryland, and New York, you say:

"It is respectfully suggested that any legislation proposed to centralize, in a Federal bureau, regulation of interconnected companies should be strongly opposed * * *. The board believes the citizens of the State, fully informed of the facts, would not be in favor of Federal regulation of any detail of the electrical industry which the State can regulate for itself."

What are the "facts" which would turn citizens of this State against Federal control?

Why not supplement your report to the governor with a report of these "facts"?

In this supplementary report we would like you to answer a few questions.

Are not electric rates much higher in New Jersey than in Pennsylvania and New York?

How is it that Camden pays so much more than Philadelphia, although both cities receive their "juice" from the same power plants of the Philadelphia Electric Co.?

It is difficult for the layman to compare electric rates, as each company has its own system of charges. We appreciate that different businesses require different connected and peak loads. But here is a "fact" which you may incorporate in your supplementary report:

Two similar plants of the same size and operating the same hours in Camden and Philadelphia, compared bills for electricity a few months ago. The Philadelphia plant used 52,000 kilowatt-hours, and its bill was less than $1,000. The Camden plant used 50,000 kilowatt-hours, and its bill was $1,900, less juice at nearly double the cost.

And so it goes on; a demonstration, I think, of the fact that privately owned and operated electric-light plants do what it is natural for human nature to do, and that is to charge all that the traffic will bear; and unless we can have standing out outposts, as we do have, of municipally owned plants where we have exhibitions of efficiency and of cheapness and of utility, we shall be helpless in the hands of an electric-light trust. We owe more to these cities that have demonstrated what is possible in electricity than we do to any other source.

I have called your attention, Mr. President, to instances where the charges for electric-light service would be, if everything else were equal, the difference between success and failure; where in Springfield, Ill., you can get power from the municipal plant for manufacturing purposes more than 50 per cent cheaper than in any of the surrounding cities supplied with electricity from privately owned utilities; and the claim is always made, "Why, the private companies pay taxes and the municipal plants do not."

In addition to what I have already said about taxes in reference to these other plants, I want now to take up the question of taxes and show that it is mostly a bugaboo. It is conceded that a private company must add the taxes that it pays to the price of the current it sells. That is right. It is conceded that as a rule municipal plants do not pay taxes; and whatever that difference is it is perfectly proper to give it the weight and the consideration it is entitled to; but how much is it entitled to?

I have had figured out for me by an engineer the cost per kilowatt-hour of taxes in some of the leading cities of the United States, and I have this result:

New York, which has an average domestic rate for consumers of electricity of 6.72 cents per kilowatt-hour, supplied by a private corporation, pays per kilowatt-hour two hundred and fifty-three one-thousandths of a cent. That is what the taxes amount to that the company pays that supplies New York City with electricity—two hundred and fifty-three one-thousandths of a penny on each kilowatt-hour; and that is the largest of the list that I have.

In Detroit, the private company supplying that city with electricity pays, for each kilowatt-hour it sells, one hundred and fifty-two one-thousandths of a cent. That is practically one and a half mills. It is lost in the equation, and so is every other one.

Philadelphia, supplied with electricity by a privately owned corporation, taxes that corporation on every kilowatt-hour seventy-three one-thousandths of 1 cent. That is so small that on the ordinary bill you could not figure it out in a week. It would make only a few cents difference to every customer in an entire year.

Pittsburgh, likewise supplied by a private corporation, makes that corporation pay taxes, and those taxes amount to sixty-one one-thousandths of a cent on each kilowatt-hour of current that it makes and sells.

Mr. SHIPSTEAD. Mr. President——

The PRESIDING OFFICER (Mr. SACKETT in the chair). Does the Senator from Nebraska yield to the Senator from Minnesota?

Mr. NORRIS. I do.

Mr. SHIPSTEAD. What corporation is that?

Mr. NORRIS. That is the corporation that supplies Pittsburgh, Pa., with electricity. I do not know what its name is. I have not the name here.

Mr. SHIPSTEAD. Is that a corporation that buys electricity?

Mr. NORRIS. Oh, no, no. It is just such a corporation as we have here in Washington. I am going to take up Washington pretty soon. The city of Washington is supplied with electricity by the Potomac Electric Power Co. It pays taxes, and it tries to make us believe that if it had no taxes to pay it could meet these municipal rates. I am showing how much the taxes amount to on each kilowatt-hour of electricity that it sells.

Chicago is supplied with electricity by a private corporation, and that poor corporation pays taxes to the amount of one hundred and fifty-two one-thousandths of 1 cent on each kilowatt-hour.

The West Penn is a corporation that supplies a lot of cities in the vicinity of Pittsburgh with electricity; I do not know how many, but quite a number. It is a privately owned corporation and, of course, has to pay taxes, and those taxes amount to thirty-two one-thousandths of a cent per kilowatt-hour of electricity. In other words, if the customers were able to deduct the taxes the company pays, they could reduce the rate per kilowatt-hour thirty-two one-thousandths of a cent.

Mr. SHIPSTEAD. That would be taxes paid to the visible government?

Mr. NORRIS. Yes.

Now, I have the figures for the city of Washington, taxes paid in the city of Washington, including the Federal income tax, paid by the Potomac Electric Power Co. This is startling, in reality, and I will have to figure it out to see where I am going in my decimals. It amounts to five hundred and ninety-four ten-thousandths of a cent, less than a mill. Your numer-

ator is 594 and your denominator, if you want to put it in common fractions, is 10,000. That is the fraction of a cent this great corporation pays on each kilowatt-hour of electricity that it supplies us. So that if they did not have to pay taxes, they could reduce the rate five hundred and ninety-four ten-thousandths of a cent on each kilowatt-hour they sell us. We would have to keep on getting electricity, if that were the difference, for an ordinary lifetime, in order to get enough of the savings to buy an ordinary meal in an ordinary hotel in the city of Washington. If those taxes do not include Federal income taxes, as some people think, because income taxes are levied on net incomes, then the amount they pay as taxes on each kilowatt-hour is one hundred and eighty-nine ten-thousandths of a penny.

So, after all, Mr. President, these taxes should not make us feel so tender-hearted toward the people who have to pay them, because when you figure it out in terms of the kilowatt-hour that is supplied us, the amount of tax paid by the private company is so small that it is lost entirely in the equation, and if they paid no taxes whatever, the rate they charge us would be exactly the same as it is now. If the taxes were doubled, still the amount as applied to a kilowatt-hour would be so small that nobody would even think of it.

LOAN OF FIELD GUNS TO DALLAS, TEX.

Mr. SHEPPARD. Mr. President, I ask unanimous consent for the immediate consideration of Senate bill 2820, authorizing the Secretary of War to donate certain field guns to the city of Dallas, Tex.

Mr. McKELLAR. Has the bill been favorably reported?

Mr. SHEPPARD. It has been favorably reported by the Committee on Military Affairs. It has the approval also of the War Department.

Mr. WILLIS. Mr. President, I have been trying to get some guns for various cities in Ohio, and was told that there was a general provision in the statutes under which we had to proceed. I was wondering what special dispensation the able Senator from Texas had secured.

Mr. SHEPPARD. Mr. President, the statute to which the Senator refers has reference to guns captured during the World War. The guns covered by this measure were used by the National Guard at Dallas, Tex., for 10 or 12 years prior to the war. When the late war began, new guns were given the guard to take to France, and these guns were stored in a Federal arsenal, where they remain to-day.

Mr. WILLIS. They have been captured by the Senator.

Mr. SHEPPARD. Yes; if the Senator wishes to put it that way.

Mr. WILLIS. Very well; I am satisfied.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on Military Affairs with amendments, on page 1, line 4, to strike out the word "donate" and insert the words "loan without bond"; on line 7, to strike out the word "mark" and insert the word "model"; and on line 9, after the numerals "1917," to insert a comma and the words "until such guns may be needed for national defense," so as to make the bill read:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized and directed to loan without bond, without expense to the United States, to the city of Dallas, Tex., for the purpose of display in the State fair park in that city, two 3-inch field guns, model 1902, serially numbered 151 and 153, with carriages, which were used by Battery A, Texas National Guard, from 1906 to 1917, until such guns may be needed for national defense.

The amendments were agreed to.

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

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

The title was amended so as to read: "A bill authorizing the Secretary of War to loan certain field guns to the city of Dallas, Tex."

MISSISSIPPI RIVER BRIDGE, WISCONSIN

Mr. BLAINE. Mr. President, I ask for the present consideration of House bill 5818, authorizing J. H. Peacock, F. G. Bell, S. V. Taylor, E. C. Amann, and C. E. Ferris, their heirs, legal representatives, and assigns, to construct, maintain, and operate a bridge across the Mississippi River at or near the city of Prairie du Chien, Wis.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill.

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

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 4 o'clock and 55 minutes p. m.) adjourned until to-morrow, Thursday, March 1, 1928, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate February 29, 1928

FOREIGN SERVICE

To be Foreign Service officers, unclassified

Archer Woodford, of Kentucky.
Cavendish W. Cannon, of Utah.
Leo F. Cochran, of Rhode Island.
James L. Park, of Pennsylvania.
Phil H. Hubbard, of Vermont.

To be vice consuls of career

Archer Woodford, of Kentucky.
Cavendish W. Cannon, of Utah.
Leo F. Cochran, of Rhode Island.
James L. Park, of Pennsylvania.
Phil H. Hubbard, of Vermont.

UNITED STATES ATTORNEY

James W. McCarthy, of New Jersey, to be United States attorney, district of New Jersey, vice Walter G. Winne, resigned.

UNITED STATES MARSHALS

Joseph Fritsch, jr., of New York, to be United States marshal, western district of New York. (A reappointment, his term having expired.)

Frederick L. Esola, of California, to be United States marshal, northern district of California. (A reappointment, his term having expired.)

REAPPOINTMENT IN THE OFFICERS' RESERVE CORPS OF THE ARMY

GENERAL OFFICER

To be brigadier general, Corps of Engineers Reserve

Brig. Gen. Jay Johnson Morrow, Corps of Engineers Reserve, from March 5, 1928.

CONFIRMATIONS

Executive nominations confirmed by the Senate February 29, 1928

APPOINTMENTS IN THE ARMY

MEDICAL CORPS

To be first lieutenant

First Lieut. Stuart Absalom Cameron.

PROMOTIONS IN THE ARMY

To be colonel

Lieut. Col. Julien Edmond Gaujot.

To be lieutenant colonel

Maj. George R. Allin, Field Artillery.

To be majors

Capt. William Hampton Crom.
Capt. George Rainsford Fairbanks Cornish.

To be captains

First. Lieut. James Fairbank Smith.
First Lieut. John Reigel Embich.
First Lieut. Fred William Koester.

To be first lieutenants

Second Lieut. Raymond Stone, jr.
Second Lieut. John Joseph Binns.
Second Lieut. Walter Burnside.
Second Lieut. James Francis Joseph Early.
Second Lieut. Howard John Vandersluis.

MEDICAL ADMINISTRATIVE CORPS

To be captain

First Lieut. Amos Stanhope Kinzer.

PROMOTIONS IN THE NAVY

To be captain

William R. Furlong.

To be commanders

Lemuel E. Lindsay.
Augustine W. Rieger.

To be lieutenant commanders

John J. Twomey.
Samuel B. Brewer.
Franklin S. Irby.

To be lieutenant (junior grade)

George W. Allen.

To be passed assistant surgeon

Walter F. J. Karbach.

To be passed assistant dental surgeon

Gunnar N. Wennerberg.

MARINE CORPS

To be first lieutenant

Richard J. Godin.

To be second lieutenant

George O. Van Orden.

To be chief quartermaster clerk

Claude T. Lytle.

POSTMASTERS

ARIZONA

Walter W. Jett, Chandler.

MARYLAND

Charles H. Johnson, Edgewood.
Stella B. Johnson, Fort Hoyle.
Hattie B. H. Moore, Marydel.
Charles R. Wilhelm, Monkton.
Webster Ravenscroft, Oakland.
Napoleon T. Nelson, Trappe.
Lafayette Ruark, Westover.
Addie D. Rayne, Willards.

WEST VIRGINIA

Clarence F. Tomlinson, Edwight.
J. D. Fultz, Everettville.

HOUSE OF REPRESENTATIVES

WEDNESDAY, *February 29, 1928*

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

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

Most merciful and all-wise Father, Thou hast made waiting beautiful and patience sweet. Thy holy Spirit is like an invisible bridge that unites us in our hopes and dreams. Thou dost give us the zest of soul that sorrow can not keep down and the cheer that burdens can not crush. Renew to-day the sunshine of our hearts and the childhood of our spirits. O God, humanity is all about us teeming through the arteries of the Republic. Many there are with stained garments and heavy hearts; they are struggling for mere existence through a veiled cloud. Stay Thou the threatening signs of social, moral, and political plague. The mission of Jesus of Nazareth is indispensable. He holds for all weary souls and bodies the remedy for our national ills. Oh, may the holy arms that were once stretched on the cross be loosened more and more to clasp the whole human family in one embrace. Then there shall be no more classes, but there shall be just men—the crowning gifts of God's creation. Through Jesus Christ our Lord. Amen.

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

ORDER OF BUSINESS

Mr. TILSON. Mr. Speaker, I wish to say a word as to the program for to-day. The Committee on Coinage, Weights, and Measures, I understand, has the next call on Calendar Wednesday. I ask unanimous consent that upon the completion of the business presented by this committee for the remainder of the day Calendar Wednesday business may be dispensed with, so that the agricultural appropriation bill may be taken up and proceeded with.

The SPEAKER. The gentleman from Connecticut asks unanimous consent that on the completion of the consideration of the business presented by the Committee on Coinage, Weights, and Measures the business in order for Calendar Wednesday for the remainder of the day be dispensed with. Is there objection?

Mr. GARRETT of Tennessee. Mr. Speaker, reserving the right to object—and I shall not object—to the request of the gentleman from Connecticut, I think the session has reached a stage now where it is not improper to direct attention to the fact that it seems as if matters were being permitted to drift in such a way as necessarily to throw upon the Committee on Rules of the House responsibilities that it ought not to have to assume, by committees failing to take advantage of Calendar Wednesday to call up the business which they might call up at that time; and then as the session becomes more and more congested and pressure will be exerted for the consideration of this or that piece of legislation, each bit of it being in the minds of those interested the most important thing that Congress can do.

We shall have the pressure and the propaganda and letters and telegrams pouring in on the Committee on Rules to bring in special orders making in order the legislation that may be desired. The Committee on Rules will be "made the goat" by reason of the negligence of some of these committees in failing to avail of Calendar Wednesday to call up their business, which they may do under the general rules of the House.

Mr. TILSON. There is a special reason that applies to-day that is out of the ordinary. The Committee on Banking and Currency is now on call, but has no other business to take up. The next committee to be reached is the Committee on Coinage, Weights, and Measures. This committee has two bills. It may take all day to-day to consider them, and if so they are entitled to it. I am informed by the chairman of the committee, however, that the committee will probably not take all the time. Another committee would not wish to come in for a part of a day and have an entire day charged up to it. Therefore, under the circumstances, I think it would not be inappropriate to agree now to dispense with Calendar Wednesday business after the completion of the business brought forward by the Committee on Coinage, Weights, and Measures.

Mr. GARRETT of Tennessee. Further reserving the right to object, Mr. Speaker, as is very well known, the general policy of the minority has been and is not to try to interfere with the rights and responsibilities of the majority to fix the program of business. The majority can do that in any event, and it may as well be done pleasantly instead of forcing various parliamentary procedures; and what I suggested a moment ago is not intended by way of criticism of the majority leader in now asking for this action. But it does seem that upon matters of a nonpartisan nature, matters on which there will be no partisan division whatever, if advantage be taken of Calendar Wednesday, which was expressly adopted, as those of us who were here at the time it was adopted will recall, so as to insure to committees an opportunity for the consideration of their legislation, it would relieve the Committee on Rules of the necessity of coming in with special rules in congested times. It does seem proper to me to state this at this time, and really I do it for the purpose of calling it to the attention, not so much that of the majority leader, who knows the situation, but of the chairmen of these committees that have legislation which they want to get in, and to suggest that they ought to be ready to take advantage of Calendar Wednesday, and not come in later and unload responsibility on the Committee on Rules, which it ought not to have to bear.

Mr. GARNER of Texas. Mr. Speaker, will the gentleman yield?

Mr. GARRETT of Tennessee. Certainly.

Mr. GARNER of Texas. After all, if one of these committees came to the Committee on Rules for a rule providing for legislation which they neglected to bring in by reason of failure to avail of the right they would have on Calendar Wednesday, would not the Committee on Rules be justified in saying, "You did not take advantage of the opportunity that was given you"?

Mr. GARRETT of Tennessee. Absolutely. When I speak of the Committee on Rules considering business, of course I refer to the majority, because that is one particular committee where it is the majority that does business. The Committee on Rules would be absolutely justified, in my opinion, in taking that attitude, that is justified as between the Committee on Rules and the legislative committee, but then there is a forced responsibility to the public, which the Rules Committee should not be made to assume.

Mr. GARNER of Texas. Mr. Speaker, it is the duty of the chairman of those various committees to object to the setting aside of Calendar Wednesday when the majority leader takes the responsibility of asking that it be done, so it is the majority leader and the chairmen of the various committees who are responsible for not having the benefit of Calendar Wednesday.