5284. By Mr. DAVENPORT: Petition of the common council of the city of Utica, N. Y., requesting due consideration of proposed legislation providing for increase of compensation to veterans of the war with Spain, the Philippine insurrection, and China relief expedition; to the Committee on Pensions.

5285. Also, petition of the common council of the city of Utica, N. Y., favoring the enactment of legislation providing that October 11 be made a national holiday in honor of Brig. Gen. Casimir Pulaski, hero of the Revolutionary War; to the Committee on the Judiciary.

5286. By Mr. DENISON: Petition of various citizens of Duquoin, Perry County, Ill., urging speedy consideration and passage of Senate bill 476 and House bill 2562; to the Committee on Pensions.

5287. By Mr. DRANE: Petition of citizens of Wildwood, Fla., in support of House bill 2562; to the Committee on Pensions.

5288. By Mr. HILL of Washington: Petition of E. P. Hensinger and 21 other residents of Spokane, Wash., and vicinity, urging prompt consideration and action on Senate bill 476 and House bill 2562 providing for increased pension rates to Spanish War veterans; to the Committee on Pensions.

5289. By Mr. HOCH: Petition of various citizens of Marion County, Kans., urging the speedy consideration and passage of Senate bill 476 and House bill 2562 providing for increased pensions to Spanish-American War veterans; to the Committee on Pensions.

5290. Also, petition of citizens of Olpe, Kans., and vicinity, urging speedy consideration and passage of Senate bill 476 and House bill 2562; to the Committee on Pensions.

5291. Also, petition of various citizens of Olpe, Kans., urging speedy consideration and passage of Senate bill 476 and House bill 2562 providing for increased rates of pension to Spanish-American War veterans; to the Committee on Pensions.

5292. By Mr. JOHNSON of Texas: Petition of Mrs. A. J. Hole, first vice president, State Officers Woman's Auxiliary, Texas Federation of Post Office Clerks, Houston, Tex., indorsing House bill 6603 and Senate bill 2540; to the Committee on the Post Office and Post Roads.

5293. By Mr. KEMP: Petition favoring the Capper-Robsion education bill, submitted by residents of the city of Ponchatoula, La.; to the Committee on Education.

5294. By Mr. KENDALL of Kentucky: Petition of citizens of Denton, Carter County, Ky., in which they urge that immediate action be taken to bring to a vote House bill 2562 and Senate bill 476, and they respectfully urge their passage; to the Committee on Pensions.

5295. By Mr. KORELL: Petition of residents of Multnomah County, advocating the passage of House bill 8976; to the Committee on Pensions.

5296. By Mr. KVALE: Petition of 71 residents of Osakis, Minn., urging speedy passage of House bill 2562; to the Committee on Pensions.

5297. By Mr. LINDSAY: Petition of Polish National Alliance, of Brooklyn, N. Y., declaring it to be the consideration and interest of all Americans of Polish extraction that House Joint Resolution 167 authorizing the President to proclaim October 11 of each year as General Pulaski memorial day be favorably acted upon at once; to the Committee on the Judiciary.

5298. By Mr. McCLINTOCK of Ohio: Petition of the council of the village of Dennison, Ohio, in favor of legislation granting increased pension to veterans of the Spanish War; to the Committee on Pensions.

5299. Also, petition of the council of the village of Uhrichsville, Ohio, in favor of legislation granting increased pension to veterans of the Spanish War; to the Committee on Pensions.

5300. By Mr. MOORE of Kentucky: Petition of citizens of Graham, Muhlenberg County, Ky., urging passage of House bill 2562 providing for increased rates of pension to the men who served in the armed forces of the United States during the Spanish-American War; to the Committee on Pensions.

5301. By Mr. MURPHY: Petition of Walter W. Sandrus, of Leesville, Ohio, and 50 other residents of that village, asking for the passage of the Spanish War pension bill; to the Committee on Pensions.

5302. By Mr. O'CONNELL of Rhode Island: Resolution of the city council of Woonsocket, R. I., urging immediate construction of the proposed addition to the Woonsocket post office; to the Committee on Public Buildings and Grounds.

5303. By Mr. PARKS: Petition of citizens of Hope and Waldo, Ark., urging the passage of House bill 2562 granting a pension to Spanish-American War veterans; to the Committee on Pensions.

5304. By Mr. RANSLEY: Petition of citizens of Philadelphia, Pa., urging speedy consideration and passage of Senate bill 476 and House bill 2562; to the Committee on Pensions.

5305. By Mr. ROBINSON: Petition of City Clerk G. A. Triggs and 26 other citizens of Clarion, Iowa, requesting and urging the passage of the Robsion-Capper free public school bill, H. R. 10 and S. 1586; to the Committee on Education.

5306. By Mrs. ROGERS: Petition of Ishmael E. Park and other residents of Lowell, Mass., urging Congress to grant further relief to the Spanish War veterans; to the Committee on Pensions.

5307. Also, petition of Arthur E. Sears and other residents of Ashby, Mass., urging Congress to grant further relief to the Spanish War veterans; to the Committee on Pensions.

5308. By Mr. SIMMONS: Petition of 75 citizens of Sutherland, Nebr., asking for speedy consideration and passage of pending bills providing for increased rates of pension to the men who served in the armed forces of the United States during the Spanish War period; to the Committee on Pensions.

5309. By Mr. SIMMS: Petition of citizens of Farmington, N. Mex., asking support of Civil War pension bill; to the Committee on Invalid Pensions.

5310. By Mr. SLOAN: Petition of Edward Pracheil and 30 others, for Seventy-first Congress bills, S. 476 and H. R. 2562, providing for increased rates of pension to the men who served in the armed forces of the United States during the Spanish War period; to the Committee on Pensions.

5311. By Mr. SWING: Petition of A. J. Johnston and 40 other residents of Anaheim, Calif., urging the adoption of Senate bill 476 and House bill 2562; to the Committee on Pensions.

5312. Also, petition of Hartie A. Skillin and 68 residents of San Diego, Calif., urging the adoption of legislation to increase the pensions of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

5313. By Mr. THATCHER: Petition signed by Joseph H. Varble and others, of Louisville, in support of increased pension legislation for Spanish War veterans; to the Committee on Pensions.

SENATE

WEDNESDAY, *March 5, 1930*

(Legislative day of Monday, January 6, 1930)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

Mr. FESS. 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:

Allen	Frazier	King	Shortridge
Ashurst	George	La Follette	Simmons
Baird	Glass	McCulloch	Smith
Barkley	Glenn	McKellar	Smoot
Bingham	Goldsborough	McMaster	Steck
Black	Gould	McNary	Steiwer
Blaine	Greene	Metcalf	Stephens
Borah	Grundy	Moses	Sullivan
Bratton	Hale	Norbeck	Swanson
Brock	Harris	Norris	Thomas, Idaho
Brookhart	Harrison	Nye	Thomas, Okla.
Broussard	Hastings	Oddie	Townsend
Capper	Hatfield	Overman	Trammell
Caraway	Hawes	Patterson	Tydings
Connally	Hayden	Phipps	Vandenberg
Copeland	Hebert	Pine	Wagner
Couzens	Heflin	Pittman	Walcott
Cutting	Howell	Ransdell	Walsh, Mass.
Dale	Johnson	Robinson, Ind.	Walsh, Mont.
Dill	Jones	Robsion, Ky.	Waterman
Fess	Kean	Schall	Watson
Fletcher	Keyes	Sheppard	Wheeler

Mr. SHEPPARD. The junior Senator from South Carolina [Mr. BLEASE] is unavoidably detained on imperative business. This announcement may stand for the day.

I also desire to announce the necessary absence of the Senator from Arkansas [Mr. ROBINSON] and the Senator from Pennsylvania [Mr. REED], who are delegates from the United States to the London Naval Conference.

Mr. SCHALL. My colleague [Mr. SHIPSTEAD] is unavoidably absent. I ask that this announcement may stand for the day.

The VICE PRESIDENT. Eighty-eight Senators have answered to their names. A quorum is present.

EXPRESSION OF THANKS BY THE PRESIDENT OF MEXICO

The VICE PRESIDENT laid before the Senate a communication from the Acting Secretary of State, transmitting diplomatic correspondence with the American chargé d'affaires ad interim at Mexico City, informing the department that His Excellency Pascual Ortiz Rubio, President of the Republic of Mexico, had requested that his profound thanks be tendered to the Senate of the United States for so signal a proof of friendship and

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sympathy as contained in its resolution relative to his attempted assassination, which, with the accompanying correspondence, was referred to the Committee on Foreign Relations.

REPORT OF AMERICAN WAR MOTHERS

The VICE PRESIDENT laid before the Senate the report of the American War Mothers for 1927–1929, which was referred to the Committee on Military Affairs.

PETITIONS

Mr. BLAINE presented a resolution adopted by the Common Council of the City of Milwaukee, Wis., favoring the amendment of the Volstead Act so as "to permit the manufacture and sale of beer containing 3 or more per cent of alcohol, so as to relieve the present unemployment situation," which was referred to the Committee on the Judiciary.

He also presented a resolution adopted by the Common Council of the City of Milwaukee, Wis., favoring the passage of legislation securing a more comprehensive and dependable governmental analysis of labor conditions, especially with regard to unemployment, and for the stabilization of employment, and the granting of unemployment relief by means of insurance where no other relief is possible, which was referred to the Committee on Education and Labor.

He also presented a resolution adopted by the Common Council of the City of Milwaukee, Wis., favoring the passage of legislation granting increased pensions to Spanish War veterans, which was ordered to lie on the table.

REPORT OF THE DISTRICT COMMITTEE

Mr. CAPPER, from the Committee on the District of Columbia, to which was referred the bill (S. 3248) to authorize fraternal and benevolent corporations heretofore created by special act of Congress to divide and separate the insurance activities from the fraternal activities by an act of its supreme legislative body, subject to the approval of the superintendent of insurance of the District of Columbia, reported it with an amendment and submitted a report (No. 247) thereon.

REPORTS OF NOMINATIONS

As in open executive session,

Mr. PHIPPS, from the Committee on Post Offices and Post Roads, reported sundry post-office nominations, which were placed on the Executive Calendar.

Mr. SIMMONS, from the Committee on Finance, reported the nomination of Fannie Sutton Faison, of Faison, N. C., to be collector of customs for customs collection district No. 15, with headquarters at Wilmington, N. C., to fill an existing vacancy, which was placed on the Executive Calendar.

TESTIMONY BEFORE INTERNATIONAL TRIBUNALS

Mr. WALSH of Montana. Mr. President, I am directed by the Committee on the Judiciary to report back favorably without amendment the bill (S. 2828) authorizing commissioners or members of international tribunals to administer oaths, to subpœna witnesses and records, and to punish for contempt, and I submit a report (No. 246) thereon.

Being a matter of some urgency, I ask unanimous consent for the immediate consideration of the bill. It provides for the taking of depositions or evidence by an international tribunal or commission appointed to adjudicate any international matter relative to any issue pending before them. It gives them power to administer oaths and to subpœna witnesses and have records produced; and if a witness should fail to appear or to respond to a subpœna, there is a provision for punishment for contempt, as provided by the laws of the United States.

The VICE PRESIDENT. Is there objection to the immediate consideration of the bill?

There being no objection, the bill was considered as in Committee of the Whole, and it was read, as follows:

Be it enacted, etc., That whenever any claim in which the United States or any of its nationals is interested is pending before an international tribunal or commission, established pursuant to an agreement between the United States and any foreign government or governments, each member of such tribunal or commission, or the clerk or a secretary thereof, shall have authority to administer oaths in all proceedings before the tribunal or commission; and every person knowingly and willfully swearing or affirming falsely in any such proceedings, whether held within or outside the United States, its territories or possessions, shall be deemed guilty of perjury and shall, upon conviction, suffer the punishment provided by the laws of the United States for that offense, when committed in its courts of justice.

SEC. 2. Any such international tribunal or commission shall have power to require by subpœna the attendance and the testimony of witnesses and the production of documentary evidence relating to any matter pending before it. Any member of the tribunal or commission may sign subpœnas.

SEC. 3. Any failure to attend as a witness or to testify as a witness or to produce documentary evidence in an appropriate case may be regarded as a contempt of the authority of the tribunal or commission and shall be punishable in any court of the United States in the same manner as is provided by the laws of the United States for that offense when committed in its courts of justice.

SEC. 4. To afford such international tribunal or commission needed facilities for the disposition of cases pending therein said tribunal or commission is authorized and empowered to appoint competent persons, to be named as commissioners, who shall attend the taking of or take evidence in cases that may be assigned to them severally by the tribunal or commission and make report of the findings in the case to the tribunal or commission. Any such commissioner shall proceed under such rules and regulations as may be promulgated by the tribunal or commission and such orders as the tribunal or commission may make in the particular case, and may have and perform the general duties that pertain to special masters in suits in equity. He may fix the times for hearings, administer oaths, examine witnesses, and receive evidence. Either party to the proceeding before the tribunal or commission may appear before the commissioner by attorney, produce evidence, and examine witnesses. Subpœnas for witnesses or for the production of testimony before the commissioner may issue out of the tribunal or commission by the clerk thereof and shall be served by a United States marshal in any judicial district in which they are directed. Subpœnas issued by such tribunal or commission requiring the attendance of witnesses in order to be examined before any person commissioned to take testimony therein shall have the same force as if issued from a district court and compliance therewith shall be compelled under such rules and orders as the tribunal or commission shall establish. Any person appointed as commissioner may be removed at the pleasure of the tribunal or commission by which he is appointed.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, was read the third time, and passed.

BILLS INTRODUCED

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

By Mr. McNARY:

A bill (S. 3817) to facilitate and simplify national forest administration; to the Committee on Agriculture and Forestry.

By Mr. JONES:

A bill (S. 3818) to provide for the establishment of a light vessel at Grays Harbor, in the State of Washington; to the Committee on Commerce.

By Mr. GRUNDY:

A bill (S. 3819) for the relief of the city of Philadelphia; to the Committee on Claims.

By Mr. BROCK:

A bill (S. 3820) to extend the times for commencing and completing the construction of certain bridges in the State of Tennessee; to the Committee on Commerce.

By Mr. PHIPPS:

A bill (S. 3821) conferring jurisdiction upon the Court of Claims of the United States to hear, adjudicate, and enter judgment on the claim of Peter Mulock (with accompanying papers); to the Committee on Claims.

AMENDMENT TO DEFICIENCY APPROPRIATION BILL

Mr. ODDIE submitted an amendment intended to be proposed by him to House bill 9979, the first deficiency appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed, as follows:

On page —, line —, insert the following:

"Inter-American Highway: To enable the Secretary of State to cooperate with the several Governments, members of the Pan American Union, when he shall find that any or all of such States having initiated a request or signified a desire to the Pan American Union to cooperate in the reconnaissance surveys to develop the facts and to report to Congress as to the feasibility of possible routes, the probable cost, the economic service, and such other information as will be pertinent to the building of an inter-American highway or highways, to be expended upon the order of the Secretary of State, including the additional cost incident to the assignment by the President of personnel in the Government service, as now authorized, additional compensation of such personnel for foreign service, compensation of employees and rent in the District of Columbia and elsewhere, contingent expenses, official cards, printing and binding, purchase of necessary books and documents, transportation and subsistence or per diem in lieu of subsistence (notwithstanding the provisions of any other act), stenographic and other services by contract if deemed necessary without regard to section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5), and such other expenses as may be deemed necessary by the Secretary of State in furtherance of the projects described, to remain available until expended (public resolution, Mar. 4, 1929, vol. 45, p. 1697), $50,000."

AMENDMENTS TO THE TARIFF BILL

Mr. CUTTING submitted amendments intended to be proposed by him to House bill 2667, the tariff revision bill, which were ordered to lie on the table and to be printed, as follows:

Paragraph 1510, on page 206, line 16, strike out all after the figures "1510" down to and including the word "valorem" in line 21 and insert "buttons commonly known as agate buttons, 15 per cent ad valorem."

Paragraph 1513, on page 209, line 25, strike out all beginning with the word "*Provided*" where it occurs the second time and ending with the word "paragraph" on page 210, line 6.

Paragraph 1552, on page 239, line 3, strike out all after the word "valorem," down through the end of line 6, and insert "pipe bowls, commercially known as stummels," and on page 239, line 12, strike out the comma and "5 cents each and 60 per cent ad valorem."

EXECUTIVE MESSAGES

Messages in writing were communicated to the Senate from the President of the United States by Mr. Latta, one of his secretaries.

REVISION OF THE TARIFF

The Senate resumed the consideration of the bill (H. R. 2667) to provide revenue, to regulate commerce with foreign countries, to encourage the industries of the United States, to protect American labor, and for other purposes.

Mr. VANDENBERG. Mr. President, before I proceed I desire to say that inasmuch as we now have limitation upon the debate I shall yield for no interruption, because otherwise it would be unfair to those who are to follow me. I am not going to cover any of the old ground or thresh any of the old straw. I am simply going to present to the Senate some of the new and vital considerations which have arisen since the last and fatal vote was taken in this body upon the question of a sugar tariff.

Inasmuch as there seems to be some misunderstanding in the body as to the exact purport of the pending amendment submitted by the Senator from Utah [Mr. SMOOT], I want to make a very simple and plain explanation to begin with as to the precise meaning of the pending proposal.

The rate as against Cuban sugar which was voted by the House of Representatives is 2.40. The rate recommended by the Senate Finance Committee was 2.20. The existing law is 1.76, and the rate stands at that point now as a result of the prior action of the Senate in adopting the amendment offered by the Senator from Mississippi [Mr. HARRISON]. The pending amendment offered by the senior Senator from Utah [Mr. SMOOT] proposes a rate of 2. In other words, the pending increase would be but 55 per cent of the prior increase recommended to the Senate by its own Finance Committee and it would be but 37 per cent of the increase voted by the House.

Mr. President, in my judgment—and I think the facts warrant the statement, this is the last chance the Senate has to save the domestic sugar industry. More than that, it is the last chance the Senate has to save a tremendously valuable crop to agriculture. Still more than that, it is the last chance the Senate has to provide the American consuming public with an insurance policy against the inevitable price gouge and price extortion which is the result when we are at the despotic mercy of foreign sugar.

The proposal submitted at the present moment is insufficient in the measure of protection which it proposes, but it does permit the Senate to register encouragement to this vital but anæmic industry and it does permit a partial aid which will facilitate the rejuvenation of the sugar industry and the sugar crop.

Mr. President, the flat, fundamental, and controlling question must be this: Is aid needed? So far as the sugar industry of the Central West is concerned, there is no need to consult income-tax returns; there is no need to probe metaphysics in order to determine whether or not aid is needed in order to save the life of this industry. We confront a condition, not a theory.

When the Senate last voted to decline to aid this domestic industry it voted six beet-sugar factories in Michigan, Ohio, and Indiana into the hands of receivers. On February 20 last the Continental Sugar Co. and the Holland-St. Louis Sugar Co. went into the hands of receivers. Senators may not be interested in the fate of those sugar factories as factories; in fact, I am not submitting this appeal primarily on the basis of its industrial importance; but I call the attention of the Senate to the fact that those six sugar factories which have passed into the hands of receivers, I may say as a direct result of the action of the Senate in connection with sugar tariff, involve the following fateful agricultural elements:

The plant at Holland, Mich., serves 5,600 acres of sugar beets; the plant at St. Louis, Mich., serves 6,300 acres of sugar beets; the plant at Blissfield, Mich., serves 10,000 acres of sugar beets; the plant at Fremont, Ohio, serves 7,200 acres of sugar beets; the plant at Findlay, Ohio, serves 8,100 acres of sugar beets; the plant at Decatur, Ind., serves 10,000 acres of sugar beets. This is a total of 47,200 acres.

Mr. FESS. Mr. President, will the Senator from Michigan yield to me?

The VICE PRESIDENT. Does the Senator from Michigan yield to the Senator from Ohio?

Mr. VANDENBERG. I prefer not to yield, if the Senator will excuse me, because if I should yield to him I should be compelled to yield to everyone, and my time is limited. So I prefer that the Senator shall speak in his own time.

Mr. President, the crop value of the acreage involved in these receiverships is $3,225,000 to the farmers of that area, and there is no way that the sugar-beet culture can proceed unless these factories are maintained in operation. Of course, they will attempt to maintain themselves in operation under a receivership, but the end is inevitable unless Congress is prepared to extend the same economic life insurance to this industry and to this commodity that it does to others.

I can not help but feel that if we who are sitting here in the name of farm relief have a real and complete concern about the thing we are undertaking to do we can not be blind to the agrarian implications of what thus has happened in this great sugar center of the country.

Mr. President, what has happened specifically and tragically to these six plants and to these thousands of acres of sugar beets and to these farmers is only typical of the contemporary jeopardy in almost all kindred directions. Much prejudicial emphasis has been put here in the Senate upon what will happen if we shall increase the tariff on sugar. I think we had better pause and inquire what will happen if we do not increase the duty on sugar. I have told the Senate about the specific difficulty which the Senate's prior action voted upon six sugar plants. There is another Michigan plant at Menominee, one of the largest. It is still temporarily solvent, but what does its manager say? He says this:

> We are not confirming any contracts with our farmers until we know what Congress will do. If no increased tariff is granted, we will cancel all contracts with farmers and shut down.

I have canvassed the matter with him in great detail. This is not an idle gesture that he makes; he confronts the realities; and I submit that we, too, should confront the realities. It is an ugly shame to do otherwise. It is expedient politics to do otherwise—and nothing else.

Here are statements, Mr. President, from the operators of three other beet-sugar communities in the State of Michigan. All of them point to the same inevitable net result if the answer by this body shall be that the sugar industry must die. Without taking the time to read this particular testimony, I ask that it may be printed in the RECORD at this point in my remarks.

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

The matter referred to is as follows:

W. H. Wallace, president of the Michigan Sugar Co., operating eight factories, said:

"The low price of sugar prevailing for the last few years has put all the Michigan companies on a non-dividend-paying basis, and has exhausted their working capital. At present prices very few plants, if any, will operate in Michigan or Ohio this year. The present low price is also a great hindrance in contracting acreage, and renders it difficult to finance our operations."

Cancellation of contracts with beet farmers was predicted by George W. McCormick, president of the Menominee River Sugar Co., unless tariff relief is granted. He said:

"The losses sustained by beet-sugar companies operating in the upper peninsula of Michigan and Wisconsin in the last three years, due to low and declining prices for sugar, have sadly depleted their working capital. Unless Congress gives early relief in the form of an increased tariff the banks will refuse to finance these companies for the coming crop, and all contracts with farmers for beets will be canceled, and none of the five factories in this territory will operate in 1930."

Officials of the Columbia Sugar Co., operating three factories in Michigan and Ohio, summarized conditions as follows:

"The beet-sugar industry of Michigan and Ohio is in a deplorable condition. Substantial losses have been sustained over a period of four years. All companies are operating on borrowed capital, and surpluses are a thing of the past. We are hanging on by our teeth hoping for some kind of a break that will keep us afloat. A bad feature of the situation is that the farmers are becoming discouraged and doubt the companies' ability to survive and fulfill their contracts or meet their obligations. It is to be regretted that certain Sen-

ators who doubt the seriousness of the situation can not visit this section to get first-hand information from our farmers and employees."

Mr. VANDENBERG. Mr. President, we have heard a great deal to the effect that this proposed increase in the tariff on sugar can be of no adequate benefit to agriculture. Here is direct proof to the contrary. I hold in my hand one of the contracts which were used this winter in signing up sugar-beet acreage in northern Michigan, and I understand that it is typical of the contracts that are used elsewhere. This contract is based upon a fundamental price of $7.50 per ton of sugar beets, but it also includes within itself a guaranty to the sugar-beet farmer that he shall share in all the profits that may accrue from an accentuated price for sugar. That is the farmer's first guaranty, that if we can put new life in the sugar industry the farmer himself will primarily profit. But that is not all; there is a rider in this contract, and this is the way it reads:

A bonus of 50 cents per ton additional will be paid for all beets delivered under the terms of this contract, provided that the tariff bill of 1929 now pending in Congress is passed and becomes a law on or before March 15, carrying an increase in duty of 44 cents or more per hundred pounds on 96 per cent raw sugar imported from Cuba.

There is the unassailable proof that the operator of the beet-sugar factory, at least in my area of America, shares his prosperity with the farmer, and is willing to write a warranty into his contract that he shall get his share. I doubt if there is another agricultural commodity covered by this tariff bill as to which so direct and specific a showing can be made of the farmer's share in the net result. Unfortunately, he also has to share the grief—when this Senate errs.

Mr. President, with all respect for the very interesting and subtle philosophy which my distinguished friend the senior Senator from Mississippi always presents to the Senate when he is leading the attack upon the sugar tariff, I submit that one who is searching for the realities needs somewhat to debunk these Mississippi mathematics. I recall the solicitude with which my able friend crossed the aisle a few weeks ago and presented his noisy challenge to Senators upon this side of the Chamber. I can not believe that his solicitude was real, because, of course, he would be delighted to have the political complexion of Congress changed in a saccharine debacle if that could be the net result; but he particularly emphasized, constantly and with reiteration, what he claims the proposed tariff on sugar will cost the American people. I want now to pursue that argument for just a moment.

In the first place, it is incontrovertible that all of the increased tariff upon sugar can not be passed on to the public. If there is any doubt about the accuracy of that statement, I refer to the exhibits made by the so-called "pop lobby" itself as an evidence that all such calculations are empty and prejudicial and unfounded. The "pop lobby" states in words of one syllable that it can not pass this burden on to the ultimate consumer, and that is the reason, says the "pop lobby," why we should not vote the increased duty. In the same circular, the circular which the distinguished Senator from Massachusetts placed in the RECORD—in the same circular, which the "pop lobby" sends to the Senate in furtherance of its assault upon an increased sugar tariff, it says in one column that the proposed rate on sugar should be defeated because all of it goes to the public in an increased burden, and it simultaneously says in the second column that the increase should be defeated because all the burden can not be passed on to the public. Both statements can not be true. It is about as fine and complete a demonstration of some of the sophistry upon which the opposition to a sugar tariff is based that I could hope to see.

Of course, the "pop" manufacturers of America, typical of those who use sugar in processing, can not pass the burden on to the public. Why not? Because the sugar rate even as previously proposed would add only eleven five-hundredths of a cent to the cost of a bottle of pop if the whole rate should become effective. In other words, the soft-drink industry would confront the staggering burden of 1 penny upon 46 bottles of pop. You can not make a crisis out of that. It is ridiculous to try to build up a body of rational opposition to an adequate sugar tariff upon any such flimsy pretext. Rather, Mr. President, let the pop industry remember 1920, when it paid $25 a bag for sugar after the domestic sugar production was exhausted—an extra penny upon every bottle, instead of a penny upon 46 bottles. Instead of blindly bombarding Congress with its propaganda for a low sugar tariff, let it contemplate its slavery to Cuba and to Wall Street if it is not protected against price extortion and price gouging by a healthy domestic sugar industry. That is the thing for the pop industry to keep its eye on. At this moment the pop industry is penny wise and pound foolish.

This morning I think every Senator finds upon his desk a very interesting and comprehensive and not inexpensive book put out by the pop lobby; and the price of that book would pay all the increase which the Senator from Utah now proposes on the pop industry's sugar for many and many and many a day.

We have heard a great deal, particularly from my able friend the Senator from Mississippi [Mr. HARRISON], about how, when we vote for a sugar tariff, we are voting a tremendous tax upon the American people. I want to say again that that is an absolutely false conclusion. We had better put first things first when we are considering this problem, because if we fail to do so the net result of the death of the domestic sugar industry will be to put a tax upon the American people, many, many times more than any possible burden that could result from a legitimate and rational protection of the domestic industry. This is not a matter of speculation. It is a matter of history.

Let us go back to 1920 for just a moment. We do not have to speculate upon what happens when the domestic sugar production has ceased. There need be no guesswork about the measure of the burden that the American people have to suffer when they are totally at the mercy of Wall Street and of Cuba. Let us go back to 1920 and see what actually happened under precisely the circumstances which will exist again if the domestic sugar competition fails to survive, and if foreign sugar importers have us by the throat.

From May 27 to August 12, 1920, refined sugar sold at wholesale at 22½ cents a pound in the United States. Retail prices went as high as 30 and 35 cents a pound. The general average wholesale price for the year was 15.69 cents per pound. The average wholesale price from 1921 to 1929 was only 6.15 cents per pound. In other words, the 1920 price for the year was 9.5 cents per pound above the average price of sugar in the United States for the past decade; and this is conservative arithmetic, because at one point in 1920 the prices of sugar were skyrocketing at such a speed that not even the official statisticians could keep track of it and give the country dependable arithmetic.

Now, let us translate this into the type of intimate arithmetic in which my good friend, the Senator from Mississippi, likes to indulge when he is discussing sugar tariffs, but let us be more accurate in submitting the realities.

The extra price paid for sugar by the American people in 1920, on a conservative basis—the extra price which they paid in one year when domestic competition had ceased—was $869,000,000. In other words, in one year the American people paid almost sixteen times the hypothetical $54,000,000 which we so often heard in previous debate would have been the increased price upon the American public if we had adopted the other amendment upon sugar proposed by the Senator from Utah [Mr. SMOOT].

If that $54,000,000 figure was correct—and we will take it to be correct merely for the sake of the argument—then the present proposal will cost but $29,000,000; and that will be the figure which my friend from Mississippi will use when next he wades across the aisle to undertake to scare Republican Senators with his monitory finger and his reverberating anathema. Twenty-nine million dollars—all right; that is only one-thirtieth of the price gouge that the American people suffered in one year when the domestic sugar industry disappeared; and this latter figure is the precise measure of what the American people will have to pay again and again and again if we permit domestic sugar to go out of business. Indeed, if retail sugar prices in 1920 were consulted, the price of American subservience to alien sugar would exceed a billion dollars annually.

We know by experience what happens when foreigners control the American sugar bowl. We do not have to guess about it. Why, they are talking right now about a foreign cartel to control the price of sugar—control it to us as well as to others.

My friend from Mississippi, who leads the opposition to an adequate sugar tariff, does not seem to be afraid of a foreign cartel in sugar; but when the Senate was considering synthetic camphor—a commodity in which the Senator from Mississippi has a different type of interest—my friend, the Senator from Mississippi, interrupted the Senator from West Virginia [Mr. HATFIELD] with tears in his eyes to inquire what in the world will happen to us if we do not have and protect a domestic industry in synthetic camphor, and there happens to be a foreign cartel organized against us. He was pathetically worried lest a cartel in synthetic camphor should throttle the American people; but he is not worried a bit about a cartel in sugar, which can do more to us in one month than a synthetic-camphor cartel could do to us in 50 years. I do not understand his method of thinking. We had, indeed, better begin thinking in terms of foreign cartels, and measure our real exposure.

Furthermore, we are put upon warning as to the utterly vicious and ruthless methods which foreign sugar interests, frequently speaking through our own American sugar barons on Wall Street, are willing to invoke in order to control the sugar situation in the United States. There is not a blacker page in the hearings of the lobby committee than the page which carries the testimony disclosing the lengths to which the foreign sugar interests were willing to go in order to throttle sugar production in the United States. Why, we read about how they were proposing to use the Masonic fraternity, for instance, against all the first principles of Masonic fraternity. We read how they were proposing to capitalize Rotary clubs; but that is not all. We read something else. Here is the front page of the Baltimore Sun for December 14, 1929; and the headline says:

CARAWAY offers evidence to show Lakin stirred up Latin America against the United States.

Think of it! Willing even to debauch our international relations and undermine our Pan American friendships in order to capture and control the domestic American sugar bowl.

That is just a snapshot of the lengths to which the foreign sugar interests, underwritten by Wall Street, are willing to go in order to throttle domestic sugar. If they are willing to go that far in a mere tariff war, how far would they not be willing to go in inflicting their price tyranny upon the American sugar bowl if the Senate permits them to have a free right-of-way without any check or competition from a healthy, wholesome domestic industry?

Why, Mr. President, the contemplation to me is absolutely ridiculous. My friend the Senator from Mississippi, wading over here on this side of the aisle, in solemn and ominous tones, asked the Senator from New Jersey if he realized that the rate which was impending upon sugar would cost New Jersey $1,725,000 a year. I do not know whether it would or not, Mr. President, but I do know that New Jersey paid $25,963,000 in 1920 as its share of the tribute that we had to yield up to foreign sugar when we did not have a domestic competition to hold it down.

The Senator from Mississippi comes over to the Senator from Ohio [Mr. FESS], and he says, with an ominous forefinger, "Do you realize that you are about to vote a tax of $3,100,000 upon the people of your State?" I do not know whether that is correct or not; but I do know that Ohio paid $47,300,000 in cold, provable cash in 1920 as its share of the increased price when there was no domestic sugar industry to hold down the foreign gouge.

The Senator from Mississippi says, "I will not quote any figures about Kansas, because apparently the Senators from Kansas are all right on this proposition." I wish he had quoted some figures from Kansas. At any rate, here are some figures from Kansas. Kansas paid $14,500,000 in 1920 as its share of the extra sugar gouge when there was not any domestic industry to keep down the price.

I shall not take the time of the Senate to call the roll of all these States, but the arithmetic is here; and in every instance the insurance policy which can be purchased to-day at comparatively trivial cost is nothing compared to the cost which will be inflicted upon the American people in every State in the Union if the Senate declines to keep the domestic industry alive.

I ask that this table be printed in the RECORD at this point in connection with my remarks.

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

The table is as follows:

Increased cost of sugar to American consumers in 1920, when they were at the mercy of the Cuban sugar industry

States	Population 1920	Pounds of sugar consumed	9.5 cents per pound[1]
Alabama	2, 348, 174	203, 351, 868	$19, 318, 427
Arizona	334, 162	28, 938, 429	2, 749, 151
Arkansas	1, 752, 204	151, 740, 866	14, 415, 382
California	3, 426, 861	296, 766, 163	28, 192, 785
Colorado	939, 629	81, 371, 871	7, 730, 328
Connecticut	1, 380, 631	119, 562, 645	11, 358, 451
Delaware	223, 003	19, 312, 060	1, 834, 646
District of Columbia	437, 571	37, 893, 649	3, 599, 897
Florida	968, 470	83, 869, 502	7, 967, 603
Georgia	2, 895, 832	250, 779, 051	23, 824, 010
Idaho	431, 866	37, 399, 596	3, 552, 962
Illinois	6, 485, 280	561, 625, 248	53, 354, 399
Indiana	2, 930, 390	253, 771, 774	24, 108, 319
Iowa	2, 404, 021	208, 188, 219	19, 777, 881
Kansas	1, 769, 257	153, 217, 656	14, 555, 677
Kentucky	2, 416, 630	209, 280, 158	19, 881, 615
Louisiana	1, 798, 509	155, 750, 879	14, 796, 331
Maine	768, 014	66, 510, 012	6, 318, 451
Maryland	1, 449, 661	125, 540, 643	11, 926, 361
Massachusetts	3, 852, 356	333, 614, 030	31, 693, 333

[1] Increase in 1920 price of granulated sugar above the average price for the 9 succeeding years.

Increased cost of sugar to American consumers in 1920, when they were at the mercy of the Cuban sugar industry—Continued

States	Population 1920	Pounds of sugar consumed	9.5 cents per pound
Michigan	3, 668, 412	317, 684, 479	$30, 180, 026
Minnesota	2, 387, 125	206, 725, 025	19, 638, 877
Mississippi	1, 790, 618	155, 067, 519	14, 731, 414
Missouri	3, 404, 055	294, 791, 163	28, 005, 160
Montana	548, 889	47, 553, 787	4, 515, 710
Nebraska	1, 296, 372	112, 265, 815	10, 665, 252
Nevada	77, 407	6, 703, 446	636, 827
New Hampshire	443, 083	38, 370, 988	3, 645, 244
New Jersey	3, 155, 900	273, 300, 940	25, 963, 589
New Mexico	366, 350	31, 725, 910	3, 013, 961
New York	10, 385, 227	899, 360, 658	85, 439, 263
North Carolina	2, 559, 123	221, 620, 052	21, 053, 905
North Dakota	646, 872	56, 019, 115	5, 321, 816
Ohio	5, 759, 394	498, 763, 520	47, 382, 534
Oklahoma	2, 028, 283	175, 649, 308	16, 688, 684
Oregon	783, 389	67, 841, 487	6, 444, 941
Pennsylvania	8, 720, 017	755, 153, 472	71, 739, 580
Rhode Island	604, 397	52, 340, 780	4, 972, 374
South Carolina	1, 683, 724	145, 810, 498	13, 851, 997
South Dakota	636, 547	55, 124, 970	5, 236, 872
Tennessee	2, 337, 885	202, 460, 841	19, 233, 780
Texas	4, 663, 228	403, 835, 545	38, 364, 377
Utah	449, 396	38, 917, 694	3, 697, 181
Vermont	352, 428	30, 520, 265	2, 899, 425
Virginia	2, 309, 187	199, 975, 594	18, 997, 681
Washington	1, 358, 621	117, 656, 579	11, 177, 375
West Virginia	1, 463, 701	126, 756, 507	12, 041, 868
Wisconsin	2, 632, 067	227, 937, 002	21, 654, 015
Wyoming	194, 402	16, 835, 213	1, 599, 345
Total	105, 710, 620	9, 155, 232, 491	869, 747, 082

Mr. VANDENBERG. Mr. President, just one or two points more.

Sugar is the cheapest commodity that the American people have a chance to buy to-day. In my judgment, this tariff will help to keep it cheap. Perhaps the fact that it is cheap is the reason why South Carolina picks it out as the target for special State taxation. It is rather an astounding contemplation that the Senators from South Carolina are opposed to a Federal tariff upon sugar because of what they say will be the awful burden that it will inflict upon the American sugar bowl, when back home they are voting twice as big a tariff upon the American sugar bowl without any fear whatever as to the net result upon the ultimate consumer.

Here is the Greenville News, Greenville, S. C., February 7, 1930:

The committee has recommended and has received tentative approval by the general committee of the tax of 1 cent per pound on sugar, which is calculated to raise about $700,000. Just in South Carolina, $700,000 for State purposes. There is no cry about gouging or extortion. South Carolina taxes the American sugar bowl without any domestic compensation whatever.

The reason why they do it, I repeat, is because sugar is the cheapest staple commodity that is available in the United States to-day. They would better vote for a reasonable tariff on sugar in the Nation in order to keep it cheap, so that they can tax it.

Not only is it the cheapest commodity but here is a significant fact. In the United States sugar has a less tariff protection than in almost any other country on the globe. The Senate is familiar with the figures. I do not propose to go into them, but I want to ask why we should believe that the American sugar farmer can survive under conditions not inflicted upon any other farmers on earth.

I also want to know why it is any more our responsibility to keep a market open for Cuban sugar than it is the responsibility of some of the rest of Pan America, like Brazil, for instance, where the duty is 17.61 cents as compared with the duty of 2 cents which is now being proposed here in the Senate. The duty in Salvador is 15.876; in Peru it is 9.428; in Guatemala it is 4.902; in Cost Rica it is 3.773. And so it goes.

Mr. President, in conclusion, there has been a great deal of talk around here the last few days about so-called vote swapping, and there has been a studied effort to make any change of attitude obnoxious. But a changed vote, under altered circumstances—and I remind the Senate that this pending amendment is a different amendment, and I remind the Senate also that it is now perfectly apparent that a bounty will not be voted upon sugar—a changed vote under altered circumstances does not rightly deserve any such self-serving opprobrium.

Even the genial and distinguished Senator from Mississippi [Mr. HARRISON], who leads this battle to kill the domestic sugar industry, has been known spectacularly to change his mind. On June 2, 1922, he said:

When the effort was made to place a tariff on long-staple cotton, a commodity that is produced quite largely in my State, one county in

my State producing more than any other county in the United States, I would not vote for it because I thought it wrong in principle.

But this week my friend from Mississippi voted for a very heavy duty upon long-staple cotton. Perhaps this is no parallel, because it took him eight years to surrender what in 1922 was a principle with him. Certainly I do not criticize, but I point out that circumstances may alter cases, even with my friend the Senator from Mississippi.

He said another thing that same day in 1922:

So far as I know, I never voted for protection in my life, and I shall never do so.

Mr. President, he is still consistent so far as sugar is concerned; but a protectionist Senate, elected on a protectionist platform, is utterly inconsistent if it listens to him when he asks us to sound the death knell for sugar beets and beet sugar, and sugarcane and cane sugar, in the United States. This vote will be the Senate's decision upon the economic life of agriculture and industry in these respects.

In a word, Mr. President, we are about to determine, with finality, I may say, the economic fate of 97,000 sugarcane farmers in 8 States, and 100,000 sugar-beet farmers in 19 States, a total of 197,000 farmers in 27 States. Without an adequate sugar tariff, this farm tariff bill is a travesty. Without an adequate sugar tariff, the American housewife will find herself at the mercy of whatever burdensome price foreign sugar tyrants care to inflict upon her. We are voting for or against America.

Mr. WALSH of Montana. Mr. President, the eloquent Senator from Michigan [Mr. VANDENBERG] introduced his pertinent remarks on the pending amendment with the same assumption as that made by the Senator from Utah, namely, that unless this duty is imposed upon the importations of sugar the beet-sugar industry is destroyed, it passes out of existence.

No effort has been made to controvert the figures that were given last night concerning the enormous profits that have been made by the largest company engaged in the business. But a horrible example is held up to the Senate of the United States about what happened before when a monopoly of the American market was secured by the foreign producers of sugar. What is the fact about the matter? When was this time that the American sugar factories were driven out of business by foreign importations? When did they close up because of these importations?

Mr. President, the production of beet sugar in the United States in 1922 summed up 1,021,000 tons. It had been running very high, as a matter of course, during the last years of the war and the years immediately following, because of the extraordinarily high prices of sugar at that time. The price of 22 cents a pound for sugar at wholesale was not due, by any means whatever, to any cessation of operations by the American factories. That condition arose by reason of the high prices which attended the war. Everybody understands that situation perfectly well. By reason of those high prices the factories in the United States continued to produce beet sugar in very considerable quantities until 1922, mounting up, as I have said, to 1,021,000 tons.

Then, however, the price of sugar fell, with the prices of all other commodities, and the beet-sugar factories were unable to pay the price for beets which they had been paying, and they reduced the price of beets, and as a consequence in 1923 the total production was only 690,000 tons; in 1924 it was 882,000 tons. Then the price began rising, and in 1925 the production amounted to 1,091,000 tons; in 1926 it amounted to 901,000 tons, in 1927 to 987,000 tons, in 1928 to 1,081,000 tons, and in 1929 to 1,040,000 tons, greater even than it was in 1922.

Observe in 1920 the beet-sugar factories of the United States paid on an average $11.63 a ton for their beets, but in 1921 they dropped to $6.35, and that accounts for the fall in production. The farmers could not and would not raise beets at the price that was offered in 1921. In 1922 the price began to rise, and the average was $7.91; in 1923 it was $8.91, in 1924 it was $7.91, in 1925 it was $6.39, and so on.

It will be observed that the production of beet sugar is in regular proportion to the price the factories have paid for the beets.

Mr. SMOOT. Mr. President——

The VICE PRESIDENT. Does the Senator from Montana yield to the Senator from Utah?

Mr. WALSH of Montana. I yield.

Mr. SMOOT. I want to call the Senator's attention to the fact that during the war the Government fixed the price which should be paid for beets, and not only that but the Government fixed the price at which sugar should be sold. Therefore all of the local sugar was sold, and Cuba and other foreign countries took advantage of that and raised the price to the American people, just as the Senator from Michigan has said.

Mr. WALSH of Montana. Mr. President, as a matter of course, the war conditions raised the price of sugar everywhere.

Mr. SMOOT. But the sugar manufacturers in the United States did not make any money out of the manufacture of sugar during the war.

Mr. WALSH of Montana. All sugar produced in Cuba was available in the United States, just the same as all sugar produced in the United States was. We did not use up all of our domestic sugar, and then begin to import from Cuba. The importations went on just exactly the same, and if the price was raised to 22 cents it was as much to the profit of the domestic producer as it was to the profit of the Cuban producer.

Mr. SMOOT. That is where the Senator is wrong. The price of sugar was regulated, and sugar could not be sold by the local people because of the fact that the price of beets was regulated, and the price of sugar was regulated.

Mr. WALSH of Montana. Yes; and the price of Cuban sugar could not possibly rise above the price of the domestic sugar.

Mr. SMOOT. Cuba held her sugar until the domestic sugar was out of the way, and then she raised her price to 30 cents a pound in some instances.

Mr. WALSH of Montana. Give us the importations. Here are the facts. The price of sugar in 1920, the average price for the year, was $11.33. In 1921 it dropped to $3.45; in 1922 it was $2.97. Then it began to climb, and in 1923 it was $5.24, in 1924 it was $4.18, in 1925 it was $2.56, in 1926 it was $2.56, in 1927 it was $2.95, and in 1928 it was $2.45. So the production of beets and the production of beet sugar respond to the price of sugar in the market.

It is idle to contend that there is any condition existing which indicates either the destruction in the future of the beet-sugar industry if the tariff shall remain as it is, or any conditions indicating that theretofore the high price of sugar was in any sense due to any cessation of production in the United States.

Mr. BROUSSARD. Many Senators in open argument and privately have expressed the opinion that 1.76 cents per pound duty on sugar is not sufficient, and therefore they only voted for the Harrison amendment because of the argument used that the Philippines were capable of large expansion and that a vote to increase the duty would merely act as a stimulant for increased production of sugar in the Philippines. In order that these Senators may have accurate knowledge before the next vote is taken I invite their attention to the fact that I have an amendment pending which is in the nature of an additional provision to paragraph 501, and which is intended to limit to 600,000 tons the quantity of sugar that may be imported from the Philippines free of duty. Under the act repealed in 1913 the limit was 300,000 tons. I do not propose at this time to discuss this feature of the matter, but I shall show that the limitation of 300,000 tons placed in 1909 was at the request of the Philippine government and representatives themselves as expressed on the floor of the House by the two Commissioners representing the Philippine Islands in the House of Representatives at that time. I do not care to go further into that discussion, as the amendment to which I have referred will be presented immediately after the disposition of the amendment offered by the Senator from Utah [Mr. SMOOT] now before us. I shall then discuss it, not at length, but more extensively.

I sympathize with those who believe that we should have taken a vote without further debate. I know that those who are not representing a constituency directly interested in the question believe that they have heard enough discussion and would like to vote without further debate; but the industry means so much to the people of my State that the responsibility which rests upon me requires that I say something not by way of repetition but for the purpose of submitting additional reasons why the Senate should reverse its action on the Harrison amendment.

This seems to be made necessary in view of the fact that when the Harrison amendment was debated and after the time was agreed upon to take a vote, the proponents of the amendment managed to secure the floor and on the last day of the debate and up to the last minute the entire time was occupied in advancing arguments in favor of the Harrison amendment, which we had no opportunity to rebut. For instance, every speaker on that day figured that we would impose an additional tax of $54,000,000 upon the American consumers if we adopted the $2.20 rate proposed by the Finance Committee. For the sake of meeting that argument, as it was presented as relating to the amendment now before us, I invite attention to

the fact that the amendment submitted by the Senator from Utah is 20 cents a hundred pounds less, so that the $54,000,000 would have to be reduced if that same argument is to be urged upon the Senate to-day.

Mr. President, I submitted for the RECORD, and made the statement a number of times in colloquies with Senators who were presenting arguments in favor of the Harrison amendment, that the quantity of sugar consumed as sugar in the United States is 30 pounds per capita. That statement has not been challenged, because the only authorities of the Government which have investigated the matter are agreed upon the proposition. If that is true—and, of course, I attempted to show that it is true—and that the entire duty is not effective all the time, but if it were effective all the time, then in order to meet that argument I wish to invite attention to the fact that the increase proposed under the amendment over the existing rate is 0.24 of 1 per cent per pound. Multiplying that by 30 pounds per capita consumption, we find that the individual, if he paid the entire tax, would pay 7.2 cents per annum. A family of five would pay an additional tax of 36 cents per year. There is no other way to figure it. I previously submitted these figures based on 2.20 as compared to 1.76, and I do not think anybody could dispute them.

I have not accounted for every pound of the sugar, but I have secured the data which shows and accounts for practically all of it. We have much of it manufactured here, and then the duty is refunded, because it is manufactured in bond and shipped out of the country again.

The same list of these manufactured products shows that the sugar accounted for in the exports is merely a bagatelle compared to what we consume here in foodstuffs where the price of sugar plays no part at all. But to the contrary it will be found, by comparing the tariff rates which our friendly enemies here have adopted, that practically every commodity mixed with sugar has a larger duty or sells at a higher price by the pound. By purchasing the sugar at 5 cents a pound and mixing it with a 15-cent product, such as several of the commodities containing products of that price, the percentage of sugar content is sold to the public at the rate of 15 cents a pound when it costs them only 5 cents a pound.

Mr. President, I wish to discuss briefly the question of the effectiveness of the rate. Our friends on this side of the aisle who are having trouble with cotton and those on the other side of the Chamber who are having trouble with wheat have been made to realize recently that although the Farm Board are fully authorized to act in the premises and have been granted unlimited powers and a bank account of half a billion dollars, they have not been able to effect an increase in the price of wheat or the price of cotton. That is because they are world commodities, consumed by every nation in the world, and naturally the law which applies to them is the law of supply and demand.

So it is with sugar. Sugar is a product universally used. Its price is fixed by the law of supply and demand. When we make that statement and show that the rate is not always effective, or effective at all times, we are asked why we want a rate if it is not effective. The answer is very plain. We want a rate that will be effective, and can only be effective when there is an overproduction in the world. Sugar is a world commodity, and whenever there is an overproduction the demand is not sufficient to consume the production, and therefore the price falls. It is under such circumstances, which are well illustrated just at this time when sugar is selling now at the lowest it has ever sold in the entire history of the world because of overproduction, that the rate can be effective and can protect us and tide us over, as it were, until conditions balance again and the law of supply and demand resumes its application and the price of sugar is again fixed, not upon the tariff but upon such a basis, in the way of an increased price, as the world demand and the supply will justify.

We know—at any rate anyone who has studied the history of tariff legislation as applied to sugar knows—that, strange to say, almost invariably when the rate has been raised it was because of an oversupply of sugar. It was the oversupply that created the demand for an increased rate and until that supply was consumed or exhausted or brought down to normal, although the rate was increased, the price of sugar continued to drop. So it is whenever, under any tariff adopted by the Government, we have reduced the rate, sugar has almost invariably increased in price responding to the same law of supply and demand. I shall submit for the RECORD statistics to establish that fact, showing the conditions before and after the passage of each tariff act by the Congress. [See Exhibit A.]

Mr. President, we are not only confronted with an overproduction of sugar at this time, but we are also confronted with a situation throughout the world where we find that the United States has the smallest tariff rate of any nation as applied to sugar. The result is that Cuba, being so close to us and being a tropical country well suited for the production of sugar, have increased their production several times since their treaty with us. It is also true, in addition to the fact that we have the lowest tariff rate of any nation in the world, that they have a preferential of 20 per cent in their favor. The result is that they do not make any effort to sell their sugar to anyone but the United States, and if we are to continue the existing rate it is almost an assured fact now that most of our producers will go out of business.

Sugar has never been cheaper than it is now. Sugar is an agricultural product. I wish to reiterate what has been said in response to the remarks made by the Senator from Montana [Mr. WALSH] that the factories did not pay the price to the beet growers. I happen to know that the contract of the beet growers and the contract of the sugarcane growers in my State and the adjoining States which produce some little sugarcane, is on a cooperative basis; that the price is never fixed, but is determined by the price of sugar at the time of delivery or on an average taken during the week of delivery, so that if the price of sugar goes down then necessarily the price of the beets and the sugarcane must follow, since that is the basis upon which such figures have been agreed to both by the producer and by the factory as an equitable division of whatever profits are to be made or a division of whatever losses may be sustained.

Mr. PHIPPS. Mr. President——

The PRESIDING OFFICER (Mr. FESS in the chair). Does the Senator from Louisiana yield to the Senator from Colorado?

Mr. BROUSSARD. I yield.

Mr. PHIPPS. I merely wish to ask the Senator if it is not his understanding that these contracts almost invariably, I think invariably, fix a minimum price which the farmer is to receive for his sugar beets, which is not affected by any drop in the price of sugar itself?

Mr. BROUSSARD. That is true. I mean that the grower is not deprived of any loss under that figure if the price does not go above it, but he does not lose when it falls below the minimum price, which is an insurance to him and has been found necessary to induce him to go to the expense of growing a crop for the factory.

Mr. President, I have here a copy of the bill which has been introduced in the General Assembly of the State of South Carolina and which was referred to by the Senator from Michigan [Mr. VANDENBERG]. I should like to have permission to have it inserted in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, permission is granted.

(The bill referred to appears at the end of Mr. BROUSSARD'S remarks as Exhibit B.)

Mr. BROUSSARD. Mr. President, I want all Senators to be made acquainted with the first section of this bill, which reads as follows:

SECTION 1. That every person, firm, or corporation doing domestic or intrastate business within this State and engaged in the business of selling, purchasing, refining, using, shipping, or distributing, for the purpose of sale, and/or use in the manufacture of any commodity for the purpose of sale within this State, any sugar for the purpose of carrying on such business, shall be subject to the payment of a license tax which shall be measured by and graduated in accordance with the sales of such person, firm, or corporation within the State of South Carolina, except as may be hereinafter otherwise provided.

It is a lengthy bill and I do not care to read it all, but desire to state that it imposes a tax upon sugar brought in and sold in South Carolina. My only purpose in referring to it is to show that, although it is said that the price of sugar would be increased by imposing the proposed tax, notwithstanding the tariff now imposed upon sugar, sugar is so cheap that the Legislature of South Carolina sees fit to resort to the imposition of a tax upon it, and I am informed the State expects to realize $700,000 a year therefrom.

Mr. President, it has been apparent to many of us for the last six or eight months that the Cuban producers were dumping sugar here. In other words, with a difference in cost of the production between Cuba and the United States of $1.43, as contended by our opponents, then it is inconceivable how the Cubans can send their sugar here, pay the freight and insurance and a duty of $1.76, and sell it in the market at New York for three dollars and fifty-odd cents, as was recently done.

I will tell Senators how it is done. The Cuban producers of sugar have, of course, a motive in doing this, even to the extent of temporarily losing money, in order to accomplish their pur-

pose, which is to put the domestic sugar industry out of business.

I have here, Mr. President, a copy of the American Labor Banner of date February 15, 1930, which indicates how the Cuban sugar producers can reduce the price of sugar in Cuba. I will read an extract from the article, which is written by William E. Walling, a well-known author, who is writing for this publication. He visited Cuba for the purpose of securing information upon which to base a series of articles which he is writing. He states:

CUBAN WAGES DOWN TO LOWEST POINT

Nowhere within the United States or near its borders are wages so low as in Cuba. Yet the Cuban Government uses all its crushing dictatorial power, first, to prevent effective and free organization of labor and then to lower wages by law.

For many years Cuba has had a law forbidding the payment of labor by company checks and the compulsory trading at company stores. In December, Dictator Machado had this law, known as the Arteaga Act, repealed and payment by tickets and company-store checks is now in full vogue for a large part of the hundreds of thousands of workers engaged, since January 15, in harvesting the enormous sugar crop.

More than half of Cuba's workers rely for practically their entire annual income on the three months' sugar harvest. A large part of these receive only 60 or 70 cents a day, the wage having gone down year by year, while few, indeed, any longer receive as much as a dollar. Only a few years ago $1.25 was the ordinary wage.

Since President Machado, the National City Bank, and all the chief Cuban and American interests are either plantation owners or otherwise interested in sugar, any lowering of sugar wages means an immense sum of cash in their pockets. But it also means not only the dragging down of all Cuban labor but a death blow to the purchasing power of the people and to the prosperity of the island.

Mr. President, I do not wish to consume unduly the time of the Senate, as other Senators wish to speak, and so I will ask that the entire article may be inserted in the RECORD. I wish merely to emphasize the statement of the writer of the article that the Cuban producers are paying as low as 60 cents a day to men engaged in harvesting sugarcane.

The PRESIDING OFFICER. Without objection, the article referred to by the Senator from Louisiana will be printed in the RECORD.

The article is as follows:

[From the American Labor Banner, Washington, D. C., February 15, 1930]

HOW MACHADO PLAYS REORGANIZED UNIONS LIKE WHIPLASHES; PAY UNDER $100 YEARLY—TYRANT TRIES TO SHOW "ALLIANCE" WITH UNITED STATES LABOR—PAY OF WORKERS POUNDED DOWN BY LAW FOR BENEFIT OF CANE-OWNING DICTATOR AND FRIENDS; CASH WAGE LAW REPEALED, WITH RETURN OF ANCIENT ABUSES

(In this second article of his series, Mr. Walling shows with pitiless strokes the terrible abuses under which Cuban workers suffer. He shows how the whole power of government is thrown against the masses, opening the way to the most cruel exploitation. Unions, as they are called, are used by the tyrant to create a false impression. As staff correspondent for this newspaper and International Labor News Service, Mr. Walling, noted author and economist, is ripping the lid once more off the rottenness of the Cuban scandal.)

By William English Walling

In its meeting held in October in Toronto, directly after the convention, the executive council of the American Federation of Labor decided to postpone the convention of the Pan-American Federation of Labor which had been called to meet in Habana on the 6th of January.

The reasons assigned for this postponement by President Green were that the officers of the American Federation of Labor were to be very much occupied in January with the new campaign of organization in the Southern States; that there was no pressing need for holding the Pan-American convention this year, and that "reports received from some of the countries of South and Central America as to economic and other conditions suggest the desirability of postponing the Habana convention with the hope that in the near future conditions will have changed."

CONCLUDED RESOLUTION AIMED AT CUBANS

The Cuban Government and the labor organizations supporting it paid attention only to the last of these explanations. In view of the resolution that had been passed at Toronto favoring investigation of the Cuban Government by the United States Senate, they concluded that Cuba itself was one of the countries referred to and that conditions there were one of the chief causes leading to the postponement of the Habana convention.

The resolution passed unanimously at Toronto gave the approval of the American Federation of Labor to the proposed Senate investigation of the report that "there is neither safety of life nor freedom of speech nor freedom of assemblage, of movement, of the press, or of organization" under the Machado government.

SEEK FOR ILLUSION OF MACHADO-AMERICAN FEDERATION OF LABOR BOND

The telegrams sent by the pro-Machado unions were quoted in the previous article. But these were only the opening guns in a vigorous campaign carried on by these unions and the Government to line up the American Federation of Labor as having accepted the views of the pro-Machado unions—in view of the fact that they, and they alone, are members of the Pan American Federation of Labor, or at least to make it appear in Cuba that the American Federation of Labor and the pro-Machado unions were in complete harmony and agreement.

This object the Machado government and its supporters sought to accomplish by a whole series of false reports published not only in Cuba but actually sent out from Habana to the United States.

For example, on January 14 the Associated Press cabled from Habana that "a delegation from the American Federation of Labor is expected here in time to participate in the meetings" of the Cuban Maritime Workers' Congress, an organization which was inaugurated in Habana on January 14 and 16. Another previous Associated Press dispatch said that the American Federation of Labor had agreed to send "two observers."

CONVENTION HAND IN HAND WITH DICTATOR

The present writer, who was at this time at St. Petersburg, Fla., to report the meetings of the executive council of the American Federation of Labor, was told by President Green that there was "not one word of truth" in this report. This writer thereupon took the first steamer for Habana, arriving there on January 15, when the Cuban Maritime Workers' Congress was in session, to see if anybody was present who was claimed as a representative of American labor. No such person was present. But every effort was made to convince the Cuban public that this congress, while 10,000 per cent pro-Machado, was also hand in glove with the American Federation of Labor.

Indeed, the convention was so thick with the Government as to be amusing to an American spectator. I quote the Habana press:

"On the platform Mr. Miguel Guerra, president of this first congress, had on his right Gen. Eugenio Mobinet, Secretary of Agriculture, who represented the President of the Republic, and on his left Mr. Rafael Martinez Ortiz, Secretary of State." There followed the names of several other high Government officials.

REPORT TO MACHADO GETS HIS "O. K." STAMP

One of the chief resolutions passed protested at length against the "campaigns of calumny" against the President carried on "in the name of labor," and declared "the adhesion of the congress to the work of the Government." After the congress, its secretary, Mr. Juan Arevalo, "visited the President to present to him the conclusions reached by the congress."

"Mr. Arevalo informed the reporters that the President had expressed himself as well satisfied with the work of the congress and in complete sympathy with its resolutions"—as he might well be.

At the same time the congress declared itself in complete sympathy with the American Federation of Labor. Possibly this declaration was more deeply felt than its "adhesion" to Machado, which may have been a matter of tactics, yielding temporarily to superior force. But what impressed the Cuban public was to see Machado and the American Federation of Labor so closely linked together during the proceedings. And it was clearly the object of the pro-Machado element to create this impression.

The congress declared its "adhesion to the principles of the Pan-American Federation of Labor and of the International Federation of Trades Unions of Amsterdam."

CUBAN WAGES DOWN TO LOWEST POINT

Nowhere within the United States or near its borders are wages so low as in Cuba. Yet the Cuban Government uses all its crushing dictatorial power first to prevent effective and free organization of labor and then to lower wages by law.

For many years Cuba has had a law forbidding the payment of labor by company checks and the compulsory trading at company stores. In December Dictator Machado had this law, known as the Arteaga Act, repealed and payment by tickets and company-store checks is now in full vogue for a large part of the hundreds of thousands of workers engaged, since January 15, in harvesting the enormous sugar crop.

More than half of Cuba's workers rely for practically their entire annual income on the three months' sugar harvest. A large part of these receive only 60 or 70 cents a day, the wage having gone down year by year, while few, indeed, any longer receive as much as a dollar. Only a few years ago $1.25 was the ordinary wage.

Since President Machado, the National City Bank, and all the chief Cuban and American interests are either plantation owners or otherwise interested in sugar, any lowering of sugar wages means an immense sum of cash in their pockets. But it also means not only the dragging down

of all Cuban labor, but a deathblow to the purchasing power of the people and to the prosperity of the island.

ABUSES UPON ABUSES; FIRES IN CANE FIELDS

Yet this is exactly what Machado has done with his repeal of the Arteaga Act. Not only are the workers required to spend a percentage, usually 60 per cent, at the company stores, but their pay checks are discounted, etc.

There is no use recounting these evils. Most of the American States abolished the pay check and truck or company store system half a century ago.

But when labor has no rights it has no power—and when it has no power it is invariably reduced to a serf's income and invariably receives a serf's treatment. Cuban unskilled labor accordingly lives in the most wretched conditions. Their labor often extends to 14 hours. They rarely have 100 days' employment at the sugar harvest and almost none through the rest of the year. That is, the great bulk of them have an annual income of less than $100. And now this has been reduced—materially reduced—by the reintroduction of company-check payment, abolished in Cuba itself many years ago.

Sugarcane, after a dry spell, is highly inflammable. Already half a dozen plantations were burning when I was in Habana. Sometimes such fires destroy a very large part of the crop and are the beginning of popular movements of revolt. It will not be surprising if some of the large companies suffer very serious damage from such causes during the present sugar harvest.

Mr. BROUSSARD. Mr. President, I do not care to trespass upon the time of other Senators who I know wish to say a few words in support of the amendment of the Senator from Utah. I am satisfied that the Senate, if consistent with its own action on the pending bill, will adopt the 2-cent rate proposed in the amendment. Its adoption will mean no hardship upon the American consumers of sugar, or, should there be an additional price, it would be so small as to be almost nothing compared to what they are paying for all other commodities that enter into family use on the table. Sugar will still be the lowest priced, the cheapest, and the best food that can be bought for two or three times the money which is now paid for it.

EXHIBIT A

EFFECT OF TARIFF CHANGES ON THE PRICE OF SUGAR

The oft-repeated statement that the full amount of any increase or decrease in the United States tariff rate on imported raw sugar is reflected in the domestic wholesale price of refined is in error.

Analysis of the New York quotations of raw and refined sugar for the past 30 years shows that whenever the United States duty on sugar has been increased the Cuban producers have lowered their prices of raws and American refiners have reduced their margin between raw and refined; and whenever the duty has been reduced the Cuban producers have raised their price of raws and American refiners have increased their margin between raw and refined. As a result but a minor portion of any increase or decrease in the duty is reflected in the domestic price of refined sugar.

To exclude crop and seasonal changes which affect the price of sugar regardless of tariff changes the quotations have been confined to two months preceding and two months succeeding tariff changes.

The Wilson tariff and the price of sugar

	New York in bond price of raw sugar per 100 pounds	United States duty per 100 pounds	New York duty-paid price of raw sugar per 100 pounds	Refiners' margin	New York wholesale price of granulated sugar per 100 pounds
June 28, 1894	$3.125		$3.125	$0.855	$3.98
July 5, 1894 [1]	3.125		3.125	.855	3.98
July 12, 1894	3.180		3.180	.800	3.98
July 19, 1894	3.125		3.125	1.105	4.23
July 26, 1894	3.125		3.125	1.105	4.23
Aug. 2, 1894	3.125		3.125	1.225	4.35
Aug. 9, 1894	3.375		3.375	1.095	4.47
Aug. 16, 1894	3.500		3.500	.970	4.47
Aug. 23, 1894	3.750		3.750	.850	4.60
Average	3.27		3.27	.984	4.25
Aug. 30, 1894 [1]	2.680	1.07	3.750	.97	4.72
Sept. 6, 1894	2.680	1.07	3.750	.97	4.72
Sept. 13, 1894	2.680	1.07	3.750	.97	4.72
Sept. 20, 1894	2.680	1.07	3.750	.79	4.54
Sept. 27, 1894	2.680	1.07	3.750	.66	4.41
Oct. 4, 1894	2.680	1.07	3.750	.60	4.35
Oct. 11, 1894	2.680	1.07	3.750	.60	4.35
Oct. 18, 1894	2.500	1.00	3.500	.85	4.35
Oct. 25, 1894	2.500	1.00	3.500	.85	4.35
Average	2.64	1.056	3.694	.81	4.50

[1] Aug. 28, 1894, Wilson bill effective, imposing duty of 40 per cent ad valorem amounting to $1.056; absorbed by Cuban producers and American refiners 80.6 cents or 76.3 per cent of entire duty.

The Dingley tariff and the price of sugar

	New York in bond price of raw sugar per 100 pounds	United States duty per 100 pounds	New York duty-paid price of raw sugar per 100 pounds	Refiners' margin	New York wholesale price of granulated sugar per 100 pounds
May 27, 1897	$2.321	$0.929	$3.250	$0.980	$4.230
June 3, 1897	2.364	.946	3.310	.920	4.230
June 10, 1897	2.500	1.000	3.500	.970	4.470
June 17, 1897	2.500	1.000	3.500	.970	4.470
June 24, 1897	2.500	1.000	3.500	.970	4.470
July 1, 1897	2.500	1.000	3.500	.970	4.470
July 8, 1897	2.500	1.000	3.500	1.090	4.590
July 15, 1897	2.589	1.036	3.625	.965	4.590
July 22, 1897	2.589	1.036	3.625	1.035	4.660
Average	2.485	.994	3.478	.986	4.460
July 29, 1897 [1]	$2.065	$1.685	$3.750	$0.970	$4.720
Aug. 5, 1897	2.065	1.685	3.750	.970	4.720
Aug. 12, 1897	2.065	1.685	3.750	.970	4.720
Aug. 19, 1897	2.065	1.685	3.750	.970	4.720
Aug. 26, 1897	2.065	1.685	3.750	.970	4.720
Sept. 2, 1897	2.065	1.685	3.750	.970	4.720
Sept. 9, 1897	2.190	1.685	3.875	.945	4.820
Sept. 16, 1897	2.190	1.685	3.875	.945	4.820
Sept. 23, 1897	2.255	1.685	3.940	.880	4.820
Average	2.114	1.685	3.798	.954	4.750

[1] July 24, 1897, Dingley bill effective, increasing duty 69.1 cents; absorbed by Cuban producers and American refiners 40.3 cents or 58.3 per cent of entire increase.

Cuban reciprocity treaty and the price of sugar

	New York in bond price of raw sugar per 100 pounds	United States duty per 100 pounds	New York duty-paid price of raw sugar per 100 pounds	Refiners' margin	New York wholesale price of granulated sugar per 100 pounds
Oct. 15, 1903	$2.190	$1.685	$3.875	$0.675	$4.550
Oct. 22, 1903	2.190	1.685	3.875	.675	4.550
Oct. 29, 1903	2.190	1.685	3.875	.625	4.500
Nov. 5, 1903	2.125	1.685	3.810	.690	4.500
Nov. 12, 1903	2.125	1.685	3.810	.690	4.500
Nov. 19, 1903	2.065	1.685	3.750	.700	4.450
Nov. 27, 1903	2.065	1.685	3.750	.610	4.360
Dec. 3, 1903	2.005	1.685	3.690	.670	4.360
Dec. 10, 1903	1.940	1.685	3.625	.735	4.360
Dec. 17, 1903	1.940	1.685	3.625	.735	4.360
Dec. 24, 1903	1.875	1.685	3.560	.800	4.360
Average	2.064	1.685	3.749	.691	4.44
Dec. 31, 1903 [1]	2.122	1.348	3.470	.840	4.310
Jan. 4, 1904	2.122	1.348	3.470	.840	4.360
Jan. 7, 1904	2.122	1.348	3.470	.840	4.360
Jan. 14, 1903	2.002	1.348	3.350	1.010	4.360
Jan. 21, 1904	1.962	1.348	3.310	1.050	4.360
Jan. 28, 1904	1.962	1.348	3.310	1.050	4.260
Feb. 4, 1904	2.002	1.348	3.350	.910	4.260
Feb. 11, 1904	2.002	1.348	3.350	.910	4.260
Feb. 18, 1904	2.002	1.348	3.350	.910	4.260
Feb. 25, 1904	2.027	1.348	3.375	.885	4.260
Average	2.033	1.348	3.380	.925	4.31

[1] Dec. 27, 1903, Cuban reciprocity treaty effective, reducing duty 33.7 cents; appropriated by American refiners, 20.7 cents, or 61.4 per cent of entire reduction.

The Underwood tariff and the price of sugar

	New York in bond price of raw sugar per 100 pounds	United States duty per 100 pounds	New York duty-paid price of raw sugar per 100 pounds	Refiners' margin	New York wholesale price of granulated sugar per 100 pounds
Jan. 2, 1914	$1.882	$1.348	$3.230	$0.690	$3.920
Jan. 8, 1914	1.882	1.348	3.230	.690	3.920
Jan. 15, 1914	1.942	1.348	3.290	.630	3.920
Jan. 22, 1914	2.007	1.348	3.355	.565	3.920
Jan. 29, 1914	2.132	1.348	3.480	.440	3.920
Feb. 5, 1914	2.132	1.348	3.480	.440	3.920
Feb. 11, 1914	2.132	1.348	3.480	.440	3.920
Feb. 19, 1914	2.072	1.348	3.420	.500	3.920
Feb. 26, 1914	2.042	1.348	3.390	.530	3.920
Average	2.025	1.348	3.37	.658	3.920
Mar. 5, 1914 [1]	2.000	1.01	3.010	.910	3.920
Mar. 12, 1914	1.940	1.01	2.950	.872	3.822
Mar. 19, 1914	2.000	1.01	3.010	.763	3.773
Mar. 26, 1914	1.940	1.01	2.950	.823	3.773
Apr. 2, 1914	1.940	1.01	2.950	.823	3.773

[1] Mar. 1, 1914, Underwood bill effective, reducing duty 33.7 cents; appropriated by American refiners, 18.2 cents, or 54 per cent of entire reduction.

The Underwood tariff and the price of sugar—Continued

	New York in bond price of raw sugar per 100 pounds	United States duty per 100 pounds	New York duty-paid price of raw sugar per 100 pounds	Refiners' margin	New York wholesale price of granulated sugar per 100 pounds
Apr. 8, 1914	$1.910	$1.01	$2.950	$0.755	$3.675
Apr. 16, 1914	1.970	1.01	2.980	.695	3.675
Apr. 23, 1914	2.000	1.01	3.010	.725	3.735
Apr. 30, 1914	2.030	1.01	3.040	.695	3.735
Average	1.970	1.01	2.980	.785	3.765

EXHIBIT B

House bill 1466. Introduced by Ways and Means Committee. Calendar No. 1466

IN THE HOUSE OF REPRESENTATIVES.

(Read the first time February 25, 1930)

A bill to raise revenue for the support of the State government by imposing a tax on the sale of sugar

Be it enacted by the General Assembly of the State of South Carolina, That every person, firm, or corporation doing domestic or intrastate business within this State and engaged in the business of selling, purchasing, consigning, using, shipping, or distributing, for the purpose of sale, and/or use in the manufacture of any commodity for the purpose of sale within this State, any sugar for the purpose of carrying on any such business, shall be subject to the payment of a license tax which shall be measured by and graduated in accordance with the sales of such person, firm, or corporation within the State of South Carolina, except as may be hereinafter otherwise provided:

On all sugar a license tax of 1 cent per pound avoirdupois to be paid by the person, firm, or corporation first receiving the sugar in this State.

SEC. 2. Every person, firm, or corporation subject to this tax shall, between the 1st and 10th days of each month, make a true and correct return to the South Carolina Tax Commission in such form as it may prescribe, showing the amount of sugar received and the amount sold during the previous month and remit the tax therewith. That in case of failure to make a true and correct return to the South Carolina Tax Commission the tax commission shall make the same upon such information as it may be able to obtain, assess the tax due thereon, and add a penalty of 50 per cent; and in any case of failure to pay the tax the South Carolina Tax Commission shall add a penalty of 50 per cent, whereupon the South Carolina Tax Commission shall mail notice of the amount of taxes and penalties to the party failing to make such return or to pay the tax, and if the taxes and penalties are not paid within 10 days after mailing such notice, execution shall be issued in the manner and with the force provided hereinafter in section 3.

SEC. 3. (a) If any license taxes or penalties imposed by this act remain due and unpaid for a period of 10 days, the tax commission shall issue a warrant of execution directed to the sheriff of the county of the State commanding him to levy upon and sell the real and personal property of the taxpayer found within this county for the payment of the amount thereof with penalties and the costs of executing the warrant, and to return such warrant to the tax commission and to pay it the money collected by virtue thereof. Upon receipt of such warrant the sheriff shall file with the clerk of court of his county a copy thereof, and thereupon the clerk of court shall enter in the abstract of judgments the name of the taxpayer mentioned in the warrant, and in the proper columns the amount of tax with penalties and costs, for which the warrant is issued, and the date and hour when such copy is filed, and shall index the warrant upon the index of judgments. The sheriff shall thereupon proceed upon the warrant in all respects with like effect and in the same manner prescribed by law in respect to executions issued against property upon judgments of a court of record and shall be entitled to the same fees for his services in executing the warrant to be collected in the same manner. The taxes and penalties imposed by this act shall be deemed a debt owing to the State by the party against whom the same shall be charged and shall be a lien upon all property of the party against whom the same shall be charged, but such lien shall be valid, so as to affect the rights of purchasers for value, mortgages, or judgments, or other lien creditors, only from the time when the warrant is entered upon the transcript of judgment in the county, in the case of real estate, where the real estate is situate, and, in case of personal property (where the taxpayer resides, if the taxpayer be a nonresident, in the county where the personal property is situate): *Provided, however,* That any license taxes or penalties imposed hereunder shall be a first preferred tax lien upon any and all of the personal property of the taxpayer used, or to be used, in said business.

It is hereby declared to be the intent and purpose of this act to impose the tax herein provided on sugar upon the person, firm, or corporation making the first sale within this State, or the person, firm, or corporation first receiving the sugar within this State.

(b) Every such person, firm, or corporation shall keep a record, or records, showing the value and the gross receipts derived from engaging in any business taxable under this section, and such record shall, at all times, be subject to inspection by any agent of the South Carolina Tax Commission: *Provided,* That in case of any person, firm, or corporation engaging in a temporary, transient, or itinerant business which is taxable under the provisions of this act the entire tax shall be paid upon demand by the South Carolina Tax Commission, or any duly authorized agent thereof, and in case the tax is not paid upon demand, all penalties provided for by this act shall immediately apply. If any person, firm, or corporation required under the provisions of this section to keep any record, book, or papers shall fail to keep such true and correct records, books, or papers, either or all, or shall fail or refuse to submit the same for inspection of the South Carolina Tax Commission, or its duly authorized agents, or shall willfully make a false or fraudulent return, in each such event such person, firm, or corporation shall be guilty of a misdemeanor, and upon conviction shall be subject to a fine of not less than $50 nor more than $2,000, or imprisonment of not less than 30 days nor more than 12 months, or both, in the discretion of the court: *Provided,* That the license tax herein provided shall not apply in case any sugar is sold to the United States Government for Army, Navy, or marine purposes, and which shall be shipped from a point within the State to a place which has been lawfully ceded to the United States Government for Navy, Army, or marine purposes.

SEC. 4. In case any person or corporation is liable for the payment of any tax under the provisions of this act and has not paid the same, and it is made to appear that such person or corporation is insolvent, or that the strict enforcement of the payment of the tax would probably render the taxpayer insolvent; then, in such case, the tax commission may settle and compromise such tax as may be for the best practical interest of the State and as may, under all circumstances, be just to the taxpayer.

SEC. 5. That administration of this act is vested in the South Caroline Tax Commission, which shall prescribe rules and regulations pertinent to the enforcement of this act. It shall have power to enter upon the premises of any taxpayer and examine, or cause to be examined, by any agent or representative, designated by it for that purpose, any books, papers, records, memoranda, etc., and/or commodities bearing upon the amounts of taxes payable, and to secure any other information directly or indirectly concerned in the enforcement of this act.

SEC. 6. That the license tax or taxes imposed by this act shall be in addition to all other licenses and taxes levied by law, as a condition precedent to engaging in any business, or doing any act taxable thereunder.

SEC. 7. That if any clause, sentence, paragraph, or part of this act shall, for any reason, be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder of this act, but shall be confined in its operation to the clause, sentence, paragraph, or part thereof directly involved in the controversy in which such judgment shall have been rendered. No caption of any section, or set of sections, shall in any way affect the interpretation of this act or any part thereof: *Provided,* That the collection of the license taxes imposed under the provisions of this act shall not be stayed or prevented by any injunction, writ, or order issued by any court or judge thereon. In all cases in which any license or tax is required to be paid hereunder by any person, firm, or corporation, and the tax commission shall claim the payment of the taxes so assessed, or shall take any step or proceedings to collect the same, the person, firm, or corporation against whom such license taxes are charged, or against whom such step or proceedings shall be taken, shall, if he conceives the same to be unjust or illegal for any reason, pay the said taxes notwithstanding, under protest, in such funds and moneys as the South Carolina Tax Commission shall be authorized to receive, and upon such payment being made, said South Carolina Tax Commission shall make proper note that the same was paid under protest and notify the State treasurer that such taxes were paid under protest; that the person, firm, or corporation so paying said license taxes may at any time within 30 days after making such payment, but not afterwards, bring an action against the said South Carolina Tax Commission for the recovery thereof in any court of competent jurisdiction and/or in proper cases in the Federal courts and if it be determined in said action that such taxes were wrongfully and illegally collected for any reason owing to the merits, then the court before which the case is tried shall certify of record that the same were wrongfully collected and ordered to be returned with interest thereon at the rate of 4 per cent per annum. Whereupon the South Carolina Tax Commission shall issue its warrant upon the State treasurer for refunding the taxes and interest so paid, which shall be paid in preference to other claims against the treasury.

SEC. 9. That the South Carolina Tax Commission may, in its discretion, compromise any criminal or civil action arising under the provisions of this act, either before or after prosecution commenced. The South Carolina Tax Commission may, upon good cause shown, remit any penalties accruing under this act, in whole or in part.

SEC. 10. That this act shall take effect immediately upon its approval by the governor.

Mr. PHIPPS. Mr. President, on account of the limited time, my remarks will be very brief. The subject has been very thoroughly covered and the statistics have already been presented for the RECORD at least once. So I do not care to present figures to any extent.

Initially I want to say that I have never personally held one dollar's worth of interest in any sugar-producing company in the United States. Naturally I was attracted by the prospect of the sugar business when I made my residence in Colorado in 1902. However, the sugar-beet industry at that time was in its infancy. Factories had been installed in several places, but they had not been successful, and so I allowed the matter to drift for a time.

Then along about 1911, or 1912 perhaps, when the Great Western Co. had succeeded in bringing together several factories in order to effectuate economies in operation, and had taken those factories into its organization, although a majority of them had been unsuccessful, I happened to be very closely associated with Mr. Chester S. Morey, who was president of the Great Western Co., and who was desirous of having me interest myself in the industry. I went into the subject very exhaustively, and my investigation convinced me that not even the Great Western Sugar Co., with all its factories and facilities, could carry on a profitable business manufacturing sugar from beets unless tariff protection was afforded. At that time we were threatened with the removal of the tariff on sugar; in fact, the act of 1912, as I recall, provided for a gradual reduction in the duty, and the duty reached a point of 1 cent a pound in 1915 or earlier, and in 1916, as I recall, the remainder of the duty, 1 cent per pound, was to be taken off under the provisions of the original act. However, the administration then in power, which was Democratic, upon second thought decided it would be unwise to remove that duty, so the duty of 1 cent per pound was retained. But even with that duty, Mr. President, and with the farmers receiving only from $5 to $5.50 a ton for their beets, the Great Western Co. was practically the only company that could carry on at a profit, and it could do so only on account of its methods of operation and the economies effected by it. The smaller companies were not successful.

I could point out to you, Mr. President, one factory at Lamar, Colo., which was operated for a few years and then closed down, never to reopen. There was another factory at Rocky Ford, Colo., which moved to Sheridan, Wyo. Another factory later constructed at Monte Vista, Colo., also moved to Wyoming. Why? Not because of the character of the soil, not on account of a lack of ability to secure the beets necessary to run the mill, but because of management. That is a consideration that enters largely into the problem. Given similar conditions, one set of men may make a success of the business, while others, with the same advantages, may absolutely fail.

The Senator from Montana [Mr. WALSH] referred last night to factories within his State and he dwelt upon the prosperity of the Great Western Sugar Co., but why were three factories belonging to other companies moved from other States and located in Montana? It was not because the soil of Utah is unsuited to the cultivation of beets; it was not because the climate of Utah is not adapted to beet culture, for that State has all the advantages at least that will be found in the State of Montana in connection with the raising of sugar beets.

Mr. President, it so happened that I was interested, I think in the year 1904, by the enterprise of Sir William Van Horn, who projected the railway line from Habana, Cuba, to Santiago, Cuba. I took an interest in the enterprise. Incidently, to develop their business, the Cuba company, which was the holding company, acquired sugar factories and leased sugar lands. I took my proportion of the securities that were issued in order to pay for the factories and for the lands which were afterwards acquired. I still hold those interests; so that in passing to-day upon the question involved in the amendment of the Senator from Utah to raise the tariff on sugar, so long as I shall be voting against what might be the interest of the company in which I am concerned in Cuba, I feel entirely free to vote for the amendment of the Senator from Utah.

Mr. President, I have referred to the fact that in the early nineteen hundreds, up to 1912 and through 1914 and 1915, the farmers were receiving from $5 to $5.50 per ton for sugar beets. Conditions since then have changed. It requires at least $8 a ton to recompense the farmer to the same extent that $5 per ton would have recompensed him in those earlier days, because of the additional cost to him of labor.

The sugar-beet industry is one of the most desirable in which the farmer in territory suitable for the cultivation of sugar beets can engage. It does not stand by itself alone. The side lines involved are of great importance. In addition to giving employment to the farmer and to the mill employees, the beet-growing industry affords feed for cattle and sheep. They feed upon the lands where the beets are raised. The tops of the beets are left on the ground and the cattle feed on them. The beet pulp, after it comes from the mill, the sugar largely extracted in so far as it can be, is fed to the stock; but that is insufficient, that is not enough food to sustain them, and a variety is desirable as well. So the available food which is largely used is alfalfa. There we have a home market for the alfalfa which the farmer raises and which, by the way, is a crop that enriches the soil. By having rotation of crops, sugar beets, alfalfa, and other products, the farmer secures the very best possible result in his agricultural operations.

Taking a section that I well know, where the first successful sugar mill in Colorado was started—the Loveland district—I can recall that in 1902 or 1904 land in that immediate neighborhood with water rights could have been acquired at anywhere around $40 to $60 per acre; say an average of $50 per acre. To-day that land is reasonably worth $400 per acre. Had it not been for the sugar mill being located there, it never would have increased in value to anything like that extent.

Of course, that section is available for raising potatoes. Even wheat is grown to advantage, and other crops can be raised successfully; but the one crop that is best for the farmer is the sugar-beet crop. When he plants his acreage he is assured that his crop has been sold. Under the contract he makes, he knows that he will get at least so much per ton as a minimum, the price having ranged from $7 to $8 within the last three or four years. Over and above that he is assured that if the factory succeeds in disposing of its sugar at a figure above a price agreed upon, the additional revenue will be reduced to figures, and the farmer will benefit to the extent of one-half of that additional profit.

Mr. President, I feel that a rate of 2 cents per pound is really too low. I favored the rate of $2.20. I think it should have been adopted. I feel entirely free to vote for the amendment now before the Senate.

Mr. HARRISON. Mr. President, may I ask how much time has been consumed?

The PRESIDING OFFICER. The proponents of the amendment have consumed 76 minutes and have 38 minutes left. The opponents have an hour and 48 minutes left.

Mr. HARRISON. 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:

Allen	Frazier	King	Shortridge
Ashurst	George	La Follette	Simmons
Baird	Glass	McCulloch	Smith
Barkley	Glenn	McKellar	Smoot
Bingham	Goldsborough	McMaster	Steck
Black	Gould	McNary	Steiwer
Blaine	Greene	Metcalf	Stephens
Borah	Grundy	Moses	Sullivan
Bratton	Hale	Norbeck	Swanson
Brock	Harris	Norris	Thomas, Idaho
Brookhart	Harrison	Nye	Townsend
Broussard	Hastings	Oddie	Trammell
Capper	Hatfield	Overman	Tydings
Caraway	Hawes	Patterson	Vandenberg
Connally	Hayden	Phipps	Wagner
Copeland	Hebert	Pine	Walcott
Couzens	Heflin	Pittman	Walsh, Mass.
Cutting	Howell	Ransdell	Walsh, Mont.
Dale	Johnson	Robinson, Ind.	Waterman
Dill	Jones	Robsion, Ky.	Watson
Fess	Kean	Schall	Wheeler
Fletcher	Keyes	Sheppard	

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

Mr. CARAWAY. Mr. President, I am aware that no argument, no information available or that might be produced, is to be effective in the vote that is pending. The fate of this bill was settled by a trade, an agreement, in which my information is—and I think it is accurate—that eight Senators have agreed to change their votes upon this rate, and vote for sugar in return for votes that are to be hereafter cast for other duties that are pending.

That being true, argument is wasted; because when a matter becomes a matter of trade, of consideration, of bargain and sale, whatever the facts may be, the result has been fixed.

I have been a defender of the honor of the Senate. I have resented it when people have accused it of being an inferior body, as having degenerated from the old Senate; but, so far as I know, no other Senate has so deliberately entered into a trade that is to cost the American people millions and millions of dollars as that which is to be recorded in the vote that is pending on the proposed rate on sugar.

I desire to call the roll of the Senators who voted for the so-called Harrison amendment. Eight of those Senators, it is

alleged, have agreed to change their vote, and they are changing them because of other considerations than reason. That is manifest because they agreed to change their votes before a single thing had been said upon the floor of the Senate touching the reconsideration of this rate. So the reason that brought conviction to them—if I may be permitted to call it that—was something that did not transpire upon the floor of the Senate, and has nothing to do with the facts with reference to this proposed rate.

Every Senator is the keeper of his own honor. He must be the judge of what is compatible with his sense of propriety, and he must answer to the people who sent him here. If he believes that his vote is a private thing, that it belongs to him like the clothes that he wears, that he has a right to traffic in it like anything else that belongs to him; if that is his conception of his duty, he will cast his vote accordingly. I venture the assertion, and I do it in no spirit of harshness, that the Senator who changes his vote on the pending amendment will not live long enough to explain to his constituency and to the American people and to the Senate the reasons that impelled him to do it. He will not attempt to do so on the floor of the Senate. He is going to trust that time will be kind to him and people will forget. I shall be much mistaken if he does not find that in that he is mistaken.

These are the Senators who voted for the amendment:

Allen, Ashurst, Barkley, Black, Blaine, Blease, Borah, Bratton, Brock, Brookhart, Capper, Caraway, Connally, Dill, George, Gillett, Glass, Goff, Harris, Harrison, Hawes, Hayden, Heflin, Jones, Keyes, La Follette, McKellar, McMaster, Metcalf, Norbeck, Norris, Overman, Pine, Robinson of Indiana, Robsion of Kentucky, Schall, Sheppard, Shipstead, Simmons, Smith, Steck, Swanson, Thomas of Oklahoma, Trammell, Tydings, Wagner, Walsh of Massachusetts, and Wheeler.

The information is that eight out of that list have changed their views or rather are going to change their votes. That change was made before any new procedure had taken place. It was made by something that did not happen in the discussion of this bill.

Mr. President, I have not argued tariff rates; I have been very much engaged in another matter which has taken me out of the Senate for a good deal of the time, and I regret it. In fact, this is the first speech I have made upon this question.

There has been a very extensive lobby here on the sugar question. It has spent money freely. It has used every device known to human ingenuity to effect results.

The proponents of an increase in tariff have maintained here for years a lobby, which has expended nearly $100,000 a year. It increased its activities when it became known that there was to be a tariff bill written at the special session called preceding this session. It employed high-pressure publicity as well as other methods. It was lavishly supplied with money, and spent it freely. On the other side the people representing the interests in Cuba raised and expended nearly $100,000 in opposition to an increase. This sum was about one-fifth of what was spent in favor of the increased duties.

Both maintained a system of espionage. They invaded every channel of influence they could reach. They peddled the name of the President, as if he were a commodity that might be bought and sold.

The Cuban interests paid $75,000, or agreed to do so, for an attorney, whose sole recommendation, as far as I was able to judge from what I saw of him, was that at one time he had been the attorney for the Sugar Equalization Board and had entrée to the White House and knew Mr. Hoover, at one time or another having done some little trifling thing for him.

The President of Cuba maintained an active lobby here in Washington, working through the ambassador of Cuba. The Canadians put up money to influence this legislation. It seemed to have been thought by people living abroad that legislation was to be sold, and they wanted to buy it.

Both sides acted upon the assumption that somewhere in this body sat Senators who could be reached by influence, and they levied a tribute upon every man who produced a pound of sugar to raise a fund to corrupt the streams of legislation. They said in one instance that they were giving information, in another that they were checking up what the other folks were doing, but all of them agreed that if they did not put up money and maintain an expensive organization here in Washington legislation harmful to their industry would be enacted by Congress.

I have been contemptuous of the influence of lobbyists. I have looked upon them as parasites who fattened upon the credulity of those away from Washington, but, after all, if after the Senate has solemnly recorded its judgment and without any additional information, without any argument, without any new facts, lobbyists can come here and form a combination and rewrite this tariff bill on all the more important schedules, I shall revise my opinion of the effectiveness of a lobby, because if this bill is rewritten as to sugar and oil and lumber and hides, it will be the result of a trade; it will not be the result of arguments; because if that happens, the trade has been made without any additional information, and a lobby is recording its effectiveness. Therefore I want to say that I shall reverse my opinion of the effectiveness of lobbying if these changes are made.

The pitiful thing about it is not the amount it costs, it is not the unearned profits which go into the pockets of the beet-sugar growers and refiners of the United States, who talk about American standards of labor when they employ the cheapest labor which can be imported from Mexico—men and women and children, but principally women and children, who crawl upon their knees like slaves and get a wage that will hardly sustain their existence. They are the laborers. The fight is not for American standards of labor. We unearthed information showing that the sugar people did not dare appeal to the American Federation of Labor for help, because they knew that the American Federation of Labor could not approve the labor conditions under which beet sugar is produced. It is a peonage system. Therefore, let nobody vote for this amendment under the belief that the beet-sugar people are endeavoring to maintain American standards of wages, because that is not true; it is not meant to be true. It is to put profits into the pockets of people who own sugar refineries and sugar stock, who have received an unrighteous profit.

Mr. President, I am conscious of the fact, as I said before, that there is no use arguing with somebody who has made a trade, who has given his solemn word that, regardless of the facts, he is to support this rate in return for support of other rates. The agreement did not take place upon the floor of the Senate, and the reasons for changing did not take place here.

I regret it. As I have said before, from the very bottom of my heart I have resented the statements of those who have attacked the Senate, its dignity, and its honor. I have resented it every time a Member of this body has risen and deplored the decadence of the Senate. I have said—and, so help me almighty God, I believed it when I said it—that in comparison with Senates that have gone before this Senate has no occasion to be ashamed. But I shall have no feeling that will impel me to defend the honor of the Senate again if that takes place which we have been told will take place; and we will know when the vote on this amendment is recorded.

We will need no explanation. None will be necessary, and none could explain. When the roll is called we will know whether legislation is written on the floor of the Senate because the facts warrant the votes or whether it is made by trades taking place outside of the Senate, because here there is no chance to be mistaken. The vote was recorded, and before any additional argument had been made, and when no additional facts were available, a change took place. I have nothing more to say.

Mr. BINGHAM. Mr. President, I rise to say a few words in behalf of 1,500,000 American citizens who have no representative of this body but are deeply concerned in this particular matter. In the island of Porto Rico there are more than 1,500,000 American citizens. Although it is almost impossible to believe under our history, none of those citizens are represented in the Congress except by a Commissioner in the House, who has no vote, and they are represented by no one in the Senate.

Those people have suffered tremendously, due to a most disastrous hurricane, and the Congress has been liberal in helping them by granting them nearly $8,000,000 of relief, or about one-tenth of the most conservative estimate of the loss through the hurricane.

I have been talking with Mr. Brown, the head of the Bureau of Efficiency, who has recently come back from Porto Rico, and who made a very careful study of conditions there. It is his opinion that the loss due to the hurricane two years ago was at least $80,000,000, if not $100,000,000. Congress has agreed to lend the planters about $6,000,000 and has given the island outright about $2,000,000 to help along.

This particular measure increasing the duty on sugar is one which affects them very seriously. When the matter first came before the Senate I voted in favor of an increased tariff on sugar, largely in order to help the people of that island, who have no representative here on this floor, although I had not received a single letter or telegram from anybody in my State advocating such a duty. In fact, as is well known, I have received hundreds of letters and telegrams protesting against any increase in the duty on sugar. Connecticut does not produce sugar beets or sugar cane. The industries which use large amounts of sugar, of course, are objecting to an increase in

this duty, and every citizen of my State uses sugar, and an increase in duty would increase the cost of his breakfast table less than 50 cents during the course of a year.

Mr. President, in order to emphasize the situation in Porto Rico I should like to read a telegram received by the Secretary of War on January 17 from the Governor of Porto Rico, in which he said:

Refusal of Senate to agree to raise in sugar tariff, as advocated by House, creates a most serious situation on our island. All of our sugar companies are still suffering from the results of cyclone. All were operating at a loss last year. If we do not obtain increase in price, which we expected would result from the increased tariff, 31 of our sugar companies will probably go into the hands of receivers by July 1. The worst aspect of this is that these are the small Porto Rican owned companies. The large companies with foreign capital behind them can probably pull through, but every last one of our small local companies will go to the wall. I do not have to point out to you that this will mean a desperate situation not only in the banks but in our labor condition, for it will throw literally thousands of our people out of work. I can not exaggerate the gravity of the condition that would result.

Mr. President, we did not have that information when the matter was brought up in the Senate before. Although I visited Porto Rico just after the hurricane, and was as instrumental as possible in securing the relief for them, I did not appreciate how seriously the smaller sugar plantations were affected.

A letter from the Governor of Porto Rico to General Parker, Chief of the Bureau of Insular Affairs, contains further information in regard to this matter in connection with the cablegram which I have just read. The governor said, under date of January 17:

DEAR GENERAL PARKER: I cabled you to-day on the sugar tariff. My cable was in no way an exaggeration of existing conditions. If the tariff on raw sugar is not raised, Porto Rico is going to be in desperate case. Roughly speaking, our situation is as follows:

There are four large foreign-owned sugar corporations which produce each year 385,000 tons of sugar. That represents about 50 per cent of our production. The balance consists of the combined production of a number of smaller mills, the largest of which turns out 31,000 tons. We have made a careful survey of these smaller mills with reference to their financial situation. We have consulted with well-known bankers on the matter. Doctor Chardon—

He is the commissioner of agriculture and one of the best agricultural commissioners in the Western Hemisphere—

and Mr. Domenech have studied personally their individual and general conditions. Our opinion now is that of these smaller mills 31 will go into the hands of receivers in July next if the tariff on raw sugar is not raised.

I hope, Mr. President, that any Senator within the sound of my voice who hears that statement and realizes the truth of it and the suffering that is going to result if this amendment is not adopted will not be afraid to change his vote if necessary merely because of statements that have been made on the floor and in other places with regard to the meaning of such a change of votes. Surely the needs of a large number of American citizens who are dependent upon us to relieve their suffering ought to have weight in encouraging him to give them relief if it can be done at such a small expense to the average American consumer.

Mr. GLASS. Mr. President——

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

Mr. BINGHAM. I am glad to yield to my friend from Virginia.

Mr. GLASS. Will the Senator say that he has presented these facts and these arguments to any Senator who is alleged to have changed his vote?

Mr. BINGHAM. No. I am presenting them now for the first time to the Senate and calling Senators' attention to the facts that have been received from the governor recently.

Mr. GLASS. Exactly; but if as alleged by the Senator from Arkansas [Mr. CARAWAY] there has been a trade and Senators have swapped off their votes, why should the Senator from Connecticut be appealing to Senators of that sort?

Mr. BINGHAM. Mr. President, I did not hear all of the speech of the Senator from Arkansas, but only the latter part of it. I am not aware of any Senators having "swapped off their votes" or made any "trade." I presume that Senators who vote this afternoon with regard to a tariff on sugar will vote their convictions, as the Senator from Virginia will do and as I propose to do.

Mr. GLASS. That I hope may be true, but the Senator is appealing to nobody who voted against the amendment on the previous occasion, but only Senators who have already bartered off their votes are amenable to an appeal of that sort.

Mr. BINGHAM. I never have accused any Senator of having bargained off his vote and I think too highly of my colleagues to believe that they are going to indulge in trades of that kind, even though I may differ with friends on the other side of the aisle who believe that whenever anyone changes his vote it is in consequence of some kind of a trade or bargain. If one changes one's mind in regard to a public matter, one is sure to be accused on this floor of either having been influenced by some trade or having been influenced by political reasons. I have been subject to the same thing myself by being accused of changing my attitude on the Monroe doctrine for political reasons. The fact that it was changed by the history of the Great War is never accepted by those who desire to call me to account for having changed my mind.

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

The PRESIDING OFFICER. Does the Senator from Connecticut yield to the Senator from Kentucky?

Mr. BINGHAM. I yield.

Mr. BARKLEY. The Senator in that regard, at least, had enough respect for the Senate to offer his reasons for changing his views. But up to date that course has not been followed with reference to anyone who will change his vote on this matter.

Mr. BINGHAM. As I understand it, and the Senator will correct me if I am not in accord with the facts, the vote which we are to have at 3 o'clock is a vote on a new proposition which has not before been submitted to the Senate, and is not a vote over again on the same thing on which we voted before. Therefore, if I may have the attention of the Senator from Kentucky, I do not understand what he means by changing one's vote on the amendment. As I understand it, no one has had an opportunity to vote on this particular amendment before.

Mr. President, reverting to the letter from the Governor of Porto Rico, I continue reading:

Our opinion now is that of these smaller mills, 31 will go into the hands of receivers in July next if the tariff on raw sugar is not raised. These 31 mills are divided as follows: 4 are financed with foreign capital, 27 are Porto Rican concerns owned by Porto Ricans.

To phrase it differently, it is our belief now, based on careful investigation, that every Porto Rican-owned mill will be put into the hands of a receiver by next July unless the House stands firm and the tariff on raw sugar is raised.

The condition outlined above has been brought about by a series of misfortunes, among which the cyclone holds a prominent place. None of the mills made money last year. All lost money. As a result, all have had to draw on their capital in order to operate. The small mills have small capital and it is exhausted. Every last one of them is heavily mortgaged.

In reciting the above condition it is hardly necessary to amplify on what the effect would be of such a catastrophe. You know what the situation of our banks is. If these 31 mills failed, I think it is almost certain that bank failures would follow in their train. Should our credit system, which is in such a precarious position, receive a blow of this sort, it is difficult to know how far the consequence would go. About 25,000 of our laborers who are now getting the scanty pay that meagerly supports them from these mills would be out of work. There is nowhere else they could turn for aid.

We have four principal agricultural crops on the island—sugar, tobacco, fruit, and coffee. The cyclone ruined our coffee. This year our crop will be negligible. Heavy rains have damaged our tobacco crop by 30 per cent, in the opinion of our department of agriculture.

Therefore, the failure to pass an increased tariff on raw sugar would at this time spell disaster for our rehabilitation plans for the island of Porto Rico.

Would you mind giving a copy of this letter to my brother-in-law, Nick Longworth, and to Don Felix Cordova Davila?

Yours very sincerely,

THEODORE ROOSEVELT.

Brig. Gen. F. LEJ. PARKER, United States Army,
Chief of Bureau of Insular Affairs,
War Department, Washington, D. C.

Mr. President, I am sure that the good people of the United States, although naturally objecting to any increase in the cost of living, when they learn that thousands of their fellow citizens in Porto Rico will be affected very seriously unless they, the citizens on the mainland, are willing to pay a few cents more per year for the sugar they use, will not then seriously object to the increase in the tariff on sugar, and I hope most emphatically that the amendment which has been offered by the senior Senator from Utah will be adopted by the Senate.

Mr. HOWELL. Mr. President, the proposal of the distinguished Senator from Utah [Mr. SMOOT] provides for an added

duty of 0.24 of 1 cent per pound on sugar, or $4.80 a ton. Assuming the consumption of sugar at the present time to be that of 1928, when this country was consuming 6,200,000 tons, it is evident that the annual increase in the Nation's sugar bill resulting from the adoption of the amendment would be approximately $30,000,000. It has been insisted, and, I think, not without justification, that none of the tariffs, where effective 100 per cent, are merely effective 100 per cent, but that pyramiding results. In connection with the proposed increase it has been estimated that pyramiding will add about $5,000,000 a year. That would go to the wholesaler and the retailer. As a consequence it is really proposed to increase the annual sugar bill of the country $35,000,000.

What is the purpose of this increase? It is to aid the continental farmer in the United States producing beets and sugarcane. Therefore very properly the question arises, How much of the $35,000,000 will reach the farmer? This is not difficult to determine. About $5,000,000 will go to wholesalers and retailers of sugar.

Mr. SMOOT. Mr. President——

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

Mr. HOWELL. I yield.

Mr. SMOOT. It costs just as much for the wholesaler and retailer to distribute the sugar, whether it is 5 cents a pound or whether it is 6 cents a pound. That cost is stationary, no matter what the price of sugar may be. For instance, I have taken from the New York Times of to-day the quotations on sugar. Raw sugar sold yesterday at $1.53. Think of that, $1.53! When I spoke before on the sugar question I quoted from the New York Times, and at that time sugar was quoted at $1.99. In other words, since I made my speech previously on sugar the price has dropped 46 cents a hundred below what it was at that time.

So far as distribution is concerned, the retailer never makes any money. I had delivered to the door of my house yesterday 10 pounds of sugar for 51 cents. Is there any other commodity in the world as cheap? I know of none. I am calling attention to the fact that so far as distribution cost is concerned it cost just as much whether the price is 5 or 6 or 7 cents, or whatever it may be.

Mr. HOWELL. Mr. President, I realize that should be true, but when we came to boots and shoes one of the great arguments used in that connection was that we must necessarily add at least 50 per cent to whatever the proposed tariff on hides might add to the cost of boots and shoes. It was held and argued on the floor of the Senate in connection with sugar in a previous debate that this pyramiding was sure to follow, and it does ultimately follow if a tariff increase persists over a period of time. However that may be, I have simply called attention to the fact that it is probable that the cost to the American consumer as a result of the adoption of this amendment would not only be the amount of sugar used in this country multiplied by 0.24 of 1 per cent per pound but in addition thereto the cost of distribution, which has been called pyramiding. This is estimated at $5,000,000.

But aside from that, what of the remaining $30,000,000? There is no question about that being added to the sugar bill of this country.

Of this sum $13,000,000 will go to the Treasury of the United States because of added duties collected upon sugar from Cuba and elsewhere; and the Treasury does not need $13,000,000 from this source. The sum of $11,000,000 will go to the Philippine Islands, to Porto Rico, to the Virgin Islands, and to Hawaii, and less than $6,000,000 of the $30,000,000 will go to the continental producers and manufacturers of sugar. Every dollar of that, less than $6,000,000, will be paid to the manufacturers of sugar, and, as a consequence, the farmers producing beets and cane will probably not get more than $2,000,000; yet it is the farmer whom we are aiming to aid by such legislation.

In short, out of every dollar of the increased sugar bill that will result not more than 7 cents will reach the producers of beets and cane. As a matter of fact, instead of this measure being for the benefit and in the interest of the continental producers of sugarcane and beets, if enacted, it will really be in the interest of our island possessions. Certainly one not informed as to the situation would assume such to be the case, because they are to get $11,000,000 of the $30,000,000, and our farmers at home will get but $2,000,000.

However, Mr. President, there is not the least doubt in the world that the sugar industry in continental United States is in distress and is entitled to consideration, to aid, and to assistance. We ought to do something for the sugar producers in continental United States if we want to perpetuate our domestic sugar industry. It is our duty to do it, and we ought to do it as a matter of selfishness, because it is the only thing that will protect us against extortionate sugar charges. This tariff method, however, is the most inefficient way of aiding the producers of cane and beets in this country.

Moreover, not only do these producers need assistance but they need more assistance than twenty-four one-hundredths of a cent a pound; they need forty-four one-hundredths of a cent a pound, at least; but, as we only produce 1,200,000 tons of the 6,200,000 tons of sugar we consume in this country, if we would aid the producers of this 1,200,000 tons directly we could give them forty-four one-hundredths of a cent a pound at a cost of but $10,600,000, instead of saddling an added sales tax upon the people, in connection with sugar, that will total in the neighborhood of $35,000,000, and then only afford twenty-four one-hundredths of a cent a pound to the domestic producers.

In short, we can directly aid the sugar producers by affording them a bounty of forty-four one-hundredths of a cent per pound at a cost to the American people of but $10,600,000, whereas by the method proposed we shall aid them by little more than half of forty-four one-hundredths of a cent a pound at a cost of $35,000,000 Which method should appeal to us as business men and as the directors of this great Nation? Therefore, to carry out such a proposal, Mr. President, I offer as a substitute for the amendment of the Senator from Utah [Mr. SMOOT] the amendment which I send to the desk.

The VICE PRESIDENT. Let the amendment be stated.

The LEGISLATIVE CLERK. On page 121, between lines 21 and 22, it is proposed to insert the following:

(a) Subject to the limitations hereinafter specified, there shall be paid by the Federal Farm Board, out of the proceeds of issues of customs warrants, allowances upon sugar produced by domestic manufacturers from sugar beets or sugarcane grown within the continental United States. The rates of such allowances shall be determined by the Federal Farm Board but shall not be in excess of the following rates: For each pound of sugar testing by the polariscope above 88 sugar degress and not above 90 sugar degrees, 0.365 cent, and for each additional sugar degree shown by the polariscope test, 0.0075 of 1 cent additional, and fractions of a degree in proportion. After making the deduction provided for in subdivision (b), 90 per cent of the remainder of the allowance upon any sugar shall be paid to the grower of the sugar beets or sugarcane from which the sugar is produced, and 10 per cent of the remainder of the allowance shall be paid to the manufacturer producing the sugar.

(b) Whenever hereafter and for the crop year of 1929 the Federal Farm Board determines that the growers of sugar beets or sugarcane are entitled to Federal aid for any crop year, the board shall from time to time call upon the Secretary of the Treasury to issue customs warrants in amounts sufficient to meet allowances payable under this paragraph. Customs warrants so issued shall be sold from time to time by the Federal Farm Board. If any customs warrants so issued to meet allowances payable upon sugar produced from sugar beets or sugarcane of any crop year are sold by the Federal Farm Board for less than par value, the amount of the difference between the par value and the amount for which such warrants are sold shall be deducted from the allowances to be paid upon such sugar in accordance with such regulations as the Federal Farm Board shall provide. In the event that customs warrants are issued as herein provided, claims for allowances upon any quantity of sugar are authorized to be filed at any time within six months after the production of the sugar, and shall be paid promptly by the Federal Farm Board.

(c) Title to customs warrants shall be transferable by delivery. A customs warrant when presented by the bearer thereof within one year from the date of issuance shall be legal tender at its par value for payment of duties on imports. The Secretary of the Treasury shall prepare and issue such warrants whenever requested by the Federal Farm Board. Customs warrants shall be obligations of the United States within the definition in section 147 of the act entitled "An act to codify, revise, and amend the penal laws of the United States," approved March 4, 1909, as amended (U. S. C., title 18, sec. 261).

(d) No allowance shall be paid upon any sugar which has at any time been imported into the continental United States or upon which an allowance has previously been paid under this paragraph.

(e) No manufacturer shall be eligible to receive any allowance upon sugar produced from sugar beets or sugarcane of any crop year unless such manufacturer files with the Federal Farm Board prior to July 1 of such year, except in the case of the crop year of 1929, a notice of an intention to claim the benefits of this paragraph. Such notice shall be in such form, and shall be filed for the crop year of 1929, as the Federal Farm Board shall by regulation prescribe, and shall include an estimate of the amount of sugar proposed to be produced by the manufacturer from sugar beets and sugarcane of such crop year. No allowance shall be paid to any manufacturer upon sugar produced from sugar beets or sugarcane of any crop year unless the manufacturer produces at least 2,000 pounds of sugar from sugar beets and sugarcane of such crop year.

(f) No allowance shall be paid to any person unless he files claim therefor and maintains books, records, accounts, and memoranda necessary for the purposes of this paragraph, in such form and manner as the Federal Farm Board shall by regulation prescribe, nor unless such person permits the examination of and produces such books, accounts, records, and memoranda in accordance with such regulations as the Federal Farm Board shall prescribe.

(g) Any transaction of the Treasury Department in issuing or receiving customs warrants or of the Federal Farm Board in paying allowances under this paragraph shall be final and conclusive upon all officers of the Government, except that all such transactions shall be examined by the General Accounting Office at such times and in such manner as the Comptroller General of the United States may by regulation prescribe. Such examination shall be for the sole purpose of making a report to the Congress and to the Secretary of the Treasury of expenditures in violation of law, together with such recommendations with respect thereto as the Comptroller General deems advisable.

(h) Any person who knowingly or without the exercise of due diligence makes any statement or representation that is false in any substantial particular with respect to any claim of himself or any other person under this paragraph, or who knowingly receives any allowance under this paragraph to which he is not entitled, or who knowingly files a claim for any such allowance shall, upon conviction thereof, be subject to a fine of not more than $1,000.

(i) The proceeds from the sale of all customs warrants shall be covered into a special fund to be administered by the Federal Farm Board for the purpose of paying allowances as provided in this paragraph.

The VICE PRESIDENT. The Chair will state to the Senator from Nebraska that his amendment is not in order as a substitute for the amendment proposed by the Senator from Utah, but would be in order as an independent amendment.

Mr. HOWELL. Mr. President, I hope there will be no objection made to the consideration of the amendment at this time. It proposes to accomplish relief for the sugar industry of this country in one way, whereas the amendment of the Senator from Utah proposes to afford relief in another way. It seems to me that, as a matter of reason, the amendment should be in order, because it is merely another method of accomplishing the same purpose that is intended to be accomplished by the amendment of the Senator from Utah. Therefore, I hope the Senate will be afforded an opportunity of voting upon the amendment before a final vote shall be taken upon the amendment of the Senator from Utah.

Mr. BORAH. Mr. President, if the amendment of the Senator from Nebraska be admissible as an independent amendment, separate and apart from the amendment offered by the Senator from Utah, would it be permissible to have a vote upon it now?

The VICE PRESIDENT. It would be by unanimous consent. The unanimous-consent order is that at 3 o'clock there shall be a vote on the amendment proposed by the Senator from Utah; but by unanimous consent a vote could be had upon the amendment proposed by the Senator from Nebraska at any time before 3 o'clock.

Mr. HOWELL. I ask unanimous consent that my amendment may first be disposed of.

The VICE PRESIDENT. Is there objection to voting upon the amendment proposed by the Senator from Nebraska?

Mr. HARRISON. Mr. President, I do not want to object to the request, and I would not object to unanimous consent that it be submitted, notwithstanding the rules of the Senate, as a substitute for the amendment offered by the Senator from Utah; but I know that one or two Senators have left here not expecting a vote to be taken at half past 1, and if we have a vote now on this proposition it will not only consume time which was to be devoted to the discussion but Senators who are not here now will not be present to vote on it.

Mr. WALSH of Montana. Mr. President, let me suggest that the request be that at the hour of 3 o'clock a vote be taken on this amendment prior to the vote on the amendment offered by the Senator from Utah.

Mr. HOWELL. I make the request in that form, Mr. President.

The VICE PRESIDENT. Is there objection to the request?

Mr. HARRISON. As I understand, the Senator is offering his amendment as a substitute and asking unanimous consent that it be taken as a substitute for the amendment offered by the Senator from Utah, and to be voted on at 3 o'clock.

Mr. HOWELL. Yes.

Mr. HARRISON. I have no objection.

The VICE PRESIDENT. Is there objection?

Mr. THOMAS of Idaho. Mr. President, I think at this time I shall object. I may not do so later, but at the present time I shall object on account of the absence of several Senators.

The VICE PRESIDENT. There is objection at the present time.

Mr. HOWELL. I trust the Senator will withdraw his objection, because I propose to surrender the floor immediately so that just prior to voting I may have an opportunity to make a 5-minute explanation of the proposal.

The VICE PRESIDENT. The Senator from Nebraska.

Mr. HOWELL. Mr. President, I realize that it is somewhat difficult to follow this amendment in its details. However, it has been very carefully drawn; and as a brief explanation I will say that it provides, at a cost of $10,600,000 to the Treasury of the United States, a bounty or forty-four one-hundredths of a cent a pound, to be distributed by the Farm Board when it deems that the industry is in trouble. The amendment also provides what proportion of this $10,600,000 is to go to the producer of beets and cane, and what proportion is to go to the manufacturer. It provides that 20 per cent shall go to the sugar mill and that 80 per cent shall go to the actual producer of the beets and cane. It further provides that the Farm Board can apply its provisions in connection with the 1929 crop, which is now being marketed, or about to be marketed. It provides that the bounty can be rendered available in any year when it is particularly needed, and, as I have stated, at a minimum cost to the people of the United States. The minimum annual cost of the amendment offered by the Senator from Utah is $30,000,000, of which not more than $6,000,000 will reach the manufacturer and producer of sugar in continental United States; whereas this amendment provides for a maximum cost of but $10,600,000—all going to the manufacturer and the producer. Moreover, we indicate what portion of that $10,600,000 shall go to the producer—80 per cent. I am speaking now of the farmer. So, as a matter of efficiency, this amendment is far beyond the proposal offered by the Senator from Utah.

Mr. HARRISON. Mr. President, may I ask how the time has run?

The VICE PRESIDENT. The proponents of the amendment have 19½ minutes left. Outside of the 19½ minutes, those opposed to it have until 3 o'clock. The clerk informs the Chair that that is an hour and five minutes.

Mr. HARRISON. I will say to the Senator from Utah that I do not know that there are any other speeches to be made on this side. I expect to say something later, but if the Senator wants a little more time I will yield him some of that time; that is, we will make no objection to his going a little over that time. I think the Senator from Massachusetts [Mr. WALSH], who is not now in the Chamber, desires only about 10 minutes to speak.

Mr. SMOOT obtained the floor.

Mr. McNARY. Mr. President——

The VICE PRESIDENT. Does the Senator from Utah yield to the Senator from Oregon?

Mr. SMOOT. I do.

Mr. McNARY. 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:

Allen	Frazier	King	Shortridge
Ashurst	George	La Follette	Simmons
Baird	Glass	McCulloch	Smith
Barkley	Glenn	McKellar	Smoot
Bingham	Goldsborough	McMaster	Steck
Black	Gould	McNary	Steiwer
Blaine	Greene	Metcalf	Stephens
Borah	Grundy	Moses	Sullivan
Bratton	Hale	Norbeck	Swanson
Brock	Harris	Norris	Thomas, Idaho
Brookhart	Harrison	Nye	Thomas, Okla.
Broussard	Hastings	Oddie	Townsend
Capper	Hatfield	Overman	Trammell
Caraway	Hawes	Patterson	Tydings
Connally	Hayden	Phipps	Vandenberg
Copeland	Hebert	Pine	Wagner
Couzens	Heflin	Pittman	Walcott
Cutting	Howell	Ransdell	Walsh, Mass.
Dale	Johnson	Robinson, Ind.	Walsh, Mont.
Dill	Jones	Robsion, Ky.	Waterman
Fess	Kean	Schall	Watson
Fletcher	Keyes	Sheppard	Wheeler

The VICE PRESIDENT. Eighty-eight Senators have answered to their names. A quorum is present. The Senator from Mississippi is recognized.

Mr. HARRISON. Mr. President, I had understood that the Senator from Utah was going ahead.

Mr. SMOOT. I prefer to have the Senator from Mississippi proceed, if he will.

Mr. HARRISON. I prefer to have the Senator from Utah speak first.

Mr. SMOOT. Nobody has made any statement on the other side.

The VICE PRESIDENT. The Senator from Utah is recognized.

Mr. SMOOT. Mr. President, there is so short a time at my disposal that it is impossible for me at this time even to begin to answer some of the statements that have been made during this discussion. I therefore shall confine myself to a brief written statement prepared last night, because I have not more time at my disposal to say more than I have included in this statement.

The Senator from Montana, in his address yesterday, made the point that an increase in the rate of duty is unjustified because a single company—the Great Western—finds it possible to operate at a profit. It has been explained time and again that the Great Western has been able to survive the killing competition of Cuban sugar because it operates under extremely favorable circumstances of growing territory and marketing areas. The conditions that prevail in the Great Western's territory are not representative of the industry as a whole. They are representative, as a matter of fact, of only 1 sugar company of more than 20 which operate in the United States beet fields and they have no relation at all to the conditions which prevail in the cane districts of Louisiana and Florida.

I submit to the Senators that it is absurd and unwise to single out a company and to base all arguments on its corporate standing. Certainly we have not taken that position in regard to any other item in the whole tariff bill, and if any such attitude had been taken, we would have had no tariff bill at all. If the argument holds good in the case of the Great Western Sugar Co., then I suggest that it might also be used in the case of wheat. Do the wheat farmers need no help merely because Mr. Campbell, of Montana, is one of the exceptions to the general depression which prevails among the small-grain farmers? Everyone knows that Mr. Campbell is the largest producer of wheat in the United States, and I may add, I think, in the world, and he makes a profit at his business. But I doubt very much that the conditions which apply to his enterprise in Montana can be used as an argument against relief for the wheat farmers in North Dakota, or South Dakota, or Minnesota, or any of the other grain States. Does it follow merely because a few ranchers are making money that no tariff is needed to help the cattlemen of the Nation? So it is with every item in the bill, and I am persuaded that Senators from the interested States would express resentment if an isolated circumstance were used as the basis for judging an entire industry.

A great deal of the clamor that has been set up in opposition to the sugar duty has come from the representatives of the soda-pop and confectionery industries. I call attention, in this connection, to a report which came to my desk this morning from Ernst & Ernst, perhaps the largest firm of accountants and auditors in the United States. Their weekly bulletin dated March 4 contains comparative statistics of corporation profits for 1929 and 1928. Under the heading of beverages and confections, I find the statement that the profits of 22 such companies increased 18.39 per cent in 1929 over 1928. The profits for 1929 were $42,411,000 as against $35,821,000 in the year previous, an increase roughly of $7,000,000. Looking at these figures I can not believe that the manufacturers of candy and pop are headed for economic disaster. Any Senator on the floor who is so inclined may compare these figures with the earnings of the sugar companies of the United States. He will discover that the earnings of the sugar producers have so collapsed that only one of them is paying a dividend, and that is being paid out of its surpluses. That company, of course, is the Great Western.

It is true that the Great Western in days gone by has been prosperous, but its money was made when the price of sugar was from 1 to 5 cents higher than it is at the moment. If foreign companies and foreign countries are permitted to continue their exploitation, it is only a matter of time before that great company—for which the Senator from Montana expresses such admiration—will itself be "on the rocks," or in the same condition that 18 other sugar companies located in various parts of the Union now find themselves. These conditions are shown in the report which was filed with the Senate Finance Committee at the request of the senior Senator from Mississippi. No, my friends, the great and beneficial principle of protection was not established to further the cause of the most prosperous company in any particular industry, but to establish such tariff rates as would expand and build up an industry as a whole. Had we proceeded on any other theory than this, the United States would now simply be producing raw materials, while other countries would be turning out the finished product, and we would be paying such prices as they saw fit to exact.

So much for the argument concerning the Great Western. I have shown the tremendous increase in profits in the soda-pop and confectionary industries as a whole. What are the conditions in specific companies? I read from the Wall Street Journal of February 27, as follows:

> Increase in the Coca-Cola dividend to $6 from $4 a share a year was forecast in several quarters in Wall Street. Action was justified by the persistent growth of the company. Since 1922 sales have increased approximately 86 per cent, and in the same period there was a gain in the net income of more than 103 per cent, indicating economies practiced in the distribution of its product.

What have there profits been? I quote once more from a recent issue of Printer's Ink:

> Net profits of the Coca-Cola Co., Atlanta, for 1929 amounted to $12,758,276, after all charges, against $10,189,120 for the previous year. Sales for the year amounted to $39,260,813, against sales of $34,745,758 for 1929, an increase of 12.9 per cent.

Mr. President, I submit that these figures, taken from unprejudiced sources, demonstrate that we need waste no great concern on the candy industry or the manufacturers of soda waters. They are making money hand over fist; they are making more money now than they have ever made before, and their only purpose in opposing a higher duty is the hope of increasing still further the enormous returns on their industry. The increase which I have proposed would add only an infinitesimal part of a cent to the production cost of a bottle of pop, a candy bar, or a box of sweets. At all events, the increase would be so amazingly small that the most labored explanation must fail to convince us that an increased price for the product would be justified.

Yesterday the price on Cuban sugar of 96° was $1.53 a hundred, the lowest price I have ever seen quoted for that sugar, and I ask, Have these confectioners and this pop outfit who have been flooding the Senate with protests, paying untold thousands and millions of dollars for advertisements, dropped the price of a bottle of pop or a pound of candy a cent? Everybody knows they have not. Yet they are the great howlers against the increase of 24 cents a hundred pounds on sugar.

Another point: There have been no protests against the sugar rates proposed by the consumers, for whom the heart of the Senator from Mississippi is so sympathetically touched. Not in the hearings before the House Ways and Means Committee, not in the hearings before the Senate Finance Committee, not in the debates on the floor of the Senate, has there been introduced one scintilla of evidence that the consumer fears the increase. The reason is that any fair-minded consumer, any housewife who buys her sugar at a corner grocery, knows that the prices now prevailing are lower than they have been in long years past.

As I have stated, there were delivered to my house yesterday 10 pounds of sugar for 51 cents. Is there another commodity in the world as cheap? Is there any other commodity in all the world on which there are no profits made by the handlers from the time it is sacked until it is delivered to the consumer? When I was engaged in merchandising I never thought of making more than 25 cents on a hundred pounds of sugar, and out of the 25 cents I was compelled to haul the sugar from the depot to the store and then deliver the sacks of sugar from the store to the consumer. Is there any other commodity in the world handled in that fashion? There is none that I know of, and I am positive there is none.

I am not so adept at calculating costs as the Senator from Mississippi. He finds that some staggering tax will be placed upon the people of the United States. I find, in all sincerity, that the cost of the increase which I have proposed would amount to no more than the cost of a package of cigarettes or a couple of bottles of the Senator's pop. If that be a staggering burden, then I should like to know a light one.

The simple truth of the matter is that if no tariff relief is granted it will be impossible for the continental sugar industry to continue in operation. That is a statement of fact, not theory. Any Senator who has read the record will find a statement of the deplorable conditions which now exist in all save one sugar district and sugar company. We are called upon to help remedy the situation by enacting a higher rate of duty against Cuba, the principal source of competition for the domestic industry. I grant that the Philippines are a problem, but we had far better take one hurdle at a time. When that has been accomplished successfully we will have an opportunity to complete the protection of the domestic industry by voting on a limitation of Philippine imports.

Mr. President, I am hopeful that the Members of the Senate will play fair with the sugar producers of the United States.

I want to call attention to the fact that the American consumer of sugar in the year 1920 paid enough for Cuban sugar, over and above the price fixed for the American sugar by our Government, to build every sugar factory there is in the United

States. What conclusion are we to draw from that? Just destroy the industry in the United States and let Wall Street have absolute control over the production of sugar in the Philippines?

The VICE PRESIDENT. The Senator has two minutes left.

Mr. SMOOT. I want to say now to the Senators here who are called upon to vote on this proposition that the people of the United States will not only pay for sugar what they have paid in the past but they will pay dearly for the control if the local consumption of sugar is destroyed.

Mr. HARRISON. Mr. President, I hope the Chair will take 15 minutes of my time and give it to the Senator from Utah, if the Senator wants 15 minutes more.

Mr. SMOOT. If the Senator from Mississippi will allow me to have 15 minutes after he speaks, I shall be glad to take it.

Mr. HARRISON. No; I make the offer to the Senator in good faith, but if the Senator does not want the 15 minutes, very well.

Mr. SMOOT. I think we ought to play fair in this matter. The Senator has sat here all the time, he would not rise to take any of his time, he wants to close the argument, and I am not going to deny him. That is all right. He has that right, and I wish the Senator now to proceed. I am hoping he will not be successful.

The VICE PRESIDENT. The Senator from Mississippi is recognized.

Mr. HARRISON. Mr. President, I do not want the Senator from Utah to think I am taking any unfair advantage of him. He can be recognized now, so far as I am concerned, for 15 minutes more.

Mr. SMOOT. I did not say the Senator was unfair. I did not even intimate that. The Senator has done just what he thought was best in the present situation, and I have no complaint to make. The Senator can proceed. If there is any time left and nobody else wants to speak, and the Senator does not object, I would like to take a little longer time.

Mr. HARRISON. Mr. President, I do not see the Senator from Massachusetts [Mr. WALSH] in the Chamber.

Mr. McNARY. Mr. President, will the Senator yield while I suggest the absence of a quorum?

Mr. HARRISON. I yield.

Mr. McNARY. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

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

Allen	Frazier	King	Shortridge
Ashurst	George	La Follette	Simmons
Baird	Glass	McCulloch	Smith
Barkley	Glenn	McKellar	Smoot
Bingham	Goldsborough	McMaster	Steck
Black	Gould	McNary	Steiwer
Blaine	Greene	Metcalf	Stephens
Borah	Grundy	Moses	Sullivan
Bratton	Hale	Norbeck	Swanson
Brock	Harris	Norris	Thomas, Idaho
Brookhart	Harrison	Nye	Thomas, Okla.
Broussard	Hastings	Oddie	Townsend
Capper	Hatfield	Overman	Trammell
Caraway	Hawes	Patterson	Tydings
Connally	Hayden	Phipps	Vandenberg
Copeland	Hebert	Pine	Wagner
Couzens	Heflin	Pittman	Wolcott
Cutting	Howell	Ransdell	Walsh, Mont.
Dale	Johnson	Robinson, Ind.	Waterman
Dill	Jones	Robsion, Ky.	Watson
Fess	Kean	Schall	Wheeler
Fletcher	Keyes	Sheppard	

The VICE PRESIDENT. Eighty-seven Senators have answered to their names. A quorum is present.

Mr. HOWELL. Mr. President, I renew my unanimous-consent request that the vote upon the amendment which I have offered shall take place at 3 o'clock, prior to the vote upon the amendment of the Senator from Utah [Mr. SMOOT], without any further discussion.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

Mr. HARRISON. Mr. President, when in January last the vote was taken in the Senate on the sugar amendment, after days and days of discussion, following arguments pro and con, the amendment to retain the duty of 1.76 cents a pound as against Cuban sugar was carried by the overwhelming vote of 48 to 38. Every attempt made by the distinguished chairman of the Finance Committee [Mr. SMOOT] at that time to increase the tax burden upon the American housewife and the other consumers of sugar in the country was thwarted and defeated.

Following the action of the Senate the newspapers were, I dare say, more unanimous in their approval of what the Senate had done than they have been as to any action taken in the Senate in the past decade. The report went far and wide that the sugar lobby, composed of gentlemen of rare diplomacy, of fine ability, of winsome ways, of attractive manners, had been at work in the Capital City. They had invaded the offices of Senators and had made their arguments. They had employed means which I do not say were reprehensible, but every kind—well, I will say of legitimate method was employed in order to obtain votes for an increased duty. But with all their persistence and their fine organization and the wide propaganda they employed, they were defeated. There was rejoicing throughout the country that night when the radio carried the news through space out into the humble homes of the poor as well as into the homes of those of moderate means. With acclaim and approbation they received the news of the action of the Senate.

We thought the fight was over. We thought these very amiable gentlemen from Hawaii, these very fine and pleasing personalities from Utah, and the other gentlemen from various parts of the West, who were here to obtain an increase in taxes upon the sugar consumers of the land, would leave Washington for awhile and let there be peace and harmony not only in the minds of Senators but in the humble homes of the land among the consumers of sugar. But not so. They knew that they had able champions upon the floor of the Senate. They knew they occupied a strategic position in this body. They knew that somehow or other, through the head of the subcommittee of the Committee on Ways and Means of the House having sugar in charge, they had a friend at court. He had stood out and fought and he had placed in the bill 2.40 cents a pound as against Cuban sugar. What care they whether the duty imposed cost the American people $350,000,000 a year?

They knew, too, that in this body and on the Finance Committee there was a man who had labored in season and out of season to put duties upon sugar and add to the burdens of the sugar consumers of the land; that he had never given up; that when he was beaten one day he laid his plans for the next day to put an increased duty on sugar. So they occupied that favorable position.

The chairman of the Committee on Finance, leading in this fight to increase the burdens upon the sugar consumers, and some of the Senators who sit within the sound of my voice listening to me, are going to fall for it. But be careful! Begin to prepare your speeches now. Begin to plan your political fight for the future. Begin to get ready with your answer. Make preparations to defend the arguments of the men throughout the country, from Maine out into the State of Washington, who will question your vote upon this proposition and want to know the reason why you are adding these additional burdens upon the sugar consumers of the land. Yes; by following this gentleman he will be pleased with you. His people are interested in the matter. He admitted himself that he is interested in it also. Follow him, if you will, but remember that the day of reckoning is coming, and that, as portrayed by every newspaper in the country, in the next campaign, whether it be in the Democratic or Republican primaries or in the general elections, the sugar issue will be the major issue—the burning issue—for which Senators will have to answer to their constituencies.

Mr. President, yesterday the Senator from Virginia [Mr. SWANSON] called attention to the fact that we ought to change the rules of the Senate and do away with the consideration of measures in Committee of the Whole, so that it will be impossible to get a vote one way in Committee of the Whole and another vote in the Senate, dilly-dallying around until votes can be changed overnight. I am in favor of such a change in the rules. The spectacle which I have seen for the first time in my legislative experience in the consideration of this bill forces me to say that I would vote for a change in the rules of the Senate.

The fact is that the Members of the Senate at the beginning of the Government, able and distinguished as they were, when rules were first adopted for the procedure of the Senate, provided that a bill should first be considered by this body as in Committee of the Whole; then it should be reported to the Senate, and be considered all over again; in other words, it should be considered de novo. I do not know what the reasons for that method of procedure were, but I know that if one searches the pages of congressional history he will find only in the very rarest instances that when a bill was reported from the Committee of the Whole to the Senate that a separate vote was even asked in the Senate upon an amendment which had been adopted as in Committee of the Whole. If one will search those pages, he will find no instance in which Senators voted one way on a measure when it was considered as in Committee of the Whole and voted the other way when it was under consideration in the Senate. They stood sturdy and strong, like the oak, unmoved by the passing breeze.

What confidence can we expect the American people to have in us, what respect will they have for senatorial statesmanship when they recall the fights which were waged so bitterly for days, when arguments were hurled, pro and con, even for weeks on this question, and when a vote was taken which was decisive, and then read in glowing headlines a few weeks later that the Senate reversed itself on that vote and had adopted an entirely different amendment; that it had undone what it had previously done? Do Senators think we shall elevate the Senate in the estimation of the American people by such tactics? Even the Senator from Utah knows that such procedure will lower the Senate in the estimation of the American people.

Mr. SMOOT. Mr. President, I want to say that the amendment now pending before the Senate is not the same as the amendment which was previously voted on. I desire further to say that I do not know that, if adopted, the amendment would lower the Senate in the estimation of the American people. Not only that, but I will admit now that I own 440 shares of Utah-Idaho sugar stock, and it is quoted to-day at 75 cents a share.

Mr. HARRISON. The Senator from Utah has previously stated that. I am going to tell the Senator the price of another stock that is quoted to-day. Listen to me, Senators; let the word be carried to those Senators who are expecting to change their votes. The stock of the Great Western Sugar Co., which controls 48 per cent of the sugar which is manufactured from beets in this country, and which made profits in the last eight years to the extent of $51,000,000, rose to-day in price on the exchange $2 a share. Why? On the strength of the statement that the Senate is going to retrace its steps, repudiate what it previously did, and vote more money into the coffers of the Great Western Sugar Co. I wonder what the Senator from Utah has to say about that? Do Senators here by their action wish to help the Great Western Sugar Co. at the expense of the American consumers? I repeat that the stock of the Great Western Sugar Co. rose $2 a share.

Mr. SMOOT. From what previous price, I will ask the Senator from Mississippi?

Mr. HARRISON. It rose from $28.50, where it was only the other day, until this morning it reached $32 a share.

Mr. SMOOT. Stocks of all companies of every nature vary in price. The price of Great Western stock may be down to $28 a share to-morrow.

Mr. HARRISON. Yes; but the Senator from Utah will have great difficulty in contending that the news which went out from here that eight Senators were going to change their votes did not affect the price of that stock.

Mr. SMOOT. I can say that it was only a few months ago when Great Western sugar stock was selling for nearly $50 a share, but in the slump it went down to less than $30 a share. Now, the Senator from Mississippi is citing a $2 increase in the price of that stock as an example of what may happen. I will say to the Senator that the price of that stock will have to go up $10 or $15 more before it reaches its former level.

Mr. HARRISON. It has gone up $2 a share more; it has gone to $32 a share.

Mr. SMOOT. But that is not nearly as high as its price was a few months ago.

Mr. HARRISON. The Senator from Utah ought to get busy again, and submit another amendment which would make the rate about $3 a hundred pounds. Then the Great Western Sugar Co. would applaud, and I know its representatives are up in the Senate galleries now and are looking down upon him with approval.

Mr. SMOOT. And so are the representatives of the "pop" producers in the galleries. I can see them.

Mr. HARRISON. So are the representatives of the "pop" producers; and God knows they ought to be here. [Laughter.]

The VICE PRESIDENT rapped with his gavel.

Mr. HARRISON. It is a pity that more of the housewives are not in the galleries, too. Let me read something about the Great Western Sugar Co.

Mr. BARKLEY. Mr. President——

The VICE PRESIDENT. Does the Senator from Mississippi yield to the Senator from Kentucky?

Mr. HARRISON. I yield.

Mr. BARKLEY. Mr. President, if this amendment shall be adopted, and the bill shall go to conference, and a compromise shall be entered into at a rate somewhere between $2 and $2.40, which was the rate adopted by the House, how much more will the stock of the Great Western Sugar Co. rise in value?

Mr. HARRISON. No one in the world can tell how high it will go. I do not know how high Utah-Idaho beet-sugar stock will go or how high the stock of the Holly Sugar Co. will go. It made more money last year——

Mr. GLASS. Mr. President——

The VICE PRESIDENT. Does the Senator from Mississippi yield to the Senator from Virginia?

Mr. HARRISON. I yield.

Mr. GLASS. Let us have a little guessing match here. If the stock rose $2 overnight upon the mere rumor that in some way eight Senators have been induced to change their minds, how high will it rise when the vote takes place and they vote that way?

Mr. HARRISON. In the wildest flights of my imagination I can not imagine how high it may go. [Laughter.]

The Great Western Co. is the company that is going to be helped, because the Senator from Utah himself will deny that it produces 48 per cent of all the sugar that is made from sugar beets in this country. The Senator nods his head in acquiescence, so we agree about one thing.

In 1922 the Great Western Sugar Co. made profits of $8,500,000, starting out a few years ago with a capitalization, I believe, at that time of about $29,000,000. In 1923 it made $6,879,000; in 1924 it made $12,004,000; in 1925 this concern, which Senators by their votes are going to help, made $10,897,000; in 1926 it made $6,424,000; in 1927 it made $3,365,000; in 1928 it made $3,530,000. In nine years it has made $51,537,000.

Mr. SMITH. On what capital?

Mr. HARRISON. It started off with a capitalization of $29,000,000, as I recall.

Mr. WALSH of Montana. Mr. President, the Senator might also state that last year it made over $7,000,000 in profits.

Mr. HARRISON. I thank the Senator. Mr. President, here [exhibiting] is the report of the Great Western Sugar Co. for last year. It did not appear before the committee and ask for the increase, and I have nothing to offer in criticism of it. I wish that other sugar companies in the United States were as well managed and efficiently operated as is the Great Western Sugar Co.

If they were, they would not be going into the hands of receivers. It is a well-managed organization and has made tremendous profits, and yet by action here which would add from $30,000,000 to $33,000,000 more to the burden upon the American people, that company would be given nearly half of whatever benefit is to accrue. I will put the figures in the RECORD, but let us see what the report of the Great Western Sugar Co., issued on April 8, 1929—there is no April fool about it, either—says:

> The domestic producers of sugar, both cane and beet, are seeking to bring about a reasonable increase of import duties on sugar from foreign countries, as well as to have restored some restriction upon duty-free importation sugar from the Philippine Islands.

In its report it says that conditions are going to get better; that they will improve, because, it says, there is an agitation in Congress to give it greater advantage and permission to extort and exact more money from the American sugar consumers.

Now, let us see what the Holly Co. says. That company controls nearly 10 per cent of all the sugar produced from sugar beets in this country. These two companies together—the Great Western and the Holly—control about 57 per cent of the total domestic production in this country of sugar from sugar beets. Did the Holly Co. go into the hands of a receiver? No; its report shows it to be in fine condition; the company made money last year. In its report it is stated:

> Sugar was produced this year at the lowest cost in the history of the company, due to increased capacity and operating efficiency in the plants, and fully justified the capital expenditures of about half a million dollars.

Then it is stated in the company's report:

> Because of these conditions, we are confident Congress will provide a reasonable increase in the tariff. The representatives of the beet-sugar industry have urged Congress to increase the tariff on Cuban sugar 64 cents per hundred pounds, equivalent to about $1.50 a ton on beets.

Now, there are the two concerns controlling more than 58 per cent of the sugar produced from sugar beets in the country, making profits, and stating in their reports that they are fighting for a higher tariff duty in order that they may increase their profits and their dividends to their stockholders, and Senators are going to help them do it.

Ah, the distinguished and eloquent and flamboyant Senator from Michigan [Mr. VANDENBERG] this morning said that I was trying to destroy the sugar-beet industry and the sugarcane industry in this country. No, Mr. President; I am more conservative in my action with reference to this subject than is the Tariff Commission or any other body that has impartially investigated this situation and the conditions surrounding it, because I have not tried to reduce the tariff below the present

rate; I have fought to maintain the present rate. What has that rate done?

Mr. President, in 1921 the Senator from Utah only asked in the beginning for a tariff rate in the neighborhood of $1.40, but the first thing we knew he had climbed up and asked for a rate of $1.60 a hundred pounds against Cuban sugar. We thought then he had gone wild, but he said the increased rate was needed; that the price of sugar was dropping in Cuba; that it might go down to 2 cents a pound, and he said, "Give us $1.60, because then we will be able to maintain the domestic industry." The very next year, in 1922, he had himself named as chairman of the sugar subcommittee on the tariff bill then being considered, notwithstanding the admission he has just made upon the floor of the Senate that he owned stock in a sugar company, and he jacked up the rate to $1.76 a hundred pounds. It was done without rime or reason.

When the vote was taken on that proposal Senators from New England practically all voted against it, and they went back to their constituents and told them that they thought they ought to be patted on the back for what they had done; yet the same leader would now make it harder for them to go back to their States and explain their attitude, if they shall vote to increase the rate to 2 cents a pound.

The Republican Party has given to the sugar interests of this country the highest favors; it has given them better treatment than was ever accorded to any other industry in America. Why do I say that? Because in 20 years they have taxed the American people to the extent of $3,000,000,000 in order to help that industry. What did they do it for? They did it because they wanted to increase production in the United States; they have tried to do that constantly by increasing the rate of duty and yet the production in the United States has not increased during that time. Let me give the Senate the figures as to production. It remained practically stationary. One year it may be a little lower than another; but, taking it as a whole, while there may be a little increase, the production of sugar beets is about the same now as it was 20 years ago.

As to the sugarcane interest, Mr. President, it reached a very low tide a few years ago, due to disease, I know; and I sincerely regret it. I am glad the production is on the increase now, and I hope it will continue. But if we were dependent upon Louisiana for the sugar consumed in the United States, do you know how long it would run? Is that what you are seeking to do by putting a duty of 2 cents a pound on it—to keep all foreign sugar out of this country?

A duty is imposed for three purposes.

One is to raise revenue. I have not heard of any cry for this duty on the revenue basis.

Another is to encourage production of the particular product in the United States. You have tried it out for more than a century and you have not brought about increased production in the United States.

If, on the other hand, you just want to keep out everything, what are we going to do? Continental United States produces about one-fifth to one-sixth of the consumption needs of the United States. If we had had to depend upon Louisiana in 1925, her production of sugar would have run the United States just two days. If we had to depend now upon the West to produce enough sugar beets to manufacture sugar for the United States, it would run us just two months, or 60 days.

Are we not being kind to the sugar industry? Have we tried to destroy the sugar industry? No; we have gone beyond what the Tariff Commission said in its report, after an impartial investigation—a report made by a man named Brossard, who came from Utah, and who is a protegé of the chairman of the Finance Committee, who not only tastes sweet but smells sweet, so much obsessed by sugar is he. In that report, made after the finding of that commission, they said that the difference in the cost of production of sugar in this country and in Cuba was 1.23 cents a pound, and I believe there were two members of the commission who did go as high as 1.57 cents a pound; and we have given them 1.76 cents a pound. Here they are clamoring now for 2 cents a pound, and only a few months ago they clamored for and received 2.40 cents a pound in the action of the House, under the whip and spur of the leadership of that body.

Defeated? Why, when the vote was taken on this amendment, and it was defeated by 10 votes, the Senator from Utah [Mr. SMOOT] served notice upon this body that he would offer another amendment to make the duty 2 cents; and I pleaded with him, while the matter was fresh in the minds of Senators following that long debate, to offer his amendment then; but he did not do it. You ask me why. I can only say that the results that have followed tell me why. They answer the question. He wanted time.

These gentlemen, amiable and fine as they are, representing the sugar-beet interest and the sugarcane interest, brought pressure to bear on me; yes. I went to school in Louisiana. I love the people of Louisiana. They are my neighbors. I do not know the line that separates them from my State. I received most of my education there; and they have been at work on me to change my vote. No, Mr. President; I think they are treated better now, as I say, than other industries in this country. There is no rime or reason in increasing this rate. The price of sugar to-day is temporary. If you take it for 20 years, you will find that at some times in the year it goes down, but the averages remain about the same.

Senators talk about the condition a few years ago, when the price of sugar climbed up to 30 cents a pound. I will never forget it. The housewives of this country will never forget it. The little children who went without candy will never forget it. The men and women who made soft drinks will never forget it. Why? Because the sugar-beet interests and the cane interests were just as avaricious in trying to gouge and extort from the American people as were the sugar interests of Cuba or Porto Rico or Hawaii. None of them have wings.

At that time, when the price of sugar got so high, the Senator from Connecticut [Mr. WALCOTT] was giving the benefit of his advice to the Food Administration. They were trying to bring down the price so as at least to make it possible to supply the needs of the country and the soldiers at the front. The Senator from Connecticut did his part in the matter; and he knows, because he is astute and able, that it was necessary to go with the strong arm of this Government, through the Department of Justice, into the courts of the land, and bring into court these men who are now crying for higher duties, who are striving to put heavier burdens upon the American people, and indict them at the bar of their fellow men. The very company in which the Senator from Utah just told the Senate he owns so much stock was brought into the courts and was indicted for extortion, for trying to obtain excessive prices.

No; there are no wings on these sugar angels. They are trying to get now more than their just part, as they were trying then to get more than they were entitled to.

Let us look at the production to see if all this $3,000,000,000 that has been laid upon the backs of the American people through the higher rates that have been given to the producers has increased the production.

In 1921 there were produced in the United States 1,086,000 pounds of beet sugar.

In 1922 the production was 1,021,000 pounds.

It fell down a little bit the next year.

In 1925 it was about the same—1,091,000 pounds.

In 1928 it was 1,081,000 pounds.

In 1929 it was 1,040,000 pounds.

So when we raised the duty in 1922 up to 1.76 cents a pound, it brought about no increase in the production of sugar in the United States.

The figures I have just given referred to beet sugar. Let us see now about cane sugar.

The production of cane sugar in 1922 was 324,000 tons.

In 1923 it had dropped to 295,000 tons.

Next year it had dropped to 162,000 tons.

Next year it dropped to 88,000 tons.

Next year it was 137,000 tons.

Next year it was 47,000 tons.

Next year it was 71,000 tons.

That is how the production has responded to this high tax that has been laid upon the sugar consumers of the land.

Mr. BROUSSARD. Mr. President——

The VICE PRESIDENT. Does the Senator from Mississippi yield to the Senator from Louisiana?

Mr. HARRISON. I yield.

Mr. BROUSSARD. Will the Senator read the production in Louisiana up to date?

Mr. HARRISON. Yes. In 1929 they raised 132,000 tons in Louisiana.

Mr. BROUSSARD. Will the Senator yield further?

Mr. HARRISON. Yes.

Mr. BROUSSARD. They produced over 200,000 tons.

Mr. HARRISON. Of course, the Tariff Commission is never correct. That is where I got these figures.

Mr. BROUSSARD. They are not correct.

Mr. HARRISON. Let us take it as 200,000 tons, then. My figures are all wrong, according to the Senator. That shows practically 50 per cent less production than there was in 1922.

These gentlemen cry eloquently in behalf of the sugar-beet farmers of the country. Let us see how the price of sugar beets has gone up. Would you not think there would be a

large increase in the price that the farmer of sugar beets obtained after getting all these beneficent favors from the Government? It is the farmer they say they want to help; but it is the Great Western and the Holly Sugar Cos. that we will help if we put in this duty, because they are the boys who fix the price of the sugar beets.

Ah, they first wanted to "maintain the American scale of wages." They do not talk much more about that, since even the Representative from Colorado described how they brought Mexicans over here, and that the white people could not get down on their hands and knees and get the beets from the ground.

Here is the price of sugar beets in dollars per ton:

In 1905, away back there—that is a long time ago—the average price per ton in the United States was $5.10.

In 1907 it was $5.20.

In 1912 it was $5.82.

In 1917 it was $7.39. That is what the farmer received.

In 1921 he received $6.35—just a dollar difference; that is all.

Next year he received $7.91.

The next year, in 1923, he received $8.99.

In 1924 he received $7.92.

In 1925 he received $6.39.

In 1926 he received $7.61.

In 1927 he received $7.67.

What happened since the passage of the bill in 1922, when we raised the tariff up to 1.76 cents a pound on Cuban sugar from what it was before. I find that in 1922 the price was $7.91, and in 1927 and 1928 it was $7.67; so the price of sugar beets went down, but the profits of the Great Western Sugar Co. and the profits of the Holly Sugar Co. went up.

Ah, Senators, do not be deceived on that matter! You are not helping the farmers by this increased duty. There are 30,000,000 American people engaged in and dependent upon agriculture in the United States. Not 1 per cent of that number is interested in growing sugarcane or sugar beets, and yet it is claimed that this is in the interest of agriculture. By carrying this amendment we will increase the burden about $15,000,000 on the farmers of America themselves, and from $32,000,000 to $37,000,000 on the American people as a whole.

What justification have the Senators who supported the amendment that was offered some weeks ago to maintain the duty at 1.76, and keep the present law, and voted against the amendment offered by the Senator from Utah to make it 2.20 as to Cuban sugar, which would have increased the cost $52,000,000—what justification have they now for turning around and turning a somersault and voting for an amendment that increases the duty over the amendment they voted for, but increases it just $20,000,000 less than the amendment offered by the Senator from Utah before? In other words, they are trying to justify voting against imposing a burden of $52,000,000 upon the American sugar consumer, but they are going to defend putting a burden upon the American consumer of from thirty-two to thirty-seven million dollars. I am glad that somebody else has to make that explanation, and offer that excuse, and make that defense, than I. It must be done; it will have to be done.

I plead with my fellow Senators, at this time in the consideration of this bill, when we have worked hand in hand to keep these enormous taxes from being imposed upon the American consumer, when we have stricken down some inordinately high rates, when we have tried to equalize duties in behalf of American agriculture, working for months and months and months to bring us to this place, up the hill that we have tried to climb, do not trip us now, and do not send a pang of sorrow throughout this land where before there was rejoicing.

The American people would not understand it. How can you expect them, when we have voted deliberately upon the proposition, to have any faith in it? They would say, "That body, that Senate of the United States! You can not tell one day what they are going to do the next." They will scoff forever at this vote on sugar, when in January we said that the duty of 1.76 cents was quite sufficient, and a few weeks later turned around and said it was not high enough.

I submit this cause to the Senate. I have no more interest in it than any other Senator has. I am not going to question the motives of any man. I say one thing, however, that another Senator said, that either my friend from Utah is the purest or the most cunning man in this body. I have heard rumor and suspicion directed at this Senator and that Senator with reference to this vote, but the Senator from Utah was cunning. He said even yesterday that he did not know whether he had votes enough to carry this amendment, when everybody else thought that he had enough votes if the vote had been taken last night. Of course, to-day it is different, because some men sometimes give answer to lobbyists when they have a right to change their opinion, when their convictions are at stake.

I have had all kinds of pressure brought on me with reference to lumber. Lumber is grown in my State. It is one of our best resources. The people engaged in the lumber industry have been among my warmest friends. They have stood by me in every political battle I have ever waged. They have contributed to my campaign funds. They have called me on the long-distance telephone during this tariff discussion; they have pleaded with me in the corridors of the Capitol; they have written to me letters by the hundreds. But what would be the situation if I should vote for a tariff on lumber, in the circumstances? It would be said, "It looks suspicious. He has been against the lumber schedule. He formed his convictions no doubt conscientiously." If I should shift and vote for a tariff on lumber in the circumstances, I would lose the respect of my people, and rightly so.

I told them that we had won out in the fight on oil, that we had won out in the fight on lumber, that we had won out in the fight on sugar, and if sugar, oil, and lumber now prevail, what will the American people think of it?

I shall find no fault with any Senator upon this side of the aisle who voted for the amendment I offered before on sugar and who now changes his vote, acknowledging that he was wrong, and votes for the higher duty. I shall find no fault with gentlemen on the other side who want to change their views with reference to that. But this fight in behalf of the consumers of the United States was won. Those who voted to maintain the rates received no criticism, either through editorials in the press or from their constituents, except from those who were interested directly in the matter. Why are you going to vote for the amendment? What will the American people have a right to say if we turn around now and undo what we have already done? Men who do it will have to explain to their constituents, and, oh, what a hard job that will be.

What would the American people think of me if I lived in a State where oil was produced and I should go back and say to those people, "I made a fight for oil. I tried to get a duty upon oil. I tried to help the oil interests of my State, but I could not get enough votes to do it. The judgment of the Senate was against me, and the only way I could possibly secure the adoption of the duty was to vote with some other gentlemen for something else which they wanted"? That might satisfy the constituents of some Senators, but it would not satisfy the constituents I am proud to claim in the State of Mississippi.

The same thing might be said by some gentleman who made a heroic fight for a duty on lumber; and they did make a great fight. I do not think I ever heard in behalf of a cause a more eloquent speech than that made by the distinguished junior Senator from Washington [Mr. DILL]. It was a fine speech, it was a masterly speech. He believed in what he was talking about. But he lost in his fight.

Senators, I hope that the time has not come, or will ever come, when Senators believe that they must vote for something in a combination in order to carry their point on a duty they want for something produced in their States.

Let not the Senate begin it to-day. I want to appeal to those Senators who before voted against raising the duty beyond 1.76 a pound, and who come from New England, and who come from other places in this country where the people are consumers of sugar. I look into the scholarly countenance of my friend the senior Senator from Connecticut [Mr. BINGHAM]. He spoke a while ago.

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

Mr. HARRISON. I yield.

Mr. TRAMMELL. I want to state that one of the most masterly and eloquent speeches I have heard in the Senate, even comparable with that of the Senator from Washington on lumber, was the speech of the Senator from Mississippi in behalf of the dye schedule.

Mr. HARRISON. Yes; I made a very good speech that day.

Mr. President, I was talking to the Senator from Connecticut when I was interrupted, not rudely interrupted, because my friend from Florida never rudely interrupts anybody, and I want to say to him that those of us who made the fight in behalf of the sugar consumers of the country in January were delighted to have his assistance, notwithstanding the pressure that was brought to bear upon him at that time to vote for this increased duty the Senator from Utah wanted to have imposed. The Senator from Florida stood up like a man. It took courage, because I know that the Dahlberg interests have gone into Florida. I know they have secured—how many acres is it—20,000?

Mr. TRAMMELL. About 25,000 acres.

Mr. HARRISON. They have about 25,000 acres there. They are smart people. I know them. They have a plant down in Louisiana. I read in the debate before a statement of Mr. Dahlberg, when he was trying to sell stocks of his concern, in

which he said that every subsidiary and every company in his organization was making money and was prosperous. That is the concern that has gone into Florida. So I say it took nerve indeed for the Senator to stand up with us. I congratulate him.

The other day I saw in the papers a dispatch from down in Florida. I knew what it was. I knew it was cunning propaganda that was backed by these distinguished gentlemen who are up in the gallery now waiting for your names to be called so that they can go home and say, "Boys, we are going to give you bigger dividends in the future than you have had in the past." I read in the papers from Florida a column dispatch about a great sugar refinery to be established at some place in Florida. I knew that the purpose was to have the astute eye of the junior Senator from Florida, as well as of his colleague, read that, so that he would say, "See here; we are going to have a big industry down here. I can not vote against SMOOT any more. I will have to vote for his amendment."

They reckoned without their host. The distinguished Senator from Florida had the courage, had the nerve, to vote before for 1.76, believing that it was enough, believing that it was all that was desirable. I can not believe it possible that, through propaganda such as that or otherwise, the distinguished and illustrious Senator will change his vote on this occasion.

I was about to get to my friend from Connecticut [Mr. BINGHAM]. He spoke a while ago, not in behalf of the sugar consumers of Connecticut, not in behalf of these people whose backs are bent throughout the country to-day, who are being thrown out of employment by the tens of thousands, with bread lines forming in Maine, and up in Cleveland, Ohio, and out in Indiana, and everywhere in this land, people who can not get jobs. Factories, it is said, are being closed down. Yet the Senator was not speaking for those people, but he was speaking for Porto Rico. "Help Porto Rico. Increase the duty."

Half of the production in Porto Rico is making profits in that island. There are not more prosperous concerns than there are in Hawaii. Of course, by raising the duty the Philippines, Hawaii, and Porto Rico will be helped that much more, perhaps, but you are not helping the sugar producer of the United States. You will just hurt millions of men and women, people of great means, of poor means, of moderate means, who will have to withstand this increased burden upon them. I hope the Senate will not lose its head and stamp a stain and stigma upon itself in this instance. I hope the Senate will vote down the amendment offered by the Senator from Utah.

The VICE PRESIDENT. The question is on the amendment proposed by the Senator from Nebraska [Mr. HOWELL] to the amendment made as in Committee on the Whole.

Mr. COPELAND. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. COPELAND. Does the amendment of the Senator from Nebraska propose a lowering of the present rate?

The VICE PRESIDENT. That is not a parliamentary inquiry.

Mr. MOSES. Mr. President, let the amendment be read.

The VICE PRESIDENT. The amendment will be again read for the information of the Senate.

The CHIEF CLERK. On page 121, between lines 21 and 22, insert the following:

(a) Subject to the limitations hereinafter specified, there shall be paid by the Federal Farm Board, out of the proceeds of issues of customs warrants, allowances upon sugar produced by domestic manufacturers from sugar beets or sugar cane grown within the continental United States. The rates of such allowances shall be determined by the Federal Farm Board but shall not be in excess of the following rates: For each pound of sugar testing by the polariscope above 88 sugar degrees and not above 90 sugar degrees, 0.365 cents, and for each additional sugar degree shown by the polariscope test, 0.0075 of 1 cent additional, and fractions of a degree in proportion. After making the deduction provided for in subdivision (b), 90 per cent of the remainder of the allowance upon any sugar shall be paid to the grower of the sugar beets or sugar cane from which the sugar is produced and 10 per cent of the remainder of the allowance shall be paid to the manufacturer producing the sugar.

(b) Whenever hereafter, and for the crop year 1929, the Federal Farm Board determines that the growers of sugar beets or sugar cane are entitled to Federal aid for any crop year, and the board shall, from time to time, call upon the Secretary of the Treasury to issue customs warrants in amounts sufficient to meet allowances payable under this paragraph. Customs warrants so issued shall be sold from time to time by the Federal Farm Board. If any customs warrants so issued to meet allowances payable upon sugar produced from sugar beets or sugar cane of any crop year are sold by the Federal Farm Board for less than par value, the amount of the difference between the par value and the amount for which such warrants are sold shall be deducted from the allowances to be paid upon such sugar, in accordance with such regulations as the Federal Farm Board shall provide. In the event that customs warrants are issued as herein provided, claims for allowances upon any quantity of sugar are authorized to be filed at any time within six months after the production of the sugar and shall be paid promptly by the Federal Farm Board.

(c) Title to customs warrants shall be transferable by delivery. A customs warrant, when presented by the bearer thereof within one year from the date of issuance, shall be legal tender at its par value for payments of duties on imports. The Secretary of the Treasury shall prepare and issue such warrants whenever requested by the Federal Farm Board. Customs warrants shall be obligations of the United States within the definition in section 147 of the act entitled "An act to codify, revise, and amend the penal laws of the United States," approved March 4, 1909, as amended (U. S. C., title 18, sec. 261).

(d) No allowance shall be paid upon any sugar which has at any time been imported into the continental United States or upon which an allowance has previously been paid under this paragraph.

(e) No manufacturer shall be eligible to receive any allowance upon sugar produced from sugar beets or sugar cane of any crop year unless such manufacturer files with the Federal Farm Board, prior to July 1 of such year, except in the case of the crop year 1929, a notice of an intention to claim the benefits of this paragraph. Such notice shall be in such form and shall be filed for the crop year 1929 as the Federal Farm Board shall by regulation prescribe, and shall include an estimate of the amount of sugar proposed to be produced by the manufacturer from sugar beets and sugar cane of such crop year. No allowance shall be paid to any manufacturer upon sugar produced from sugar beets or sugar cane of any crop year unless the manufacturer produces at least 2,000 pounds of sugar from sugar beets and sugar cane of such crop year.

(f) No allowance shall be paid to any person unless he files claim therefor and maintains books, records, accounts, and memoranda necessary for the purposes of this paragraph, in such form and manner as the Federal Farm Board shall by regulation prescribe, nor unless such person permits the examination of and produces such books, accounts, records, and memoranda in accordance with such regulations as the Federal Farm Board shall prescribe.

(g) Any transaction of the Treasury Department in issuing or receiving customs warrants or of the Federal Farm Board in paying allowances under this paragraph shall be final and conclusive upon all officers of the Government, except that all such transactions shall be examined by the General Accounting Office at such times and in such manner as the Comptroller General of the United States may by regulation prescribe. Such examination shall be for the sole purpose of making a report to the Congress and to the Secretary of the Treasury of expenditures in violation of law, together with such recommendations with respect thereto as the Comptroller General deems advisable.

(h) Any person who knowingly or without the exercise of due diligence makes any statement or representation that is false in any substantial particular with respect to any claim of himself or any other person under this paragraph, or who knowingly receives any allowance under this paragraph to which he is not entitled, or who knowingly files a claim for any such allowance, shall, upon conviction thereof, be subject to a fine of not more than $1,000.

(i) The proceeds from the sale of all customs warrants shall be covered into a special fund to be administered by the Federal Farm Board for the purpose of paying allowances as provided in this paragraph.

Mr. BORAH. Let us have the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. GLENN (when his name was called). For the last few days I have had a general pair with the junior Senator from South Carolina [Mr. BLEASE], who is necessarily absent. I understand that upon this vote he would vote as I shall vote. Accordingly I vote "nay."

Mr. OVERMAN (when his name was called). I have a general pair with the senior Senator from Illinois [Mr. DENEEN]. I understand that on this question he would vote as I am about to vote. Therefore I vote. I vote "nay."

Mr. SIMMONS (when his name was called). I have a general pair with the senior Senator from Massachusetts [Mr. GILLETT]. If he were present, I understand he would vote as I shall vote. Therefore I vote. I vote "nay."

Mr. TYDINGS (when his name was called). On this vote I have a general pair with the senior Senator from West Virginia [Mr. GOFF]. I understand if he were present he would vote as I shall vote. I therefore vote. I vote "nay."

The roll call was concluded.

Mr. SHEPPARD. The senior Senator from Pennsylvania [Mr. REED] and the senior Senator from Arkansas [Mr. ROBINSON] have a general pair. They are both detained in attendance on the naval conference in London.

Mr. LA FOLLETTE. The senior Senator from Minnesota [Mr. SHIPSTEAD] is unavoidably absent. If present, he would vote "yea."

Mr. CONNALLY. I have a pair with the Senator from Wyoming [Mr. KENDRICK], which I transfer to the Senator from South Carolina [Mr. BLEASE], and vote "nay."

The result was announced—yeas 22, nays 66, as follows:

YEAS—22

Allen	Frazier	La Follette	Schall
Blaine	Hatfield	McMaster	Thomas, Okla.
Borah	Hayden	Norbeck	Trammell
Brookhart	Howell	Norris	Wheeler
Capper	Johnson	Nye	
Cutting	Jones	Pittman	

NAYS—66

Ashurst	Glass	McKellar	Steck
Baird	Glenn	McNary	Steiwer
Barkley	Goldsborough	Metcalf	Stephens
Bingham	Gould	Moses	Sullivan
Black	Greene	Oddie	Swanson
Bratton	Grundy	Overman	Thomas, Idaho
Brock	Hale	Patterson	Townsend
Broussard	Harris	Phipps	Tydings
Caraway	Harrison	Pine	Vandenberg
Connally	Hastings	Ransdell	Wagner
Copeland	Hawes	Robinson, Ind.	Walcott
Couzens	Hebert	Robsion, Ky.	Walsh, Mass.
Dale	Heflin	Sheppard	Walsh, Mont.
Dill	Kean	Shortridge	Waterman
Fess	Keyes	Simmons	Watson
Fletcher	King	Smith	
George	McCulloch	Smoot	

NOT VOTING—8

Blease	Gillett	Kendrick	Robinson, Ark.
Deneen	Goff	Reed	Shipstead

So Mr. HOWELL's amendment to the amendment, made as in Committee of the Whole, was rejected.

The VICE PRESIDENT. The question now is on the amendment proposed by the Senator from Utah [Mr. SMOOT] to the amendment made as in Committee of the Whole, which will be reported for the information of the Senate.

The CHIEF CLERK. On page 121, strike out paragraph 501 and insert:

PAR. 501. Sugars, tank bottoms, sirups of cane juice, melada, concentrated melada, concrete and concentrated molasses, testing by the polariscope not above 75 sugar degrees, and all mixtures containing sugar and water, testing by the polariscope above 50 sugar degreees and not above 75 sugar degrees, 1.7125 cents per pound, and for each additional sugar degree shown by the polariscope test 0.0375 of 1 cent per pound additional, and fractions of a degree in proportion.

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

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. CONNALLY (when his name was called). On this vote I have a special pair with the Senator from Wyoming [Mr. KENDRICK]. I have been endeavoring to secure a transfer of that pair, but have been unable to do so. Were the Senator from Wyoming present, he would vote "yea," and if I were permitted to vote I should vote "nay."

Mr. GLENN (when his name was called). For the last few days, during the necessary absence of the junior Senator from South Carolina [Mr. BLEASE], I have had a general pair with him. That general pair still subsists, and I therefore refrain from voting.

Mr. OVERMAN (when his name was called). I have a general pair with the senior Senator from Illinois [Mr. DENEEN]. I transfer that pair to the senior Senator from Minnesota [Mr. SHIPSTEAD] and vote "nay."

Mr. LA FOLLETTE (when Mr. SHIPSTEAD's name was called). I desire to announce the unavoidable absence of the senior Senator from Minnesota [Mr. SHIPSTEAD] and to say that if he were present he would "nay."

Mr. SIMMONS (when his name was called). I have been released from my general pair with the senior Senator from Massachusetts [Mr. GILLETT] upon this vote, and I vote "nay."

Mr. TYDINGS (when his name was called). On this vote I have a pair with the senior Senator from West Virginia [Mr. GOFF]. I transfer that pair to the senior Senator from Massachusetts [Mr. GILLETT] and vote "nay."

The roll call was concluded.

Mr. SHEPPARD. I wish to announce that the Senator from Pennsylvania [Mr. REED] and the Senator from Arkansas [Mr. ROBINSON] have a general pair between them, and that they are detained by attendance on the naval conference at London.

The result was announced—yeas 47, nays 39, as follows:

YEAS—47

Ashurst	Fletcher	Hatfield	McCulloch
Baird	Frazier	Hayden	McNary
Bingham	Goldsborough	Hebert	Metcalf
Broussard	Gould	Howell	Moses
Couzens	Greene	Johnson	Nye
Dale	Grundy	Jones	Oddie
Dill	Hale	Kean	Patterson
Fess	Hastings	King	Phipps
Pine	Smoot	Thomas, Okla.	Walcott
Ransdell	Steiwer	Townsend	Waterman
Schall	Sullivan	Trammell	Watson
Shortridge	Thomas, Idaho	Vandenberg	

NAYS—39

Allen	Copeland	McKellar	Smith
Barkley	Cutting	McMaster	Steck
Black	George	Norbeck	Stephens
Blaine	Glass	Norris	Swanson
Borah	Harris	Overman	Tydings
Bratton	Harrison	Pittman	Wagner
Brock	Hawes	Robinson, Ind.	Walsh, Mass.
Brookhart	Heflin	Robsion, Ky.	Walsh, Mont.
Capper	Keyes	Sheppard	Wheeler
Caraway	La Follette	Simmons	

NOT VOTING—10

Blease	Gillett	Kendrick	Shipstead
Connally	Glenn	Reed	
Deneen	Goff	Robinson, Ark.	

So Mr. SMOOT's amendment to the amendment, made as in Committee of the Whole, was agreed to.

Mr. HARRISON. Mr. President, I ask unanimous consent to have inserted in the RECORD, immediately following the vote just taken, the vote appearing in the CONGRESSIONAL RECORD of January 16, at pages 1690 and 1691, together with the pairs, as well as memoranda here which show the additional cost to the American consumers in each State of the Union by virtue of the amendment adopted.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

The matter referred to is as follows:

[From the CONGRESSIONAL RECORD of January 16, 1930, p. 1690]

The VICE PRESIDENT. The amendment to the amendment will be read.

The CHIEF CLERK. On page 121, line 12, in the committee amendment, strike out "$1.5425 cents" and insert in lieu thereof "1.24 cents," so as to make the first clause of paragraph 501 read:

"Sugars, tank bottoms, sirups of cane juice, melada, concentrated melada, concrete and concentrated molasses, testing by the polariscope not above 75 sugar degrees, and all mixtures containing sugar and water, testing by the polariscope above 50 sugar degrees and not above 75 sugar degrees, 1.24 cents per pound."

Mr. HARRISON. Let us have the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. FESS (when his name was called). On this question I have a pair with the Senator from New York [Mr. COPELAND]. If he were present, he would vote "yea." Were I permitted to vote, I would vote "nay."

Mr. FLETCHER (when his name was called). On this vote I have a pair with the Senator from New Mexico [Mr. CUTTING]. If he were present, he would vote "yea." If I were permitted to vote, I would vote "nay."

Mr. GLENN (when his name was called). On this question I have a pair with the senior Senator from Montana [Mr. WALSH], who is necessarily absent.

Mr. ROBINSON of Indiana (when his name was called). I have a general pair with the junior Senator from Mississippi [Mr. STEPHENS], who is necessarily absent. I understand that if he were present he would vote as I would vote; therefore I feel free to vote. I vote "yea."

The roll call was concluded.

Mr. SHEPPARD. I desire to announce that the senior Senator from Arkansas [Mr. ROBINSON] and the senior Senator from Pennsylvania [Mr. REED] are absent in attendance on the naval conference in London. They have a general pair on all questions.

I also wish to announce that the Senator from Nevada [Mr. PITTMAN] is necessarily detained on official business.

Mr. HARRISON. I wish to announce that my colleague the junior Senator from Mississippi [Mr. STEPHENS] is necessarily detained from the Senate by illness. If present, he would vote "yea."

The result was announced—yeas 48, nays, 38, as follows:

Yeas—48: Messrs. Allen, Ashurst, Barkley, Black, Blaine, Blease, Borah, Bratton, Brock, Brookhart, Capper, Caraway, Connally, Dill, George, Gillett, Glass, Goff, Harris, Harrison, Hawes, Hayden, Heflin, Jones, Keyes, La Follette, McKellar, McMaster, Metcalf, Norbeck, Norris, Overman, Pine, Robinson of Indiana, Robsion of Kentucky, Schall, Sheppard, Shipstead, Simmons, Smith, Steck, Swanson, Thomas of Oklahoma, Trammell, Tydings, Wagner, Walsh of Massachusetts, and Wheeler.

Nays—38: Messrs. Baird, Bingham, Broussard, Couzens, Dale, Deneen, Frazier, Goldsborough, Gould, Greene, Grundy, Hale, Hastings, Hatfield, Hebert, Howell, Johnson, Kean, Kendrick, King, McCulloch, McNary, Moses, Nye, Oddie, Patterson, Phipps, Ransdell, Shortridge, Smoot, Steiwer, Sullivan, Thomas of Idaho, Townsend, Vandenberg, Walcott, Waterman, and Watson.

Not voting—10: Messrs. Copeland, Cutting, Fess, Fletcher, Glenn, Pittman, Reed, Robinson of Arkansas, Stephens, and Walsh of Montana.

So Mr. HARRISON's amendment to the amendment of the committee was agreed to.

Additional cost to the American public if the tariff on Cuban sugar is increased from the present rate of 1.76⅛ cents per pound to 2 cents per pound

[NOTE.—These figures are based solely on the duty and do not take into consideration the actual cost of the sugar to the consumer.]

DUTY BY STATES

States	Pounds of sugar consumed in 1929	Extra cost under present tariff	Additional cost if 2-cent duty is adopted	Total extra cost if 2-cent duty is adopted
Alabama	277,884,000	$5,557,680.00	$694,710.00	$6,252,390.00
Arizona	51,192,000	1,023,840.00	127,980.00	1,151,820.00
Arkansas	209,952,000	4,199,040.00	524,880.00	4,723,920.00
California	492,048,000	9,840,960.00	1,230,120.00	11,071,080.00
Colorado	117,720,000	2,354,400.00	294,300.00	2,648,700.00
Connecticut	180,036,000	3,600,720.00	450,090.00	4,050,810.00
Delaware	26,352,000	527,040.00	65,880.00	592,920.00
District of Columbia	59,616,000	1,192,320.00	149,040.00	1,341,360.00
Florida	152,388,000	3,047,760.00	380,970.00	3,428,730.00
Georgia	345,924,000	6,918,480.00	864,810.00	7,783,290.00
Idaho	58,968,000	1,179,360.00	147,420.00	1,326,780.00
Illinois	798,768,000	15,975,360.00	1,996,920.00	17,972,280.00
Indiana	343,008,000	6,860,160.00	857,520.00	7,717,680.00
Iowa	262,224,000	5,244,480.00	655,560.00	5,900,040.00
Kansas	198,180,000	3,963,600.00	495,450.00	4,459,050.00
Kentucky	275,724,000	5,514,480.00	689,310.00	6,203,790.00
Louisiana	210,600,000	4,212,000.00	526,500.00	4,738,500.00
Maine	85,860,000	1,717,200.00	214,650.00	1,931,850.00
Maryland	174,528,000	3,490,560.00	436,320.00	3,926,880.00
Massachusetts	463,320,000	9,266,400.00	1,158,300.00	10,424,700.00
Michigan	495,828,000	9,916,560.00	1,239,570.00	11,156,130.00
Minnesota	293,976,000	5,879,520.00	734,940.00	6,614,460.00
Mississippi	193,386,744	3,867,734.88	483,466.86	4,351,201.74
Missouri	380,484,000	7,609,680.00	951,210.00	8,560,890.00
Montana	59,280,012	1,185,600.24	148,200.03	1,333,800.27
Nebraska	152,064,000	3,041,280.00	380,160.00	3,421,440.00
Nevada	8,359,956	167,199.12	20,899.89	188,099.01
New Hampshire	49,248,000	984,960.00	125,120.00	1,108,080.00
New Jersey	412,668,000	8,253,360.00	1,031,670.00	9,285,030.00
New Mexico	42,768,000	855,360.00	106,920.00	962,280.00
New York	1,247,400,000	24,948,000.00	3,118,500.00	28,066,500.00
North Carolina	317,304,000	6,346,080.00	793,260.00	7,139,340.00
North Dakota	69,248,736	1,384,974.72	173,121.84	1,558,096.56
Ohio	737,208,000	14,744,160.00	1,843,020.00	16,587,180.00
Oklahoma	262,008,000	5,240,160.00	655,020.00	5,895,180.00
Oregon	97,416,000	1,948,320.00	243,540.00	2,191,860.00
Pennsylvania	1,064,232,000	21,284,640.00	2,660,580.00	23,945,220.00
Rhode Island	77,328,000	1,546,560.00	193,320.00	1,739,880.00
South Carolina	201,312,000	4,026,240.00	503,280.00	4,529,520.00
South Dakota	76,032,000	1,520,640.00	190,080.00	1,710,720.00
Tennessee	270,216,000	5,404,320.00	675,540.00	6,079,860.00
Texas	592,596,000	11,851,920.00	1,481,490.00	13,333,410.00
Utah	57,348,000	1,146,960.00	143,370.00	1,290,330.00
Vermont	38,062,224	761,244.48	95,155.56	856,400.04
Virginia	278,100,000	5,562,000.00	695,250.00	6,257,250.00
Washington	171,396,000	3,427,920.00	428,490.00	3,856,410.00
West Virginia	186,192,000	3,723,840.00	465,480.00	4,189,320.00
Wisconsin	318,924,000	6,378,480.00	797,310.00	7,175,790.00
Wyoming	26,676,000	533,520.00	66,690.00	600,210.00
Total	12,961,353,672	259,227,073.44	32,403,384.18	291,630,457.62

Mr. BARKLEY. Mr. President, I ask unanimous consent that immediately following the roll call just inserted in the RECORD by the Senator from Mississippi there may be printed an editorial from the Washington Post of Friday, February 28, on The Problem of Sugar.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

The matter referred to is as follows:

[From the Washington Post of Friday, February 28, 1930]

THE PROBLEM OF SUGAR

The American household is not yet free from the danger of a higher duty on sugar. An effort is to be made to reverse the vote taken in the Senate in Committee of the Whole. The tariff bill is open to amendment in the Senate, and Senator SMOOT will try to rally a majority for an increased sugar duty. When the bill goes into conference another last effort will be made to saddle upon the consumers a tax which, it is alleged, will help to protect the domestic sugar producers.

So long as sugar is admitted free of duty from one part of the world an increased duty on sugar from another part of the world will not shield or protect the domestic producer from foreign competition. Proof of this statement is shown by the fact that domestic production has fallen off in spite of the increased duty applied in the Fordney-McCumber tariff. In 1922 the duty as applying to Cuba was increased from 1.35 to 1.76 cents a pound, but domestic sugar production is less now than it was in 1922. The duty of 1.76 cents a pound is about 100 per cent ad valorem, as sugar is sold on board ship in Cuba at 1.80 cents a pound.

When an industry fails to thrive when protected by 100 per cent duty it is evident that other factors than the tariff are at work. The domestic sugar producers until lately have stubbornly refused to take these other factors into account, and still harbor the delusion that a higher duty on part of the imports will contribute to their prosperity. They now admit that sugar from the Philippines, free of duty, is a growing menace to them, but instead of demanding a limitation upon the Philippine imports they resort to a foolish agitation for the independence of the Philippines. The United States will not cast the Philippines adrift for the sake of shutting out Philippine sugar. It is a waste of time for the domestic sugar producers to ask Congress to embroil this country in international difficulties for the purpose of imposing a duty on Philippine sugar.

The circumstances surrounding the problem of sugar are different from those affecting any other item in the tariff bill. Domestic industry can not supply the country's sugar demands, no matter how high the duty may be placed. Cuba or the Philippines must furnish one-half of the country's needs. A higher duty on Cuban sugar, leaving Philippine sugar free of duty, merely adds to the cost of sugar to the American consumer, without benefiting the domestic industry a particle.

The sugar problem is really a question between the consumers of the United States and the Republic of Cuba, which furnishes nearly one-half of the imports. A higher duty does not settle this question, because consumers must still purchase this foreign sugar. The domestic industry can not supplant Cuban sugar. High freight rates, the difficulties of labor, the ravages of insect pests, and other factors have actually diminished domestic sugar production in spite of the 100 per cent duty against Cuban sugar.

When Congress refuses to increase the sugar duty it protects the American household against an unnecessary tax. The vote in the Senate Committee of the Whole gave satisfaction to the entire public. Until this problem can be studied further and a solution found which will encourage domestic production, it would be unwise to impose a needless burden upon every American household.

The most objectionable feature of the tariff bill as passed by the House was the increased duty on sugar. Millions of consumers object to this duty. They are justified in this stand, because the sacrifice demanded of them does not correspondingly benefit domestic producers. It is a foolish and oppressive tax upon every American table. Congress should study this question and find a solution that will encourage domestic sugar production. A higher tax on the consumer is no solution at all.

Mr. SMOOT. Mr. President, I have been asked by a great number of Senators that the Senate now take up the bill schedule by schedule——

Mr. BROUSSARD. Mr. President——

Mr. SMOOT. Just a moment, until I finish the statement. I have been asked to request that the Senate proceed schedule by schedule and pass through the bill until it shall have been finally disposed of.

Mr. BROOKHART. Mr. President, I should like to ask the Senator from Utah if he would object, before taking the bill up schedule by schedule, to consider the question of blackstrap molasses?

The PRESIDENT pro tempore. The Chair understands that there is still pending an amendment offered by the Senator from Utah to the section which we are now considering. Is the Chair in error about that?

Mr. SMOOT. What I offered was all in one amendment, I will say to the Chair.

Mr. BROUSSARD. Mr. President, will the Senator yield to me? I have an amendment pending to this paragraph which I should like to offer now, in order that it may be disposed of.

The PRESIDENT pro tempore. The Chair is informed that there is an amendment pending offered by the Senator from Utah which will be stated.

The CHIEF CLERK. On page 121, line 15, it is proposed to strike out "0.046" and insert "0.0375."

Mr. SMOOT. That was a part of the original amendment, so that it should be considered as having been acted upon.

The PRESIDENT pro tempore. Without objection, that being a part of the amendment just voted on, it is agreed to. The Senator from Louisiana is recognized.

Mr. BROUSSARD. I offer an amendment.

Mr. HARRISON. Mr. President, I want to get straight the question as to the amendment referred to by the Chair as having been offered by the Senator from Utah before we proceed to another amendment.

Mr. SMOOT. The amendment offered by me has been agreed to.

Mr. HARRISON. I merely want to have an explanation of it. Does it relate to the differential?

The PRESIDENT pro tempore. Objection being made, the amendment is not agreed to.

Mr. HARRISON. I will ask that that be passed over for a few moments, and that the amendment of the Senator from Louisiana be taken up.

Mr. SMOOT. I suggest that the Senator from Mississippi permit the amendment to stand as agreed to, and if he discovers anything wrong about it I will ask for a reconsideration.

Mr. GLASS. Mr. President——

Mr. SWANSON. Mr. President, I should like to know what the controversy is.

The PRESIDENT pro tempore. For the benefit of the two Senators from Virginia the Chair will state that the amendment offered by the Senator from Utah, which has just been voted upon by the yeas and nays, contained another item, which was agreed to without objection, subject to the private understanding with the leader of the opposition for the time being, the Senator from Mississippi——

Mr. GLASS. Mr. President——

The PRESIDENT pro tempore. Let the Chair finish the explanation, please—with the understanding that if objection shall be made to the adoption of the amendment offered by the Senator from Utah a reconsideration may be had.

Mr. WALSH of Montana. Mr. President, the information given us by the Chair is interesting, but some of us would like to know what the amendment was about, and I ask that the amendment proposed by the Senator from Utah be reported to the Senate.

The PRESIDENT pro tempore. The amendment will be reported again. It has once been reported, the Chair will state to the Senator from Montana.

The CHIEF CLERK. The amendment as stated by the Senator from Utah is as follows:

I move, on page 121, Schedule 5, paragraph 501, line 12, to strike out "1.24" and insert "1.7125," and in line 15 to strike out "0.046" and insert "0.0375," so that the paragraph would read:

"PAR. 501. Sugars, tank bottoms, sirups of cane juice, melada, concentrated melada, concrete and concentrated molasses, testing by the polariscope not above 75 sugar degrees, and all mixtures containing sugar and water, testing by the polariscope above 50 sugar degrees and not above 75 sugar degrees, 1.7125 cents per pound, and for each additional sugar degree shown by the polariscopic test 0.0375 of 1 cent per pound additional, and fractions of a degree in proportion."

Mr. SMOOT. The last clause is a part of the original amendment.

Mr. WALSH of Montana. I am quite sure I understand what it means, but at the same time I should like to have the Senator explain it.

Mr. SMOOT. Mr. President, the duty imposed upon sugar up to 75 degrees is 1.7125, and for each additional sugar degree as shown by the polariscopic test 0.0375 of 1 cent. That means 2 cents a pound, as we have voted, against Cuban sugar. What the clerk was afraid of was that the vote was taken only on the first part of the amendment instead of on all of it as one amendment. I read, first, the existing law, and then I read the amendment as a whole, and offered it as a whole; that is all there is to it.

Mr. SWANSON. No Senator asked for a division of the question?

Mr. SMOOT. No.

The PRESIDENT pro tempore. Without objection, the second part of the amendment proposed by the Senator from Utah is agreed to.

Mr. BRATTON and Mr. BROOKHART addressed the Chair.

The PRESIDENT pro tempore. The Senator from Louisiana has the floor. To whom does he yield?

Mr. BROUSSARD. I yield to the Senator from New Mexico.

Mr. BRATTON. Mr. President, I was impressed with the request of the chairman of the Committee on Finance that we enter into an agreement now that the bill be considered schedule by schedule in numerical order. I think if that kind of an agreement should become effective immediately after disposition is made of the pending amendment offered by the Senator from Louisiana it would enable all of us to know what is to be done. I wonder if the chairman of the committee would renew his request, the procedure indicated to be followed immediately after disposition is made of the pending amendment?

The PRESIDENT pro tempore. The attention of the Senator from Utah is invited.

Mr. SMOOT. Mr. President, I renew my request.

The PRESIDENT pro tempore. Is there objection?

Mr. DILL. Mr. President, what does this request mean if it is granted?

Mr. SMOOT. It means that we will begin now the consideration of the amendments, beginning with Schedule 1, and proceed with each schedule until it is finally disposed of.

Mr. DILL. Does that mean that when Schedule 1 is completed it will be impossible to offer any amendment in Schedule 1 thereafter; or may we go back and offer an amendment if we have it left over, or if some Senator is not here?

Mr. BROUSSARD. Mr. President, I decline to yield further.

The PRESIDENT pro tempore. The Senator from Louisiana has the floor.

Mr. BROUSSARD. I shall have to refuse to yield any further.

The PRESIDENT pro tempore. Objection is made. The Senator from Louisiana has the floor. The Senate will receive a message from the House of Representatives.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Haltigan, one of its clerks, announced that the House had passed the following bills of the Senate:

S. 846. An act to authorize the Secretary of Commerce to convey to the State of Michigan for park purposes the Cheboygan Lighthouse Reservation, Mich.;

S. 1487. An act authorizing the Secretary of the Treasury to permit the erection of a building for use as a residence for the Protestant chaplain at the National Leper Home at Carville, La., and for other purposes;

S. 2668. An act granting the consent of Congress to the Missouri-Kansas-Texas Railroad Co. to construct, maintain, and operate a railroad bridge across the Missouri River at Boonville, Mo., in substitution for and in lieu of an existing bridge constructed under the authority of an act entitled "An act to authorize the construction of a bridge across the Missouri River at Boonville, Mo.," approved May 11, 1872;

S. 3030. An act to amend an act entitled "An act to provide for the further development of agricultural extension work between the agricultural colleges in the several States receiving the benefits of the act entitled 'An act donating public lands to the several States and Territories which may provide colleges for the benefit of agriculture and the mechanic arts,' approved July 2, 1862, and all acts supplementary thereto, and the United States Department of Agriculture," approved May 22, 1928; and

S. 3193. An act to authorize the State Roads Commission of Maryland to construct a highway bridge across the Nanticoke River at Vienna in Dorchester County, Md.

The message also announced that the House had passed the following bills of the Senate, each with an amendment, in which it requested the concurrence of the Senate:

S. 15. An act to amend the act entitled "An act to amend the act entitled 'An act for the retirement of employees in the classified civil service, and for other purposes,' approved May 22, 1920, and acts in amendment thereof," approved July 3, 1926, as amended; and

S. 2093. An act for the relief of the State of Alabama for damage to and destruction of roads and bridges by floods in 1929.

The message further announced that the House had passed the following bills and joint resolutions, in which it requested the concurrence of the Senate:

H. R. 47. An act for the relief of the State of New York;

H. R. 707. An act to authorize an appropriation for construction at Fort McKinley, Portland, Me.;

H. R. 1234. An act to authorize the Postmaster General to impose demurrage charges on undelivered collect-on-delivery parcels;

H. R. 1408. An act to provide for the study, investigation, and survey, for commemorative purposes, of the Bull Run and Second Manassas battle fields in the State of Virginia;

H. R. 1970. An act authorizing the payment of an indemnity to the British Government on account of the death of Samuel Richardson, a British subject, alleged to have been killed at Consuelo, Dominican Republic, by United States marines;

H. R. 2161. An act to convey to the city of Waltham, Mass., certain Government land for street purposes;

H. R. 2366. An act authorizing the Secretary of War to convey a certain portion of the military reservation at Fort McArthur, Calif., to the city of Los Angeles, Calif., for street purposes;

H. R. 3313. An act to authorize the Secretary of War to acquire, free of cost to the United States, the tract of land known as Confederate Stockade Cemetery, situated on Johnstons Island, Sandusky Bay, Ohio, and for other purposes;

H. R. 4138. An act to amend the act of March 2, 1929, entitled "An act to enable the mothers and widows of the deceased soldiers, sailors, and marines of the American forces now interred in the cemeteries of Europe to make a pilgrimage to these cemeteries;

H. R. 4813. An act extending the period of time for homestead entries on the Cheyenne River and Standing Rock Indian Reservations;

H. R. 5411. An act to provide for the appointment of an additional district judge for the district of Minnesota;

H. R. 6618. An act to provide for the study, investigation, and survey, for commemorative purposes, of the battle field of Chalmette, La.;

H. R. 7395. An act to extend to Government postal cards the provision for defacing the stamps on Government-stamped envelopes by mailers;

H. R. 7768. An act to provide for the sale of the old post-office and courthouse building and site at Syracuse, N. Y.;

H. R. 8162. An act to amend the act entitled "An act to repeal and reenact chapter 100, 1914, Public, No. 108, to provide for the restoration of Fort McHenry, in the State of Maryland, and its permanent preservation as a national park and perpetual national memorial shrine as the birthplace of the immortal Star-Spangled Banner, written by Francis Scott Key, for the appropriation of the necessary funds, and for other purposes," approved March 3, 1925;

H. R. 8287. An act granting the consent of Congress to the State Highway Commission of Virginia to maintain a bridge already constructed across the Shenandoah River in Clarke County, Va., United States route No. 50;

H. R. 8650. An act to authorize the Postmaster General to charge for services rendered in disposing of undelivered mail in those cases where it is considered proper for the Postal Service to dispose of such mail by sale or to dispose of collect-on-delivery mail without collection of the collect-on-delivery charges or for a greater or less amount than stated when mailed;

H. R. 8705. An act granting the consent of Congress to the State of Illinois to construct, maintain, and operate a bridge across the Rock River at or near Prophetstown, Ill.;

H. R. 8706. An act to legalize a bridge across the Pecatonica River at Freeport, Ill.;

H. R. 8918. An act authorizing conveyance to the city of Trenton, N. J., of title to a portion of the site of the present Federal building in that city;

H. R. 8970. An act granting the consent of Congress to the State of Illinois to construct a bridge across the Little Calumet River on Ashland Avenue near One hundred and thirty-fourth Street, in Cook County, State of Illinois;

H. R. 8971. An act granting the consent of Congress to the State of Illinois to widen, maintain, and operate the existing bridge across the Little Calumet River on Halsted Street near One hundred and forty-fifth Street, in Cook County, State of Illinois;

H. R. 8972. An act granting the consent of Congress to the State of Illinois to construct a bridge across the Little Calumet River on Ashland Avenue near One hundred and fortieth Street, in Cook County, State of Illinois;

H. R. 9038. An act granting the consent of Congress to the State of New York to construct, maintain, and operate a free highway bridge across the west branch of the Delaware River at or near Beerston, N. Y.;

H. R. 9154. An act to provide for the construction of a revetment wall at Fort Moultrie, S. C.;

H. R. 9180. An act to legalize a bridge across the Roanoke River at or near Weldon, N. C.;

H. R. 9407. An act to amend the act of Congress approved May 29, 1928, authorizing the Secretary of the Treasury to accept title to certain real estate, subject to a reservation of mineral rights in favor of the Blackfeet Tribe of Indians;

H. R. 9437. An act to authorize a necessary increase in the White House police force;

H. R. 9804. An act to amend the World War adjusted compensation act, as amended, by extending the time within which applications for benefits thereunder may be filed, and for other purposes;

H. J. Res. 14. Joint resolution to provide for the annual contribution of the United States toward the support of the Central Bureau of the International Map of the World on the Millionth Scale;

H. J. Res. 171. Joint resolution providing for the observance and commemoration of the one hundred and seventy-fifth anniversary of the Battle of the Monongahela and establishing a commission to be known as the United States Battle of the Monongahela Commission; and

H. J. Res. 210. Joint resolution to authorize an appropriation for the expenses of official delegates to the Fourth World's Poultry Congress, to be held in England in 1930.

The message also announced that the House had agreed to a concurrent resolution (H. Con. Res. 1) providing for the acceptance of a statue of Charles Marion Russell, presented by the State of Montana, in which it requested the concurrence of the Senate.

EXECUTIVE MESSAGES REFERRED

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States making judicial nominations, which were referred to the Committee on the Judiciary.

ADDITIONAL APPROPRIATION FOR NAVAL CONFERENCE AT LONDON (S. DOC. NO. 99)

The PRESIDENT pro tempore laid before the Senate a communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Department of State, fiscal year 1930, amounting to $150,000, for expenses of participation by the United States in the naval conference at London, which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed.

ENVOY EXTRAORDINARY AND MINISTER PLENIPOTENTIARY TO THE UNION OF SOUTH AFRICA (H. DOC. NO. 312)

The PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Foreign Relations and ordered to be printed:

To the Congress of the United States:

I commend to the favorable consideration of the Congress the inclosed report from the Secretary of State, recommending the enactment of legislation authorizing the appointment of an envoy extraordinary and minister plenipotentiary to the Union of South Africa and fixing the salary of the said officer at not less than $10,000 per annum.

HERBERT HOOVER.

THE WHITE HOUSE, *March 5, 1930.*

SIXTH PAN AMERICAN CHILD CONGRESS (H. DOC. NO. 311)

The PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Foreign Relations and ordered to be printed:

To the Congress of the United States:

I commend to the favorable consideration of the Congress the inclosed report from the Acting Secretary of State, to the end that legislation may be enacted to authorize an appropriation of the sum of $13,000 for the expenses of participation by the United States in the Sixth Pan American Child Congress, to be held at Lima, Peru, July, 1930.

HERBERT HOOVER.

THE WHITE HOUSE, *March 5, 1930.*

FLOOD RELIEF IN ALABAMA

Mr. BLACK. Mr. President, the House to-day passed Senate bill 2093 with a slight amendment. It is a question of whether the bill shall go to conference or whether the Senate will concur in the amendment.

The bill is one for the relief of the State of Alabama with reference to certain roads destroyed by storm. It was unanimously reported by the committee of the Senate, passed the Senate, passed the House, and has come back with a restrictive clause. I ask unanimous consent to take up the bill and dispose of it at this time.

Mr. SMOOT. Mr. President, my attention was called away, and I did not hear the Senator's statement.

Mr. PHIPPS. Mr. President, I understand that the restriction which the House seeks to place on the expenditure of money is merely to confine it to the improvement of roads that have been designated as public highways under the 7 per cent system. I think the amendment is one in which the Senate should concur.

Mr. SMOOT. If it does not lead to any discussion, I am willing to have the bill taken up at this time.

Mr. BROUSSARD. That is the understanding.

The PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 2093) entitled "An act for the relief of the State of Alabama for damage to and destruction of roads and bridges by floods in 1929," which was, on page 3, line 2, after the word "act," to insert:

Provided further, That no portion of this appropriation shall be used except on highways and bridges now in the Federal-aid highway system in Alabama, or the necessary relocation of such roads and bridges.

The PRESIDENT pro tempore. The Senator from Alabama moves that the Senate concur in the amendment of the House of Representatives.

The motion was agreed to.

HOUSE BILLS AND JOINT RESOLUTIONS REFERRED

The following bills and joint resolutions were severally read twice by their title and referred as indicated below:

H. R. 47. An act for the relief of the State of New York; to the Committee on Claims.

H. R. 707. An act to authorize an appropriation for construction at Fort McKinley, Portland, Me.;

H. R. 1408. An act to provide for the study, investigation, and survey, for commemorative purposes, of the Bull Run and Second Manassas battle fields in the State of Virginia;

H. R. 2366. An act authorizing the Secretary of War to convey a certain portion of the military reservation at Fort McArthur, Calif., to the city of Los Angeles, Calif., for street purposes;

H. R. 3313. An act to authorize the Secretary of War to acquire, free of cost to the United States, the tract of land known as Confederate Stockade Cemetery, situated on Johnstons Island, Sandusky Bay, Ohio, and for other purposes;

H. R. 4138. An act to amend the act of March 2, 1929, entitled "An act to enable the mothers and widows of the deceased soldiers, sailors, and marines of the American forces now interred in the cemeteries of Europe to make a pilgrimage to these cemeteries;

H. R. 6618. An act to provide for the study, investigation, and survey, for commemorative purposes, of the battle field of Chalmette, La.;

H. R. 8162. An act to amend the act entitled "An act to repeal and reenact chapter 100, 1914, Public, No. 108, to provide for the restoration of Fort McHenry, in the State of Maryland, and its permanent preservation as a national park and perpetual national memorial shrine as the birthplace of the immortal Star-Spangled Banner, written by Francis Scott Key, for the appropriation of the necessary funds, and for other purposes," approved March 3, 1925; and

H. R. 9154. An act to provide for the construction of a revetment wall at Fort Moultrie, S. C.; to the Committee on Military Affairs.

H. R. 1234. An act to authorize the Postmaster General to impose demurrage charges on undelivered collect-on-delivery parcels;

H. R. 7395. An act to extend to Government postal cards the provision for defacing the stamps on Government-stamped envelopes by mailers; and

H. R. 8650. An act to authorize the Postmaster General to charge for services rendered in disposing of undelivered mail in those cases where it is considered proper for the Postal Service to dispose of such mail by sale or to dispose of collect-on-delivery mail without collection of the collect-on-delivery charges or for a greater or less amount than stated when mailed; to the Committee on Post Offices and Post Roads.

H. R. 2161. An act to convey to the city of Waltham, Mass., certain Government land for street purposes;

H. R. 7768. An act to provide for the sale of the old post office and courthouse building and site at Syracuse, N. Y.;

H. R. 8918. An act authorizing conveyance to the city of Trenton, N. J., of title to a portion of the site of the present Federal building in that city;

H. R. 9407. An act to amend the act of Congress approved May 29, 1928, authorizing the Secretary of the Treasury to accept title to certain real estate, subject to a reservation of mineral rights in favor of the Blackfeet Tribe of Indians; and

H. R. 9437. An act to authorize a necessary increase in the White House police force; to the Committee on Public Buildings and Grounds.

H. R. 4813. An act extending the period of time for homestead entries on the Cheyenne River and Standing Rock Indian Reservations; to the Committee on Indian Affairs.

H. R. 5411. An act to provide for the appointment of an additional district judge for the district of Minnesota; to the Committee on the Judiciary.

H. R. 8287. An act granting the consent of Congress to the State Highway Commission of Virginia to maintain a bridge already constructed across the Shenandoah River in Clarke County, Va., United States route No. 50;

H. R. 8705. An act granting the consent of Congress to the State of Illinois to construct, maintain, and operate a bridge across the Rock River at or near Prophetstown, Ill.;

H. R. 8706. An act to legalize a bridge across the Pecatonica River at Freeport, Ill.;

H. R. 8970. An act granting the consent of Congress to the State of Illinois to construct a bridge across the Little Calumet River on Ashland Avenue near One hundred and thirty-fourth Street, in Cook County, State of Illinois;

H. R. 8971. An act granting the consent of Congress to the State of Illinois to widen, maintain, and operate the existing bridge across the Little Calumet River on Halsted Street, near One hundred and forty-fifth Street, in Cook County, State of Illinois;

H. R. 8972. An act granting the consent of Congress to the State of Illinois to construct a bridge across the Little Calumet River on Ashland Avenue, near One hundred and fortieth Street, in Cook County, State of Illinois;

H. R. 9038. An act granting the consent of Congress to the State of New York to construct, maintain, and operate a free highway bridge across the west branch of the Delaware River at or near Beerston, N. Y.; and

H. R. 9180. An act to legalize a bridge across the Roanoke River at or near Weldon, N. C.; to the Committee on Commerce.

H. R. 9804. An act to amend the World War adjusted compensation act, as amended, by extending the time within which applications for benefits thereunder may be filed, and for other purposes; to the Committee on Finance.

H. R. 1970. An act authorizing the payment of an indemnity to the British Government on account of the death of Samuel Richardson, a British subject, alleged to have been killed at Consuelo, Dominican Republic, by United States Marines; and

H. J. Res. 14. Joint resolution to provide for the annual contribution of the United States toward the support of the Central Bureau of the International Map of the World on the Millionth Scale; to the Committee on Foreign Relations.

H. J. Res. 171. Joint resolution providing for the observance and commemoration of the one hundred and seventy-fifth anniversary of the Battle of the Monongahela, and establishing a commission to be known as the United States Battle of the Monongahela Commission; to the Committee on the Library.

HOUSE CONCURRENT RESOLUTION REFERRED

The concurrent resolution (H. Con. Res. 1) providing for the acceptance of a statue of Charles Marion Russell, presented by the State of Montana, was referred to the Committee on the Library.

TARIFF ON LUMBER

Mr. JONES. Mr. President, I hold in my hand a letter from A. C. Edwards, secretary of the Lumber Industry Tariff Committee, in which in a very clear and precise way he notices and answers quite a number of objections made to a tariff on lumber. Mr. Edwards is a citizen of my State, a most honorable man, who knows thoroughly the lumber and shingle industry from experience and personal knowledge. I ask that this letter may be printed in the RECORD.

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

WASHINGTON, D. C., *March 4, 1930.*

Hon. WESLEY L. JONES,
United States Senator, Washington, D. C.

MY DEAR SENATOR: American labor and American lumbering interests feel that their request for a tariff on softwood lumber should not be denied because of misrepresentations or misunderstandings, and opponents of lumbering tariffs have presented such tremendously erroneous statements, so deceptive and misleading, that I have been directed to call your attention to at least a few of these errors.

It is the belief of American labor and American lumbering interests that the people of this Nation should know the facts on which they base their request for lumbering tariffs, and that the people should be advised of the deception and misrepresentations of tariff opponents, whether deliberate or made through ignorance; also that the real opponents of lumbering tariffs should be thoroughly exposed.

I have carefully read the speeches of the Senator from North Dakota of date of November 13, 1929, and February 27, 1930, as well as other arguments presented for and against lumber and shingle tariffs, and ask your attention to glaring errors, as follows:

The Senator from North Dakota asks the question: "Who wants this duty on lumber?" He answers the question himself and says that it is the owners of timber. In that the Senator is decidedly in error. Those who want and have asked for lumbering tariffs are nearly a million American lumber workers, American lumber and shingle manufacturers, the workmen of kindred and dependent industries, and the mercantile and business interests of the United States that desire the continuance of American lumbering pay rolls. I point, Senator, to the fact that not one timber owner, who has any material investment in timber, appeared before the Ways and Means Committee of the House or Finance Committee of the Senate and requested tariffs on lumbering products; and also to the fact that thousands of American workmen sent petitions to Congress, which were presented by you, asking for the imposition of lumbering tariffs. I also point to the fact that the large timber holders who have appeared before either House or Senate committees have emphatically opposed lumbering tariffs, yet the Senator from North Dakota, in the face of such records, states that it is the owners of large timber tracts that are asking for lumbering tariffs. There are no records, nor is there proof of any kind, to justify the Senator in making such an assertion.

The continuance of the present no lumbering tariff policy of the United States is the policy that is more to be desired by the owners of large timber tracts, for it is our present no lumbering tariff policy that has forced failure on thousands of owners of small holdings. These small tracts have been forced to sales at sacrifice prices, and generally have been purchased by better financed companies and by

holders of larger timber tracks at sacrifice prices. Sales, records, and transfers of timberlands will prove that assertion, and the longer the present no lumbering tariff policy is continued the greater will become the centralization of mill and timber ownership, which in the end is far more liable to produce increased prices for lumbering products than could possibly result from any lumbering tariffs Congress might impose.

The Senator from North Dakota charges that production costs are higher in British Columbia than in the United States, and submits a table, shown on page 4359 of the CONGRESSIONAL RECORD, purporting to be taken from published reports of the British Columbia Lumber & Shingle Association and the West Coast Lumber Association. I do not know as to the British Columbia Lumber & Shingle Association, but do know that no Northwest lumber association has published such a statement, and I also know, of my personal knowledge, that the figures shown in the table are not correct.

I also know, Senator, and the Senator from North Dakota could know, that the United States Tariff Commission, in its log report, page 7, shows a lower sale price for logs in British Columbia of $2.13 per 1,000 feet, a lower production cost, and a lower wage cost, page 19. I also know that the Tariff Commission, in its report on the red-cedar shingle industry, said: "It will be noted that daily wage rates are generally lower in British Columbia than in Washington and Oregon"; and that: "Although, as would be expected, piece labor on grades designated as comparable average higher in Washington and Oregon than in British Columbia"; pages 23 and 49.

The Senator from North Dakota submits a wage table of three asserted leading British Columbia operators, showing higher wages than in American operations. It may be the Senator is correct, but, if so, to be fair, he should show why such condition exists. There are isolated operations in British Columbia and in Washington and Oregon where workmen do not like to go, and where workmen are paid higher wages than the average to induce them to leave more desirable locations and preferable operations. It is highly probable the Senator's table is taken from such operations, which are exceptions and not averages. The Senator cites the Bloedel Donovan Lumber Mills, Skykomish, Wash., for comparable wages, the same being the only American mill cited in the tables, and being the property in part of Mr. J. H. Bloedel, owner of British Columbia mill and timber interests, part owner of the Skykomish mill, and the leading opponent of lumbering tariffs. The Bloedel-Donovan Lumber Mills own two mills in Bellingham, Wash. Wonder why the wages of these mills were not cited? It would not be intricate to find exceptions to sustain the contention of higher wages in British Columbia, but when such higher wages are paid isolation and undesirability are the explanation and invariably the reason.

Average operations are shown by the schedule submitted by Senator STEIWER, pages 4400 and 4401 of the CONGRESSIONAL RECORD, and the names of the operators are presented, and they are those operating in average desirable locations and more preferable operations.

The Senator from North Dakota says the lumbering wage loss is almost "negligible." According to the Bureau of Census the labor employed in American lumbering operations was 97,335 less in 1927 than in 1923, and the wages paid in 1927 were $77,248,213 less than the wages that were paid in lumbering operations in 1923. Those decreases are not "negligible" to American lumber workmen, nor are they "negligible" to American commercial activities. But even those amounts are not the totals. It is distinctly stated by the Bureau of Census that such figures do not include the small mills, nor do they include managerial and clerical wages. The full total would be considerably in excess of the amount named.

It is charged there is considerable oriental labor employment in Washington and Oregon. Neither State employs Chinese or Hindus in the mills. There are less than 500 Japanese in the Washington lumber mills, and still less than that number in the Oregon lumber mills. There are no orientals in the northwest cedar mills, and there never have been any orientals in the northwest cedar mills. The Tariff Commission reported that 45 per cent of the cedar mill employees of British Columbia are of oriental extraction, and British Columbia statistics state that 39 per cent of the lumbering employees of British Columbia mills are orientals.

An unsupported statement is presented that British Columbia has no advantage in transport rates, but the Tariff Commission reported water transport rates favoring British Columbia shippers, and information submitted by Senator STEIWER, page 4399 of CONGRESSIONAL RECORD, gives names, dates, shipments, and figures against which to check, and presents the definite facts as to water transport rates.

The plea of the Senator from North Dakota for conservation is just another attempt to side-step the real issue. He knows the conservation theory has proven an utter failure. Actual experience of 17 years has proven conclusively that the present no lumbering tariff policy has produced devastation, and not conservation, to American forests, through the efforts of American lumber operators to produce on a comparable cost basis with the low production costs of foreign lumber producers. The no lumbering tariff policy has not produced one iota of conservation in all of the period of its existence. Not only has the no lumbering tariff policy produced devastation to American forests, but it has made lumbering operations unprofitable, and that has almost completely stopped reforestation activities. There is still another disastrous effect which has been produced by our no lumbering tariff policy, for, because of continued and repeated periods of idleness, and uncertainty of employment, as well as lack of profits, the reclamation of cut-over lands has enormously decreased. These are the definite, positive, and indisputable effects which have been produced in the Northwest from the no lumbering tariff policy, and they are the effects with which I am intimately and personally acquainted.

The charge is made that lumbering tariffs will increase building costs more than $100,000,000 yearly. That too is an unsupported and presumed statement, but there is a definite and positive certainty that if American labor is permitted to produce the lumber that is now imported to United States markets there will be an increased American lumbering pay roll of more than $100,000,000 yearly, which would offset possible increased building costs, should there be such increased costs, although it should be remembered that substitute building material competition now governs and for years past has governed the price of lumbering products. That condition will prevail as long as substitute building materials are produced, and they will be produced as long as there is a demand for building materials. The guaranty of substitute building material competition that only fair prices may be charged for lumbering products stands as a valid and perpetual guaranty. Substitute competition is that which has forced the decrease in lumbering prices, notwithstanding the increased cost of labor, as is also shown by the Census Bureau reports. Lumber prices to mill averaged $31.78 in 1923, $28.02 in 1925, and $25.80 in 1927. When data for 1929 is completed it will then be found that the price for 1929 has been approximately $25.50, per 1,000 feet of lumber.

The North Dakota Senator expressed the fear that a lumber tariff would operate as an embargo. That is just a bogey and a further attempt to hide the real opposition to lumbering tariffs. In your presentation of the lumber case you clearly showed the production and delivery cost favoring British Columbia totaled $4.61 per 1,000 feet of lumber. To charge that a tariff of $2 or $3 would prevent competition where there is a $4.61 advantage is an absurdity, but such a tariff would serve to make foreign imports pay a portion of Government expense, as they should, and there is no possible excuse that can be invented or presented that can justify why American interests should be given less advantages in their own American markets than are given and granted to foreign interests. Americans have to pay taxes to maintain government. As it now stands American lumber producers are compelled to pay to obtain protection of property and government, that makes the continuance of business possible, and they must not only pay for their own protection but also that of their competitor. If there is argument that can justify such a condition it is certainly beyond my comprehension.

The North Dakota Senator seeks to show a scaling advantage favoring American production to offset admitted lower log costs, but the Tariff Commission, on page 8 of its shingle report, states: "A log 24 feet long and 18 inches in diameter contains, according to the Scribner (American) rule, 320 board feet, whereas the same dimensions under the British Columbia rule gives only 311 board feet." But there is further evidence. The British Columbia Year Book and Trade Directory for 1929—and the same information appears in previous issues—gives a report of the forestry branch of the Canadian Government that shows scaling in British Columbia is as liberal, if not more so, than in the United States. Thus the Tariff Commission and the forestry branch of the Canadian Government do not agree with the Senator from North Dakota.

The Senator lengthily discusses the Tariff Commission's log report, especially concerning the division of the commission in reaching a decision, but there was no division on that part of the report that showed lower labor costs and lower log prices. That part was signed by six of the commission members, and surely there can be no contention that lower-priced logs and lower wages are not advantages in the production of lumber products.

Considerable attention was paid to the fact that lumbering exports exceed imports, and careful evasion is noted of the fact that lumber exports to Japan decreased more than 33 per cent in 1929; that in recent years nearly every country has provided tariffs against lumbering imports, as was shown by Senator DILL, pages 4411 and 4412 of CONGRESSIONAL RECORD, nor was there mention of the fact that American lumbering interests in an effort to retain their foreign markets as well as to keep their home markets were compelled to sell a considerable portion of their products below cost of production.

The Senator submitted an income tax list of an asserted number of western lumber mills, purporting to show large profits. I mention this particularly to show the extreme errors to which lumber tariff opponents have made in an effort to show there is no need for lumber tariffs. It was shown by Senator STEIWER, page 4402 of the CONGRESSIONAL RECORD, that such list contained a number of inaccuracies, which when corrected materially reduced the asserted profits shown by the hand-picked list of the Senator from North Dakota. That list was incorrect,

did not present fair average industry conditions, and was really nothing more than a continuation of the effort to hide the real opposition to United States lumbering tariffs.

The discussion of the from North Dakota Senator wholly ignores labor, which holds the greater interest in lumbering tariffs, other than to say the loss is "negligible," and seeks to produce prejudice against lumber tariffs by representing that forest ownerships have the primary interest. The misrepresentations as to forest ownerships that are presented are almost unbelievable. On page 4570 of the CONGRESSIONAL RECORD it is claimed the Weyerhaeuser Co. owns 100,000,000,000 feet of timber, and on the following page it is asserted that company owns 96,000,000,000 feet of timber in addition to further affiliated interests. Those amounts are just about three times as large as the actual holdings of the Weyerhaeuser Co., whose stock is distributed among more than 100 families, and this statement has been referred to and verified by a prominent Weyerhaeuser official. Instead of the Weyerhaeuser Co. owning 37 per cent of the remaining timber, as is claimed, that company actually owns less than 3 per cent of the remaining timber.

The Porteus surveys and reports are given marked attention by the Senator from North Dakota. They are entitled to more consideration than was given them, for they are so replete with errors and misrepresentations that they are utterly useless as a real source of information.

The Porteus survey, shown on pages 5492 and 5493 of the CONGRESSIONAL RECORD, of date of November 13, 1929, represents that the Weyerhaeuser and affiliated interests own 60 per cent of the timber in the State of Washington. An addition of the amounts listed in the survey as belonging to the Weyerhaeuser and affiliated interests totals 57,600,000,000 feet, which equals 20 per cent of the Washington timber stand instead of 60 per cent. Even the addition of the totals listed to all of the companies named in the survey totals but 105,300,000,000 feet, and that equals 37 per cent of the Washington timber stand, or about 4.5 per cent of the Nation's timber, including all the misrepresentations.

The Snoqualmie Lumber Co., a Weyerhaeuser company, is represented as owning and controlling 7,000,000,000 feet of timber in King County, Wash. The Snoqualmie Lumber Co. actually owns about 2,000,000,000 feet of timber in King County, and the remaining 5,000,000,000 feet, said to be controlled by the Weyerhaeuser Co., belongs to and is the property of the United States Government, and this ownership can be shown by departmental records.

The Crescent Logging Co. is credited with owning 1,000,000,000 feet of timber in Jefferson County, and the Crescent Lumber Co. with having 1,000,000,000 feet of timber in Clallam County. There is no Crescent Lumber Co., and the holdings of the Crescent Logging Co. in the two counties is approximately 1,000,000,000 feet.

I could continue and point out and could prove dozens of errors in the Porteus surveys and statements of the the Senator from North Dakota, and those of other lumbering tariff opponents, but the number I have mentioned are surely sufficient to show the unreliability of the Porteus survey as well as some of the claims made against lumber tariffs on which the Senator from North Dakota seems to rely. These errors certainly show an utter disregard for facts.

However, when all of the opposing arguments that have been presented against lumber tariffs are summarized and carefully analyzed it is found they are largely confusing and determinedly evasive of the real question involved, and it seems they constitute a persistent effort to divert attention from the real opponents of lumber tariffs.

The real opposition to lumber tariffs has not come from American interests. Every witness that appeared before the Ways and Means Committee of the House and Finance Committee of the Senate in opposition to lumber tariffs were owners of foreign mill and timber or importing interests, or agents of foreign mill and timber or importing interests. Foreign ownerships promoted, fostered, and urged opposition to United States lumber tariffs. I base this statement on the fact that owners of foreign mill and timber interests told me personally that they were assessed certain sums of money with which to pay the expenses of presenting opposition to lumber tariffs before the Congress of the United States.

Citizens of the United States now own more than 1,000,000,000 acres of British Columbia timberlands, valued, according to Canadian statistics, at $443,806,000. These are the interests that are now and have been opposing lumber tariffs. They are the interests that sent agents and representatives among West and Mid West farming circles soliciting resolutions of protest against lumber tariffs. They are the interests that have continually maintained representation in Washington to work against lumber tariffs. They are the interests which have no concern whether the American workman has a job or not. They are the interests that do not care whether the American farmer has a customer for his produce or not, or whether there is continued American progress and prosperity, save for the purpose of selling their foreign lumber products in American markets. Their sole aim and intent is to keep the American market free for their foreign lumber products, and that is their only object. They are seeking to enrich themselves from their foreign investments at the expense of the American public.

Lumber tariff opponents assert they are opposing such tariffs in behalf of the American farmer, and their efforts indicate they expect to accomplish a beneficial result through impoverishing and pauperizing American lumber workers. If able to benefit American farming interests in such a manner they will accomplish a miracle equal to that of feeding a multitude with a few loaves and fishes, but there is a certainty that the continuance of the present no-lumber tariff policy will only produce increased idleness and added distress. Idleness is exactly comparable to a contageous disease. It spreads until checked. It has already spread to kindred activities, and to business and commercial interests. Supply houses in the East and in Central States have already complained of decreased purchases. That complaint applies not only to mill supplies but to clothing, shoes, and other products. Lumber workmen can not buy unless they have employment, and Congress will be the judge of how far it will permit the disease of idleness to spread in lumbering activities before it is stopped.

It is indeed surprising that proponents for farm relief seemingly overlook the fact that no farm tariffs, nor possible plan for farm relief, can be successful or of material benefit to farming interests, unless there are sufficient buyers for the produce of the farm, and buyers for farm produce can not be increased by driving workmen into idleness. That is a perfectly obvious fact. Idle workmen consume little. They help to create surpluses. Surpluses lower values and decrease prices, and these are the certain and inevitable effects that will accrue to farming interests from tariffs of any kind that force American workmen into idleness.

Lumber tariffs, as previously stated, have been requested by nearly a million American workmen, and by American manufacturing, mercantile, and business interests. The question presented is, primarily, whether the wage dollar that is paid for the production of lumber for American markets shall be paid to the oriental of Canada, the peasant of Europe, or to the American lumber workman. The wage loss from forced idleness to American lumber workers is $20 to each $1 of mill loss, and in most instances the manufacturer adds his loss to the cost of production, to the price of his lumber, and the waste loss is therefore paid by the consumer. There may be some preferential difference in paying a waste loss as a part of production cost instead of paying a tariff, if a tariff would be effective in a price increase, but it is nevertheless an increased cost that is being paid, and which will continue to be paid under existing conditions, without benefit, while a tariff would produce revenue, help to reduce taxes, and increase pay rolls, but that would reduce the profits of foreign mill and timber owners and importers, and that is why they are so bitterly opposing United States lumber tariffs. They have no fear of increased building costs, for they might share in the increase of cost, but they do fear tariffs, because they could not share in the tariff benefits.

Labor will indisputably be the chief beneficiary from any lumber tariffs possible of imposition, because such tariffs will produce more steady employment and prevent wage reductions. Next in line of benefit will be commercial interests, because of increased pay rolls, and then will follow farming interests, because labor will have more money with which to purchase the produce of the farm. Manufacturing interests will be fourth in line and will be enabled because of more continuous operations to save the waste expense of periods of forced idleness. After that will come the timber owner, if further division of tariff benefit is possible, but it is an utter absurdity to claim that lumbering tariff benefits will all accrue to the owners of large mill and timber interests. Such an assertion is but a further effort to hide the fact that it is the owners of foreign mill and timber and importing interests that are the real opponents of lumber tariffs. That is why lumber tariff opponents have so persistently shied from considering tariff benefits to accrue to American lumber workers. The lumber-tariff opponents do not dare to fight labor in the open, so they dodge the issue by fighting a fancied myth, just as they created the myth of conservation.

In conclusion, I want to state that for the past eight years I have made a careful study of tariff needs with respect to lumbering interests. In December, 1925, I met with a large number of Washington and Oregon cedar manufacturers. At that meeting I told them that unless they could induce Congress to provide a shingle and cedar lumber tariff, the cedar industry almost as a whole would be forced into bankruptcy. I was merely reading the inevitable that was clear to even a casual student of the situation. Since 1922 more than half of the cedar mills of the Northwest have failed and fully half of all remaining Northwest cedar mills are practically or actually bankrupt and undesired by their creditors at any price. I am now confident that unless lumber tariffs are provided that within the next 12 months there will be a forced reduction in American lumbering wages, necessitated by foreign competition, and that within the next three years fully a third of the lumber mills will be forced into failure or out of business. I am again merely reading the signs that are so clear that he who runs may read. Such events are inevitable under existing conditions. I will say further that I now know of several large Northwest mills, one of which employs more than 1,000 workmen, that are now planning that

in case Congress refuses lumber tariffs to move their operations to British Columbia. I am not mentioning these facts with a view of unfairly endeavoring to influence opinions. I am simply stating cold, positive, and definite facts of which I have personal and accurate knowledge.

Yours very truly,

A. C. EDWARDS,
Secretary Lumber Industry Tariff Committee.

THE ALABAMA PRIMARY

Mr. HEFLIN. Mr. President, I ask unanimous consent to have printed in the RECORD a telegram sent by me to-day to Hon. Horace Wilkinson, attorney, of Birmingham, Ala.

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

WASHINGTON, D. C., *March 5, 1930.*

Hon. HORACE WILKINSON,
Birmingham, Ala.:

Letter received, wish you success in case in Supreme Court. If you win all Democrats who love the party and who desire to promote and preserve it will have an opportunity under Jefferson's doctrine of "Equal rights to all and special privileges to none," to settle their differences in the August primary. The arbitrary and vindictive action taken by the committee has discriminated against more than 100,000 lifelong Democrats. The chairman of the State committee has refused to call a meeting of the committee for the purpose of reconsidering its action of December 16, 1929. He has done that in the face of the fact that more than 20,000 Alabama Democrats in public meetings, where I have spoken, requested him to do so. In addition to that I am informed that the State committee before it adjourned December 16, 1929, repealed a rule which permitted 15 members to call a meeting of the committee where the chairman had declined to call it. That action, if true, deserves the condemnation of every honest Democrat in the State. The only hope of relief from the terrible predicament into which 27 members of the State committee have thrown us lies in the success of your case in the Supreme Court. In the interest of fair play and justice to all concerned for the good of the party and the good of the State I wish you success.

J. THOS. HEFLIN.

FOURTH WORLD'S POULTRY CONGRESS

Mr. HEBERT subsequently said: Mr. President, there is on the calendar the joint resolution (S. J. Res. 134) authorizing an appropriation for expenses of official delegates of the United States to the Fourth World's Poultry Congress to be held in England in 1930. The joint resolution is favorably recommended by the Committee on Agriculture and Forestry. I ask that House Joint Resolution 210 be substituted for the Senate joint resolution, and that it be put upon its passage.

The VICE PRESIDENT. The Chair lays House Joint Resolution 210 before the Senate, and it will be read.

The joint resolution (H. J. Res. 210) to authorize an appropriation for the expenses of official delegates to the Fourth World's Poultry Congress, to be held in England in 1930, was read the first time by its title, and the second time at length, as follows:

Resolved, etc., That an appropriation is authorized of $15,000 for the expenses of official delegates of the United States to the World's Fourth Poultry Congress, to be held in England in 1930, in addition to funds heretofore appropriated for the purpose of a United States Government exhibit at such congress (45 Stat. L. 1635).

The VICE PRESIDENT. Is there objection to the immediate consideration of the joint resolution?

There being no objection, the joint resolution was considered as in Committee of the Whole.

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

The VICE PRESIDENT. Senate Joint Resolution 134 on the calendar will be indefinitely postponed.

CIVIL-SERVICE RETIREMENT

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 15) to amend the act entitled "An act to amend the act entitled 'An act for the retirement of employees in the classified civil service, and for other purposes,' approved May 22, 1920, and acts in amendment thereof," approved July 3, 1926, as amended, which was to strike out all after the enacting clause and insert a substitute.

Mr. DALE. I move that the Senate disagree to the amendment of the House and request a conference on the disagreeing votes of the two Houses, the conferees on the part of the Senate to be appointed by the Chair.

The motion was agreed to; and the Vice President appointed Mr. DALE, Mr. COUZENS, and Mr. MCKELLAR conferees on the part of the Senate.

THE RHODES SCHOLARSHIPS

Mr. FLETCHER. Mr. President, I venture to divert for just a few moments to a subject that is somewhat foreign to the one under consideration.

On the 20th of February I had occasion to make some observations with reference to the Rhodes scholarships. I find that the situation seems to be that the trustees have been led to believe by some Americans that the change is desired by Americans; that Parliament has authorized the trustees to use their discretion, and the trustees have adopted and announced the change. That change I mentioned on the 20th, and it is mentioned in the editorials that I am going to offer.

The trustees supposed this change would be pleasing to Americans. I am satisfied that they were mistaken. They were misled by the president of an American college. In his zeal for high scholarship, he ignored the express provisions of the will of Mr. Rhodes that the legacies were left to the States as such.

America appreciates the splendid philanthropy of that great English statesman. For the past 25 years, each of the States has enjoyed the privilege of having two of its representatives at the great University of Oxford continuously. I am thoroughly convinced that the sentiment in this country is to the effect that the States would prefer to receive the scholarships, share and share alike, as specifically provided in the will. It is to be hoped that the several States, through the proper authorities, will express to the trustees their views and wishes in the matter.

I am not making any criticism, but am calling attention to the actual situation. I wish to correct the RECORD wherein it is made to appear that on another occasion—February 20, as I have mentioned—I gave the erroneous impression that under this new plan the aggregate number of 96 scholarships would be reduced.

There will be the same aggregate number under the new system as under the old system. The objection to the new plan is that it violates the terms of the will; it takes away specific legacies left to each of the States as such; and it destroys Mr. Rhodes's scheme of representatives from each State. The will does not contemplate or require that the representatives shall be prodigies.

I now offer, on that subject, an editorial from the Florida Times Union of February 26, entitled "Rhodes Will and American Scholarships," and an editorial from the Yale News of February 18 entitled "The Rhodes Scholarships," and ask that they be printed in the RECORD.

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

[From the Florida Times-Union of Wednesday, February 26, 1930]

RHODES WILL AND AMERICAN SCHOLARSHIPS

Cecil Rhodes, a British South African administrator, statesman, financier, and philanthropist, who died in 1902, provided in his will for the creation and maintenance of 175 scholarships at Oxford University, England, to be awarded to students in the British colonies, in the United States, and in Germany, as is well known. This will was legally approved and its provisions have been operative ever since the death of the maker. As called to public attention, in Florida, by Senator FLETCHER, through a Washington dispatch published in the Florida Times-Union of February 22, the Rhodes will provided, as follows:

"I appropriate two of the American scholarships to each of the present States and Territories of the United States of America."

Not long ago, as it appears, a few educators of the United States took it upon themselves to make what, in effect, is a revision of Cecil Rhodes's will. In a quiet way, it is said, on reliable authority, these self-appointed reconstructors of the Rhodes will represented to the British Parliament that the United States would be better served by taking away from the several States the scholarships, as in accordance with the clearly and definitely expressed purpose of the testator, and award them to groups of States. Florida for instance, in accordance with the new plan presented to the British Parliament, is grouped with five other States—Virginia, North Carolina, South Carolina, Georgia, and Tennessee—which is not at all as Rhodes indicated and clearly set forth in his will, should be done.

Parliament, acting, it is believed, out of a spirit of pleasing the United States, due to misrepresentation by the one or two or three educators referred to, passed the enabling act by which the trustees of the Rhodes will may make the change in awarding scholarships, which change is being more or less vehemently disapproved by many people in this country, among them Rhodes scholars, all of these dissenters agreeing that to make the change that has been authorized by Parliament is entirely contrary to the spirit and intention of Cecil Rhodes, who modeled his plan of distribution of scholarships after the plan, or method, by which the several States of this country are given representation in the Senate of the United States; that is, two Senators from each State, regardless of area or population.

Furthermore, Mr. Rhodes by setting aside a fund of $10,000,000 for these scholarships sought to bring about more general and more cordial contact of American students, and of the people generally, and those of England and the entire British Empire. But now by changing the provision of his will, with reference to awarding scholarships in the United States, it is a question whether or not one of the main purposes of the donor of the Rhodes fund is not being made of a negative character, bringing about discord and rivalry rather than peace and harmony.

Putting aside all the arguments that were used to persuade the British Parliament to consent to change the scholarship-awarding clause in the Rhodes will, the fact is that by that proposal and subsequent legislation great dissatisfaction has been created, due to meddlesomeness that never should have been permitted and that should be rebuked and corrected by the British Parliament which quite evidently has been imposed upon, as it will be given to understand by those who condemn what has been done by those who had no authority whatever from the people of the United States.

Parliament no doubt will give respectful hearing to those who do not approve of the change in the Rhodes will, and for the sake of right and justice, as well as for reestablishing that harmony that heretofore has prevailed, will rescind the act that has been passed and thus permit the Rhodes will to stand as written and as operated for nearly a quarter of a century, with satisfactory results so far as this country is concerned, except to the few malcontents who have done something they were not requested to do and at the same time have been the means of bringing about disturbance where hitherto quiet has prevailed.

[From the Yale News of Tuesday, February 18, 1930]

THE RHODES SCHOLARSHIPS

"I appropriate two of the American scholarships to each of the present States and Territories of the United States of America." That is the provision in the will of the late Cecil Rhodes by which the Rhodes scholarships have for 25 years been awarded. And now the British Parliament, urged by the Rhodes trustees, have changed the will. Instead of selecting two men from each State the administrative board will divide the country into eight districts of six States and make four awards in each district.

A strange light is thrown on the case by the fact that the English trustees, persuaded by American educators, believed they were satisfying a general desire in this country by their change. The obvious shortcomings of the proposal should have led them to better judgment. The disparity of population in the States, and to some extent the difference in educational facilities and development, make interstate competition for the awards undesirable. In the district composed of Michigan, Wisconsin, Illinois, Indiana, Ohio, and Kentucky, for instance, it is to be feared that the Kentucky representatives might be snowed under in the competition. The analogy applies with equal force to Connecticut with her relatively small population. And after all, why should the States be made to compete with each other for scholarships which were left to them individually? Another factor upon which the trustees should have calculated is the reverence which people in this country have for the provisions of a will.

Opponents of the proposed change offer various statements as to Cecil Rhodes' original intentions. Most of this comment is questionable and beside the point. But at bottom it seems reasonable to suppose that the donor, realizing differences in population and in educational development, was anxious to get the best men that each State could produce, regardless of the question whether those men were more capable or less capable than the representatives of some other State. The change might be beneficial in that it would eliminate all but the cream, and would give the States a place in the sun proportional to their population and educational position. But at the same time it would be a contradiction of the policy, which seems inherent in the will, that each State be given a fair and equal chance.

And the present system seems manifestly fair. It assures this equality, it provides for a representative cross section of youthful scholars, it lives up to the original terms of the will. In the face of these facts the change appears unjust and illogical. It would be to the interest of Connecticut and, indirectly, of Yale, to support the movement of protest now being launched in this country.

STABILIZATION OF INDUSTRY

Mr. FESS. Mr. President, recently there was a conference of eight state-wide associations held in Ohio on the stabilization of industry. The plan of the work in Ohio is given in outline, and I ask unanimous consent that it may be printed in the RECORD.

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

In order to assist in focusing attention more sharply upon need for heroic measures looking toward the stimulation of private industries and enterprises, and promoting the speeding up of necessary public work, Governor Cooper to-day called into conference the president and secretary of each of eight state-wide organizations of industrial management, labor, and commerce.

Governor Cooper asked these 16 men to serve as a "temporary State committee on employment," and requested that they serve for a limited time for the definite purpose of organizing "temporary county committees on employment."

In order that employment may be provided for labor as far as possible, and that business can go forward, Governor Cooper urged that the largest possible percentage of public work be let during the early months of the year. Officials throughout the State are cooperating splendidly in an effort to put forward public work, but present conditions demand even more strenuous efforts.

Voters of the State last November approved bonds totaling approximately $11,000,000 for new school buildings or major building improvements. Reports from 70 per cent of the total amount involved indicates that contracts have been let for only about 9 per cent during the three and one-half months following approval of the bonds. The reports also indicate that contracts will be let for more than 60 per cent of the total on or before April 1. Any speeding up of such work will help the present situation.

Each of the organizations represented on the State committee was asked to appoint in each county of the State some one who will serve as a member of the temporary county committee and to notify such person of his appointment and ask him to meet with other members of the county committee, either on March 10 or 11. The Department of Industrial Relations of Ohio will notify direct each one thus appointed of the place, date, and hour of meeting.

The temporary county committee, appointed by the various interests called together in this State meeting, is asked to assume responsibility for two things—

1. Stimulating private industries and enterprises to go forward as rapidly as possible.

2. Promoting the speeding up of necessary public work through cooperation of representatives of industrial management, labor, and commerce with the various public officials.

Each county committee is asked to organize by electing a chairman and a secretary.

The county committee, with a knowledge of local conditions, can be able to get various private enterprises under way. With some effort on the part of the committee many business houses, industrial plants, and home owners who contemplate painting, repair, alteration, or cleaning-up projects will get such work started somewhat earlier than usual, and this will start a chain of other activities to the advantage of labor, business, and the community in general.

The county committee, by securing from the various county, township, city, village, and school officials information concerning necessary public improvements for which contracts have been let, for which plans are being prepared and which are contemplated, will find a surprising total. This information is not available in any one place, and the county committee can render a valuable service by bringing such information together, and then by assisting in every possible way in getting all such work started at the earliest possible date, rather than delaying until all goes forward together in midsummer or early fall. Necessary public improvements which are merely contemplated can, in many instances, be pushed forward to accomplishment.

Pushing forward necessary public improvements will put wages into the pay envelopes of the workers, create demands for machinery, material, and supplies, and thus stimulate business in general. Furthermore, it will reduce the calls for charity with its tendency to lower the morale and destroy the self-reliance of the recipient.

The county committee can be helpful in urging that local labor be used, as far as possible, in order to avoid drawing men hither and yon in search of work as the larger public improvement activities begin.

COLUMBUS, OHIO, *February 28, 1930.*

STABILIZATION OF INDUSTRY AND EMPLOYMENT

The burden arising from unemployment and irregular employment falls directly and heavily upon the wage earner and his family. Ultimately, however, this burden falls upon society in general and affects all phases of community life—industry, business, schools, churches, and citizenship.

Contrary to general opinion, there is a considerable amount of involuntary idleness and broken time even when industrial conditions are approximately normal and business is good. The amount of idleness fluctuates with the seasons, with changing business conditions, and with changes in industrial processes and business methods.

The State and its several political subdivisions are in position to aid in lessening involuntary idleness and thus render service to the individuals and families which now suffer and to society in general. To render more than temporary aid will require long-time planning.

The general plan here suggested recognizes the need for undertaking to meet the immediate unemployment situation, but places the greater emphasis upon constructive plans for reducing the large amount of involuntary idleness which is continuously found. During so-called normal times the number unable to secure work may be more or less

than one-half as large as during periods of depression, but the hardships suffered by those who are idle are just as great.

The Federal Government and finally each of the important industrial States must become a part of any comprehensive plan for greatly reducing involuntary idleness. It is, however, a slow process to arouse the interest of and secure action by the several States, and some State must take the lead. The plan here suggested deals almost wholly with the State of Ohio and includes only such things as may be begun at once.

1. Public work: In order to relieve the immediate situation the plans of President Hoover and Governor Cooper of stimulating public work should be carried forward as rapidly as possible.

Unless these plans are closely followed up there will be many delays and much of the work which it was hoped would be started early in the year will not get under way until summer or fall. It is suggested, therefore, that—

a. A central record be made of all major projects in the State and that progress on such public work be noted from time to time.

b. A State committee on public work be created to devise ways and means of stimulating public work and progress on such work at this time. This committee might consist of three to five members and ought to include both labor and management.

c. A small local committee on public work be created in each county and possibly in each of the larger cities. The local committee would be expected to cooperate with the State committee and should include labor and management in its membership.

If the State and local committee on public work could be continued as a permanent organization, it would be very helpful in planning for the distribution of public work according to general industrial conditions, as far as that may be possible.

2. Public employment offices: The Federal, State, and local governments can render valuable service by developing and maintaining effective employment offices and by bringing the local offices together into a well-organized State and national system. Such offices supply information concerning available work and available workers and, as need arises, definitely seek out jobs or workers. Ohio is in position to go forward more rapidly at this time than is the Federal Government and many of the States.

When adequately supported and properly manned such employment offices can render excellent service, both to wage earners and to management, and can materially lessen the time lost by workers. To be effective an employment office must have the continued active support of management and of labor, and the personnel must be selected with a view to competency in that particular work.

An incidental but important result of the development of a more effective system of public-employment offices would be the gradual elimination of the type of private-employment office which exploits wage earners, and particularly those in the greatest need of work.

It is suggested that—

a. A permanent State committee on public-employment offices be created to advise with reference to the best methods of further developing public employment office work in Ohio, and of securing continued support of management and labor. This committee ought to be small and include both labor and management in its membership.

b. In view of the varied and unusual qualifications required for successful superintendents and placement personnel in public employment offices, arrangements be made, if possible, with the State civil service commission for a committee consisting of a representative of labor, a representative of management, and a representative of the department of industrial relations to assist in preparing and conducting examinations for superintendents and placement personnel.

3. Stabilization of industry: This matter merits the most careful attention both from the standpoint of reducing involuntary idleness and irregular work and from the standpoint of business itself.

Industry, that is, management and labor in cooperation, can best devise, develop, and adopt plans for stabilizing industry and employment within a plant or within an industry. Government's contribution in such work, at this time, is probably largely that of making available information as to experiments and accomplishments. In many plants management and labor do not have the opportunity for the experimentations necessary in such pioneer work but could profit from the experiences of others.

One of the interesting industrial experiences during the World War was the unselfish spirit of some of the larger bakeries in freely placing at the disposal of the smaller plants the results of their laboratory tests and their practical experience in using wheat-flour substitutes. Similar services were rendered competitors in many lines of business at that time.

This spirit of helpfulness is still alive and doubtless can be enlisted in a cause as important, both from a humane and a business standpoint, as is that of stabilizing industry and employment and thus relieving, as far as may be possible, the waste and tragedy of jobless workers.

It is suggested that—

a. A permanent committee on stabilization of industry and employment be created to advise with reference to the best methods of conducting a continuous study of plans of stabilizing industry and employment in Ohio, and, if possible, elsewhere. This committee ought to be small and to include both labor and management.

b. Brief reports concerning plans which have been effectively used for stabilizing industry and employment be published from time to time for the information of industry—management and labor—and the public in general.

4. Extent and cause of unemployment: Current information concerning the extent and cause of unemployment would encourage deliberate consideration of the problem of involuntary idleness. It also would avoid the necessity of relying upon estimates which vary greatly and which are usually made only during the stress of serious unemployment.

Considerable information is available concerning employment, but comparatively few studies of unemployment have been made. The popular opinion, which is quite contrary to the facts, seems to be that everyone is employed during so-called normal times. Only when a stage is reached where buying slackens, bills can no longer be met, payments on the little home are overdue, employment offices are crowded, and the charity organizations are swamped with families seeking relief, does the public seem to appreciate that people are unemployed.

Such studies of unemployment as have been made indicate that even in periods of normal times the number of unemployed is probably one-half or more than one-half that of periods of serious industrial depression. During normal times, therefore, many wage earners and families suffer because of irregular employment, and business, too, loses because of lack of stable incomes of such wage earners. The number of wage earners affected is merely smaller and the loss to business less in normal times than in periods of depression.

The Federal and the State Governments ought to be expected to make available reasonably accurate current information on unemployment. No other agencies can command the facilities for collecting and compiling such data. Furthermore, information collected and compiled by such governmental agencies would be less subject to charge of bias.

The United States Census will shortly collect data concerning unemployment, but the facts probably will not be available for many months nor will the data again be secured by that agency until another census period.

It is believed to be possible to secure considerable current information concerning unemployment and, therefore, it is suggested that—

(a) A permanent committee on statistics of unemployment and irregularity of employment be created to advise with reference to ways and means of collecting and compiling information on unemployment and irregularity of employment in Ohio.

(b) Brief reports of such compilations be published from time to time during periods of normal industrial conditions as well as during periods of industrial depression as an aid in stimulating constructive planning in stabilizing industry and employment.

Summary: This outline for Ohio seeks to provide methods for carrying through the plans already under way to relieve present unemployment conditions, and it further provides four measures looking toward stabilizing industry and employment and reducing unemployment, as follows:

1. Permanent committee on public work.
2. Permanent committee on public employment offices.
3. Permanent committee on stabilization of industry and employment.
4. Permanent committee on statistics of unemployment and irregularity of employment.

Four committees are suggested, rather than a single committee, for the reason that the fields of work are distinct and there will be a better chance to enlist the services of outstanding persons in each specialized field.

It does seem important for Government to give serious attention to a matter which is of such far-reaching significance as is involuntary idleness. The very rapid changes in processes and methods of production, transportation, marketing, and other activities have brought about most difficult problems of labor adjustment. The problems can not be met by labor alone, nor by labor and management. The helpful cooperation of society, as represented by Government, is needed.

Involuntary idleness is an extravagant waste both from the standpoint of the individual and of business. If wage earners can not be employed and retain their self-reliance, they ultimately become charges upon the community. Prevention of involuntary idleness, with all of its train of suffering, want, and waste, ought to be a challenge to society. Ohio, with her many progressive cities and varied industries, is in an excellent position to take the lead in this work.

FRED C. CROXTON,
Special Assistant, Department of Industrial Relations.

FEBRUARY 4, 1930.

REVISION OF THE TARIFF

The Senate resumed the consideration of the bill (H. R. 2667) to provide revenue, to regulate commerce with foreign countries, to encourage the industries of the United States, to protect American labor, and for other purposes.

Mr. BROUSSARD. Mr. President, I ask that the amendment which I propose may be read at the desk.

The PRESIDENT pro tempore. The amendment proposed by the Senator from Louisiana will be stated for the information of the Senate.

The CHIEF CLERK. On page 121, line 17, after the word "proportion," insert:

Provided the rates herein shall be imposed on all sugars in excess of 600,000 tons imported into the United States from the Philippine Islands.

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the Senator from Louisiana.

Mr. BROUSSARD. Mr. President, I do not propose to make any extensive remarks on this amendment.

Last October the relations between the Philippines and the United States, so far as tariff duties were concerned, were fully discussed. It is not necessary to go over the arguments made at that time. I called attention, in connection with an amendment which I offered on September 9, 1929, to the fact that we were importing from the Philippine Islands 100 per cent of the coconut oils and copra which compete with the products of the agriculturists of this country, and that they were imported free of duty. The same statement also applied to sugar. It has been contended that this is a departure from the policy established by this Government with relation to the Philippines.

I desire to call attention to the fact that prior to 1909 the Philippines paid duty regularly, except that they received a rebate of part of the tariff, the same as Cuba now has.

Section 5 of the Payne-Aldrich bill, passed in 1909, reads, in part, as follows:

SEC. 5. That there shall be levied, collected, and paid upon all articles coming into the United States from the Philippine Islands the rates of duty which are required to be levied, collected, and paid upon like articles imported from foreign countries: *Provided*, That, except as otherwise hereinafter provided, all articles, the growth or product of or manufactured in the Philippine Islands from materials the growth or product of the Philippine Islands or of the United States, or of both, or which do not contain foreign materials to the value of more than 20 per cent of their total value, upon which no drawback of customs duties has been allowed therein, coming into the United States from the Philippine Islands shall hereafter be admitted free of duty, except rice, and except, in any fiscal year, sugar in excess of 300,000 gross tons, wrapper tobacco and filler tobacco when mixed or packed with more than 15 per cent of wrapper tobacco in excess of 300,000 pounds, filler tobacco in excess of 1,000,000 pounds, and cigars in excess of 150,000,000 cigars, which quantities shall be ascertained by the Secretary of the Treasury under such rules and regulations as he shall prescribe.

Mr. President, I wish to call the attention of the Senate to the fact that prior to 1909 we were imposing a duty and rebating 25 per cent of it to the Philippine Islands. In 1909, when the Philippines first asked that they be put on a free-trade basis with the United States, it was proposed that the amount of sugar, tobacco, and rice be limited. When that question came up and was debated in the House—that is, when the Payne-Aldrich bill was being debated in the House—the two Resident Commissioners from the Philippine Islands were Mr. Ocampo and Mr. Legarda. Here is what Mr. Legarda said on April 3, 1909:

Mr. LEGARDA. * * * With a view of relieving in part these deplorable conditions certain provisions relating to the Philippine Islands have been incorporated in the Payne bill, now before this House. It is proposed that 300,000 long tons of sugar, 300,000 pounds of wrapper and 3,000,000 pounds of filler tobacco, and 150,000,000 cigars of Philippine growth or production be admitted free of customs duty into the United States, and that all importations of the said article in excess of such quantities shall pay the full customs duty upon entry into the United States. It is also provided in this bill that all other articles of Philippine growth or production shall hereafter be admitted customs duty free into the United States. And in view of said relief from customs duties this bill provides that all articles the growth or production of the United States, and without any limitation as to quantity, shall be hereafter admitted customs duty free into the Philippine Islands. * * *

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(Page 777)

It is clear that the Committee on Ways and Means exercised wisdom in limiting the quantity of sugar and tobacco to be imported free of customs tax into this country. It is only natural that the domestic industries built up here under a protective tariff should continue to receive a proper measure of protection. * * *

I wish to have the Senate notice again that up to 1909 we made a concession to Philippine products of 25 per cent of the duty. In 1909 all articles from the Philippines were admitted free, except that there was a limitation on sugar, rice, and tobacco; and this met with the approval of the Resident Commissioner of the Philippine Islands. His remarks will be found on pages 775 to 777 of the CONGRESSIONAL RECORD of April 3, 1909.

The other Commissioner, Mr. Ocampo, approved the action of the Congress in the following language:

Mr. OCAMPO. * * * I am here voicing the feeling of my people expressed through their representatives and to verify it I shall read to you a cablegram sent by the assembly to my colleague [Mr. Legarda] and myself. The cablegram was worded in Spanish, but I will read to you a translation of it.

MANILA, *March 28, 1909.*

LEGARDA AND OCAMPO,

Filipino Resident Commissioners, Washington:

Assembly in yesterday's session unanimously passed a resolution insisting on action taken on May 19, 1908, as appears in Joint Resolution No. 11, protesting respectfully and energetically against proposed free trade, making it known to Congress that legislature finds absolutely impossible to raise new revenues. Resolution was immediately sent by special message to Baguio for concurrence by commission. Entire text will be wired to Secretary of War after passage by legislature.

NIEVA,
Secretary Philippine Assembly.

[Applause.]

The resolution to which the above refers reads as follows. Here is the joint resolution which was passed, Joint Resolution No. 11:

FIRST PHILIPPINE LEGISLATURE, FIRST SESSION.

Joint Resolution 11, giving instructions to the Resident Commissioners to the United States as regards the abolition of the Dingley tariff and other matters.

Resolved by the Philippine Commission and the Philippine Assembly: 1. That the Commissioners of the Philippine Legislature, resident in the United States, shall endeavor to secure from the Congress of the United States the abolition of the Dingley tariff—

Which shows that if we resorted to my original motion, we would still be carrying out the original policy of the Dingley bill. I resume reading—

on the following goods or merchandise, and under the conditions hereinunder specified—

Now, here is what they are willing to accept and petition Congress to grant—

(a) On sugar, restricting importations, for the purposes of the abolition of the said tariff, to 400,000 tons.

(b) On unmanufactured tobacco, restricting importation, for the purposes of the abolition of the said tariff, to 7,000,000 pounds.

(c) On manufactured tobacco, on cigarettes, and picadura manufactured in the Philippines, and of cigars manufactured in the Philippines, without limitation or, restricted at the most, to the quantity of 150,000,000 cigars.

2. That an effort be made to secure said abolition of the tariff without special concessions.

3. That the said commissioners shall also endeavor to secure the removal of customs duties on agricultural machinery, apparatus, and implements, machinery and apparatus for making or repairing roads, and on steam plows.

Mr. Ocampo proceeded:

This resolution of the Philippine Legislature, whose upper house is mainly composed of competent and distinguished Americans, is in keeping with the sentiment and wishes of the people, reiterated in the recent unanimous action of the assembly—that is, that free trade will result highly prejudicial to the interests and welfare of the Filipinos.

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

Mr. BROUSSARD. I yield.

Mr. SHEPPARD. What proportion of the total amount of sugar imported from the Philippine Islands at that time did the 400,000 tons represent?

Mr. BROUSSARD. They did not produce 75,000 tons at that particular time.

Mr. SHEPPARD. What proportion of the total amount of sugar now imported from the Philippines per annum does the 600,000 tons represent?

Mr. BROUSSARD. It is more than they imported in 1928. In 1928 they imported 525,000 tons. I have made the figure 600,000 tons in order not to jeopardize the interests of anyone having a vested right there in case of a large crop. In other words, I am giving them a margin of 75,000 tons, under this amendment.

Mr. SHEPPARD. They imported less in 1929 than they imported in 1928?

Mr. BROUSSARD. I have the figures for 1928. Five hundred and twenty-five thousand tons in 1928 were imported into this country from the Philippine Islands.

Mr. SHEPPARD. How did that figure compare with those of preceding years?

Mr. BROUSSARD. The importations have been increasing right along. I shall give them in a moment.

Mr. President, in order to answer the question propounded by the Senator from Texas, I wish to insert here a table prepared by the United States Tariff Commission giving the value, United States—continental—imports of cane sugar from the Philippine Islands, from July, 1909, to December 31, 1928.

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

Value United States (continental) imports of cane sugar from the Philippine Islands, July 1, 1909–December 31, 1928

(Values in thousands of dollars; i. e., 000 omitted)

Years ending—	Total value from the Philippine Islands	Percentage of total value imported from all countries including the Philippine Islands	Percentage of total quantity imported from Philippine Islands [1]	Percentage of total value of all commodities imported from Philippine Islands	Average ad valorem equivalent of preference under United States tariffs [2]
June 30:					*Per cent*
1910	4,260	4.1	4.3	24.6	60.2
1911	6,487	6.3	5.6	37.3	51.7
1912	11,242	9.8	10.6	48.3	41.6
1913	4,593	5.1	5.1	21.9	47.5
Annual average, 4 years	6,645	6.5	6.4	33.7	48.1
June 30:					
1914	2,556	2.4	2.1	14.1	41.3
1915	7,511	4.6	6.2	31.3	46.5
1916	6,389	3.1	3.8	22.6	36.3
1917	8,479	3.5	4.8	20.0	34.0
1918	7,913	3.3	3.5	10.1	23.4
July 1–Dec. 31, 1918	2,396	2.8	6.0	5.1	23.4
Annual average, 5½ years	6,408	3.4	4.0	14.8	34.5
Dec. 31:					
1919	7,941	2	2.5	12	24
1920	42,417	4.4	3.8	37.6	7.4
1921	17,440	7	5.6	33.4	30.3
1922	19,299	7.7	5.7	31.3	49
1923	29,641	7.8	6.2	38.1	30.4
Annual average, 5 years	23,347	5.2	4.8	31.5	30.8
Dec. 31:					
1924	39,465	10.2	8.1	40.6	30.3
1925	42,130	17.2	11.1	37.7	41.3
1926	29,606	13.3	8.4	28.5	45.4
1927	47,592	18.4	12.5	41	39.3
1928	46,873	22.4	14.7	40.5	54.1
Annual average, 5 years	41,134	15.8	10.9	37.8	49.7

[1] Not adjusted to polarization basis.

[2] These ad valorem equivalents are, however, lower than the ad valorem equivalents of duties actually collected on duty-paid Cuban sugar, since the Philippine advantage of United States duties remitted on Philippine sugar is reflected in the Philippine shipping-point prices upon which these computations are based. Of course, no comparable tariff advantage accrues to duty-paid Cuban sugars, and their shipping-point prices consequently are lower and do not reflect this advantage; hence the ad valorem equivalents of duties actually collected on Cuban sugar, necessarily computed as they would be on lower prices, would be considerably higher than the computed ad valorem equivalent of the United States duties remitted on Philippine sugar, as here shown.

Mr. BROUSSARD. Mr. President, from this table I wish to call the attention of the Senator from Texas to the fact that between the years 1910 and 1913, inclusive, four years, there were imported $6,645,000 worth, and that was 6.4 per cent of the total amount of sugar imported from the Philippine Islands into the United States.

In the period from 1914 to 1918, a period of five and a half years, $6,408,000 worth were imported.

In the period from 1919 to 1923, five years, $23,347,000 worth were imported.

In the last period, from 1924 to 1928, inclusive, the value of the sugar imported was $41,134,000.

The Senator will see, therefore, that, taking the date of January 30, 1910, they imported into this country $4,260,000 worth of sugar, and in 1928 they imported $46,873,000 worth.

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

Mr. BROUSSARD. I yield.

Mr. BINGHAM. Has the Senator figures to show the increase in the amount of sugar imported from Cuba in the same period?

Mr. BROUSSARD. I have not the figures with me now. I know that the importations increased from the date of our treaty with Cuba, increased many times over the amount they produced at the time we entered into the treaty in 1902.

Mr. BINGHAM. Is it not true that the increase in the importations from Cuba has been far greater than the increase in the importations from the Philippines?

Mr. BROUSSARD. Certainly, but we have a protection against Cuba. We are trying to levy a rate against Cuban sugar that will be satisfactory to the American sugar producer.

Mr. PITTMAN. Mr. President, are we paying any tariff duties to the Philippine Islands?

Mr. BROUSSARD. We are collecting certain duties on Philippine products, but under the existing law, and as proposed under this act, these sums are remitted to the treasury of the Philippine Islands.

Mr. PITTMAN. The Philippine Islands, under their present status, could not enact legislation placing duties upon our exports to the Philippine Islands?

Mr. BROUSSARD. No; they could not.

Mr. PITTMAN. Is not that possibly the reason why they have always said that they were not in favor of free trade—that is, free trade one way only?

Mr. BROUSSARD. I do not know what their attitude is with reference to my amendment, but I have just referred to the attitude of the Resident Commissioners in 1909, and to the action of the joint session of the legislature in adopting this resolution, wherein they said they were willing that the United States Government should limit the importations to 400,000 tons of sugar.

Mr. PITTMAN. At that time they were dissatisfied with the conditions they are now dissatisfied with; that is, the lack of autonomy?

Mr. BROUSSARD. Yes. I desire to have inserted in the RECORD table showing exports from the Philippine Islands to the United States. In 1900 there were imported from the Philippines into the United States, 2,119 long tons. That gradually increased, until in 1916 it was 129,801 tons, in 1922 it was 240,983 tons, and in 1928 it was 525,788 tons. So it can be seen very easily how rapidly the production is increasing in the Philippines.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Louisiana for the insertion in the RECORD of the table referred to?

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

Philippine sugar exports from 1920 to 1927 [1]

(Long tons of 2,240 pounds)

Year	United States	Per cent of total sugar exports	Other countries	Total sugar exports
1900	2,119	3	62,041	64,160
1901	5,143	5	91,895	97,038
1902	5,039	9	50,935	55,974
1903	28,852	83	5,898	34,750
1904	25,479	30	60,198	85,677
1905	42,903	40	63,881	106,784
1906	11,670	9	115,738	127,408
1907	10,815	8	115,080	125,895
1908	45,969	32	96,479	142,448
1909	52,234	41	75,050	127,284
1910	99,109	82	20,443	119,552
1911	184,694	89	21,047	205,741
1912	131,763	67	62,199	193,962
1913	30,232	19	124,616	154,848
1914	166,851	71	65,910	232,761
1915	81,532	39	126,146	207,678
1916	129,801	39	202,356	332,157
1917	61,392	30	141,262	202,654
1918	104,405	39	164,535	268,940
1919	31,651	23	102,259	133,910
1920	121,979	68	55,512	177,491
1921	148,101	51	137,194	285,295
1922	240,983	67	115,368	356,351
1923	226,912	84	40,773	267,685
1924	296,113	84	56,063	352,176
1925	456,658	84	81,534	538,192
1926	335,913	82	68,822	404,735
1927	500,290	91	44,289	544,579
1928	525,788	94	35,145	560,933

[1] From Bulletin No. 3 of the Philippine Bureau of Commerce and Industry and from reports of the Philippine Bureau of Customs.

Mr. BINGHAM. Is the Senator's amendment reasonably similar to what was known in the House as the Timberlake resolution?

Mr. BROUSSARD. No; it is not drafted along the lines of the Timberlake resolution. It is very simple. It merely

provides that any sugar from the Philippines imported into this country in excess of 600,000 tons shall bear the regular rate of duty.

Mr. BINGHAM. What was the limit in the Timberlake resolution?

Mr. BROUSSARD. I think it was 500,000. I am not sure, but that is my recollection.

Mr. BINGHAM. The Senator will remember that, notwithstanding the quotations which he has read from previous Philippine Commissioners, the present Philippine Commissioners are both strongly opposed to any limitation being fixed.

Mr. BROUSSARD. They are for independence. They do not want any relations at all. They want to be outside of the jurisdiction of this country, when we might impose full duties on them. That is what they are asking of us now.

Mr. BINGHAM. That is quite true, but, as the Senator from Nevada pointed out a few moments ago, if they had independence, they could then put any tax they pleased on our products.

Mr. BROUSSARD. Certainly.

Mr. BINGHAM. But at the present time, and until they get independence, they can not tax our products, whereas the Senator would propose that if the importations of their products into this country increase above 600,000 tons, we should tax their products. The Senator has in his resolution no reciprocating clause which would permit them to levy a duty on our products if they exceeded a certain amount.

Mr. BROUSSARD. I will say to the Senator from Connecticut that my proposal would merely mean going back to the relations existing between the Philippines and the United States prior to 1913, a situation which met with their favor when they asked us to exempt them from the imposition of duties the Congress of the United States imposed. Congress was very liberal with them at that time and fixed the limitation at 300,000 tons instead of 400,000.

Mr. BINGHAM. Mr. President, the Senator knows, I believe, that the reason why there was a tax levied on sugar and a tax levied on other articles coming into the United States from the Philippines until 1909 was due to the fact that in our treaty with Spain, by which we took over the Philippines, it was agreed that all goods coming into the Philippines from Spain for a period of 10 years, or from 1899 to 1909, should come into the Philippines at the most-favored-nation rate and should not pay any more duty than the rate on goods coming in from the United States, and it was felt that, in view of the fact that most goods came into the Philippines either from Spain or the United States, if we insisted on their receiving our goods without duty, and gave them the same privilege, they would not have any income at all. Therefore until 1909 it was felt that the best arrangement that could be made was to permit them to tax goods coming from the United States as they did goods coming from Spain.

Mr. BROUSSARD. I am thoroughly familiar with that. Between 1899 and 1909 there was that clause which required the imposition of a duty under the arrangement we made with Spain, but when that period expired and we were free to act as we pleased about it, we put a limitation upon imports of sugar, rice, and tobacco from the Philippines to this country, and this proposal is merely to go back to the Payne-Aldrich bill and to fix the limitation at a figure which is above the amount the Philippines are exporting to this country, thereby safeguarding every vested right in the Philippine Islands and, on the other hand, meeting the objection of many of the Senators who refuse to vote for an increase of rate in the sugar duty because of the fact that they claim it would expand the Philippine industry.

This, if adopted, would serve notice on all those who expect to go to the Philippines that if they go there and invest in sugar plantations, or sugar farms or factories, they go with the notice that any surplus over 600,000 tons sent to this country will have to pay a duty; and if they propose to grow sugar there, they have that notice and would inevitably make arrangements to dispose of the sugar in other places than the United States or pay the full duty.

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

Mr. BROUSSARD. I yield.

Mr. PITTMAN. There is no doubt that it would discourage increased production of sugar in the Philippine Islands and to that extent would accomplish its purpose, but it seems to me that so long as we hold the Philippine Islands as territory of the United States and will not permit them to use their judgment with regard to the revenues they may raise, will not permit them to say how much of our products shall be shipped into the Philippine Islands, give them no authority to limit, for instance, any of the exports we now export there, it is, in the nature of things, unfair. Of course, as the Senator agrees and we all agree, the situation with regard to the Philippine Islands is getting embarrassing to the United States as well as to the Filipinos.

That matter has been discussed by our Committee on Territories and Insular Affairs for several months. There is a proposition pending looking to the independence of the Philippine Islands at some future date. Some think it should be at one period of time and some at another. I think it is placed at 10 years in one measure which has been proposed, and in another one at 5 years. But in order to adjust the situation equitably between the Philippines and this country all of those bills have in mind that during the first year the Filipinos shall pay, we will say, 20 per cent of the tariff, the second year 40 per cent, and so on.

Mr. BROUSSARD. Yes; I am very familiar with that fact.

Mr. PITTMAN. At the same time, however, it allows them to put a tax equal to that amount upon the importations from the United States, which is reciprocal. I believe that some such act as that is going to pass in the very near future.

Mr. BROUSSARD. I hope so. I am a member of the committee with the Senator and I most heartily favor granting independence to the Philippines just as soon as we can arrange to do it in an orderly way.

Mr. PITTMAN. The Senator and I believe it is going to happen very soon.

Mr. BROUSSARD. Yes.

Mr. PITTMAN. Therefore, while this importation of sugar is embarrassing, their situation is embarrassing to them, and I do not want to vote to put anything in a tariff bill which probably will exist as the law for seven or eight years before we have another one—although this one is so discouraging that it may be 40 years before we have another tariff bill—when we are hoping to grant the Philippines their independence probably in the near future.

Mr. BROUSSARD. We have in the present statute section 301 which relates to tobacco and its products, cigars and cigarettes, and that matter will have to be handled; that is, it will have to be met when the bill is finally prepared for presentation here. Of course, if we are to provide for independence of the Philippines, we will repeal everything in the tariff law that affects that situation, because then our relations will be those existing between two foreign nations.

Mr. HAWES. Mr. President——

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

Mr. BROUSSARD. I yield.

Mr. HAWES. The Senator is a member of the Committee on Territories and Insular Affairs. The Senator has heard the witnesses who appeared there. Am I correct in saying that without exception every witness is in favor of ultimate Philippine independence?

Mr. BROUSSARD. That is true.

Mr. HAWES. There may be a qualification as to time, but all witnesses are in favor of Philippine independence?

Mr. BROUSSARD. Yes; some in the very indefinite future.

Mr. HAWES. Yes; while some are opposing it now, yet all favor it ultimately. Is that a correct statement?

Mr. BROUSSARD. That is absolutely correct.

Mr. President, I wish to remind the Senator from Nevada, who has discussed the equity of the proposition, that but for the Underwood law, which provided for free sugar in 1916, the limitation of 300,000 tons would still be in the law of the land. When the act of 1913 was passed it proposed that each year 33⅓ per cent of the rate should be taken off sugar until the third year, when we should have free sugar into this country. It was noticed that there was a limitation on the Philippine Islands, and that sugar was to be free in 1916, and it was found necessary to repeal that limitation; but we never had free sugar. In 1916, before the act went into effect on a free basis, that provision was repealed and a duty of 1 cent was restored on sugar. But the limitation, which had been repealed by virtue of the necessity of the new policy adopted by the Congress, was never reinstated. I am now proposing to limit it to twice the amount they had in 1913.

Mr. PITTMAN. Mr. President——

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

Mr. BROUSSARD. I yield.

Mr. PITTMAN. The fact that something was done at one time may be accepted as a precedent indicating that some consideration was given at that time to the matter. But I wish to say that it does not affect the situation in my mind at all. If we had once limited one of our States, which, of course, we can not do under the Constitution, or if we had once

limited the District of Alaska, for instance, in the exportation of moose meat, it would make no difference to me. I would simply think that it was wrong at the time we did it.

I feel, as long as we dominate the Philippine Islands and as long as we control their legislation, their finances, their commerce, and their economics, that it is unjust and almost unmoral to impose any burden upon them that we do not reciprocally impose upon ourselves. If we are going to restrict the Philippine Islands as to the amount of any material that they may export to us, we should limit ourselves proportionately with regard to everything we export to them. I know we will not do that. We could not possibly get enough votes for anything like that, but we are liable to get enough votes to limit them because we are more interested in exporting to the Philippine Islands than we are in importing from there.

Mr. BROUSSARD. We import from there very much more than we export to the Philippines.

Mr. PITTMAN. I do not doubt that is true.

Mr. BROUSSARD. Yes; very much more, two or three times as much. The trade advantages are in favor of the Philippines. Under this very act, in defining the United States, the Philippines are excepted from and not included in the definition given. Their relations to us no doubt are different from those of any Territory we have ever acquired. The limitations which were placed at that time were concurred in by the people who were asking to be granted that much of a free entry of goods here and agreeing to a limitation as to the others.

If they had the sugar there now and we sought to limit them, I think it would be unmoral, as the Senator said, because there is a vested right in that somebody has invested in the production of sugar. But here is a limitation that gives a margin of 75,000 tons over what they are producing now. Sugar does not grow wild like timber or some of the wild fruits there. It must be produced and it must be manufactured, so there is nothing wrong in telling the Filipinos, "We are giving you this big market. You are importing into the United States nearly three times as much every year as we export to you. That is a great advantage to you. All your goods come in here free. Do not increase your sugar production and you will retain this market to the extent of 600,000 tons."

Had we done that in the case of oils, in order to protect the producers of oils in this country, we would not be importing from the Philippines to-day 100 per cent of all the oils from cocoa and copra that are used in the United States. I appreciate that we can not have a limitation on oils without absolutely depriving men of a vested right there. They are supplying all that we need. Were they supplying only 50 per cent of the oils that we need here I think it would be very fair to tell them, "You can send your oils here free up to 55 per cent, but do not increase your production. If you do you will have to pay a duty."

Mr. PITTMAN. Mr. President, will the Senator yield again?

Mr. BROUSSARD. Certainly.

Mr. PITTMAN. Here is the difficulty: While at the present time we are not confiscating any business, still we are putting a limitation upon the development of industry in a country over which we have absolute control. The restriction of the development of industry is not confiscation, but it comes very close to being confiscation of the sovereign rights of development. I imagine, although I do not know anything about it, that when the Payne-Aldrich bill was passed they felt that they would rather be allowed to bring 300,000 tons of sugar into the United States free than not to bring any in free, and therefore they sought to have 300,000 tons permitted to come in free.

The situation, of course, is intolerable. I will admit that. We all know it. It is intolerable that we are not allowed to charge duties against a people so far away and who live under such different conditions and whose cost of producing sugar probably is much less than ours. On the other hand, they feel exactly the same way about it. They feel that it is intolerable because they are a different people, a different race, and far away from us.

Mr. BROUSSARD. They feel that they should have their independence, and I am perfectly willing to vote for it.

Mr. PITTMAN. They ask for independence without any assistance from this country.

Mr. BROUSSARD. I favor letting them have it.

Mr. PITTMAN. They ask for that, with the right on our part to place our duties as high as we want to against their importations. They have no complaint about that. I feel, too, that whenever we adopt as a part of the tariff bill a restriction upon the development of that country and a restriction upon their importations into this country, we are going to lose some supporters for Philippine independence that very minute, because there are those in this body who never would vote for Philippine independence except by reason of the fear of commercial competition. I do not want to lose those votes. They are gotten under rather extreme conditions and I want to keep them.

Mr. BROUSSARD. Mr. President, I wish to call attention to a bulletin issued by the Philippine-American Chamber of Commerce, published at 67 Wall Street, New York City. It reached my office very recently. It refers to the end of the year 1929 and says:

> Sugar production was the largest on record. Centrifugal output is estimated at 700,000 metric tons and production of muscovado at 74,000 tons.
>
> Exports of sugar were valued at approximately 108,000,000 pesos and amounted to about 694,000 tons, of which 662,000 were centrifugal, 25,000 muscovado, and 7,000 refined.
>
> Sugar mills are expediting operations and at the end of 1929 about 200,000 tons, or 27 per cent of the 1929–30 crop, were ground. Preliminary figures of the total area planted in sugarcane, issued by the bureau of agriculture, have been increased by 51,000 acres, making a total of 688,000 acres planted in sugarcane in the Philippine Islands.

I think probably Senators feel that they have done enough by increasing the duty to-day. It does not seem that Senators are taking much interest in this particular amendment. I feel that it ought to be adopted. It was the original policy of the Government toward the Philippine Islands, one in which they acquiesced and one which was repealed by virtue of the necessities of the occasion. I hope the amendment will be adopted.

Mr. SWANSON. Mr. President, I hope the Senate will not adopt the amendment submitted by the Senator from Louisiana. I hope the sugar people, who are flushed with victory, will not press it. It does seem to me that this would be a provision that is vicious and wrong and contrary to every element and principle of the American Government. It is exactly what the British Parliament did against us when we revolted and established our independence. The British Parliament claimed the right to fix all kinds of trade and commerce restraint and taxes on us. We said that although we were a part of the British Empire we were entitled to have fair and just and reasonable treatment, and we revolted against their power to tax us when we had no representation.

Of that elementary principle of government we have been the guiding light, and because of it we have become great in our adherence to the principles of justice and right. Yet here is a proposition, coming from the descendants of those who met in the Continental Congress and declared the American Colonies free and independent, to impose customs duties on the products of one of our island possessions, and to control the trade and development of those islands.

Mr. President, I have always thought that the decision of the Supreme Court that gave us the power to impose taxes against the Philippine Islands was unconstitutional. The case was only decided, as I recall, by a majority of 1, and the then Chief Justice of the Supreme Court, Chief Justice Fuller, in delivering the minority opinion said that the Constitution prevented us from imposing customs duties and restrictions on any part of our territory; that the Constitution followed the flag, and under the Constitution the action was not justified.

Mr. President, what is the proposition here? We have absolute control over the Philippine Islands, over their trade, commerce, and development, and over the imposition of customs duties. They have no control over us; no power to prohibit any exportations from continental United States, and yet we propose to exercise our power in a discriminatory way against them. We should deal justly, generously, wisely, and fairly with all our possessions. The Philippine Islands, before we prepare them for independence and before they shall be given their independence, ought not to be treated differently from the manner in which Porto Rico is treated, or differently from the manner in which we treat any of our other possessions.

In my opinion it is unwise, it is unjust, it is wrong and contrary to the principle upon which this Government was founded to take the step which is now proposed. I know that a complex question is presented. I favor conceding independence to the Philippine Islands when the people of those islands are capable and are sufficiently developed to enable them to maintain their independence. I have often thought the best way to settle the Philippine question would be to do as we did in the case of Cuba when that island was conveyed to us by Spain and held for a time as our possession. We gave Cuba her liberty, but we attached to the grant of liberty what is called the Platt amendment, which permits us to intervene when there is chaos, when there is disorder, when there is disturbance, when conditions arise that may justify our intervention. We made that amendment a part of the constitution of Cuba, and we went farther and made it the subject of treaty. Then Cuba was

given her liberty, with only such restraints as were provided in the Platt amendment. I have often thought that a similar policy should be pursued toward the Philippine Islands; that, instead of trying to dictate from Washington a government for the Philippine Islands, we should give them an opportunity within a reasonable time to govern themselves, with the right on our part to intervene, as provided in the Platt amendment in the case of Cuba. That would afford a solution of the problem and would at the same time furnish an incentive for the Philippine Islands to develop a wise, stable, and splendid government in those islands.

I hope that those who are engaged in the cultivation of tobacco, sugar, rice, and other products will not at this time insist upon such discrimination against people of the Philippine Islands as the pending amendment would provide. If we have the right to impose tariff duties against the Philippines, at the same time we should give them the right to impose tariffs and customs duty against us; the two rights should go together. I am opposed to the enactment of any such measure as that now pending, because I think it would be an act of injustice.

I hope America will never develop a colonial system such as that which existed under the British Crown when the American Colonies revolted. At that time we taught Great Britain a lesson; we taught her that colonies were created not for exploitation but for development and betterment and the improvement of those over whom sovereignty was exercised. Our success in the Revolutionary War made Great Britain reverse her policy, and ever since that time she has treated her colonies with justice, with fairness, and with consideration. Now, are we, through selfishness and a desire for profit, to reverse our policy and pursue the course which was formerly pursued by Great Britain until she abandoned it after the American Revolution?

Mr. President, Congress should deal generously with the Philippine Islands, as well as with Porto Rico and our other island possessions. The United States should be a model in the treatment of dependencies generously and liberally.

I hope this amendment will not be pressed. I think the sugar producers have gotten enough in the shape of profits under the victory which they won here to-day, without at the same time trying to make more by tearing down the fundamental principle upon which the American Government itself was created and the violation of which was the cause of our revolt.

Mr. President, I trust that the Committee on Territories and Insular Affairs will take up the Philippine question, study it, and report a measure here that will settle that question fairly and justly, and that will enable us to carry out the pledge which we made to the Philippine people that we would give them their independence. That pledge should be carried out, not recklessly, not foolishly, so that liberty would be a curse to the Philippine people and a menace to their future development, but the pledge should be kept with honesty and fairness and justice and as promptly as in reason it may be. I believe a settlement of the Philippine question somewhat similar to that brought about in the case of Cuba, with a provision similar to the Platt amendment, would be a boon to all concerned. The restriction might go farther at first than that provided in the Platt amendment; but if we should give the Philippine people such a chance I believe that ultimately they will develop into a nation prosperous and happy and we will be proud to have been instrumental in bringing that condition about and will be proud of the record we have made in our association with them during the years when we held sovereignty over them.

As I have said, I hope the sugar interests themselves, those who are interested in domestic sugar production, will, in a spirit of justice and fairness, vote down this amendment if a roll call should come on it, and show, above the mere making of money, above the mere grabbing of profits, a patriotic desire to live up to American ideals and to preserve American principles pure and untainted.

Mr. HAWES. Mr. President, I am satisfied that within a reasonable time the question of the independence of the Philippine people will come before the Senate, so I shall oppose this amendment. I ask permission now, as a part of this discussion, to introduce a bill relating to Philippine independence and that it be referred to the Committee on Territories and Insular Affairs. The bill is the production of the junior Senator from New Mexico [Mr. CUTTING] and myself. I request that we be recorded as its joint authors. I also ask that the bill may be printed in full in the RECORD.

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

The bill (S. 3822) to provide for the withdrawal of the sovereignty of the United States over the Philippine Islands and for the recognition of their independence; to provide for notification thereof to foreign governments; to provide for the assumption by the Philippine government of obligations under the treaty with Spain; to define trade and other relations between the United States and the Philippine Islands on the basis of a progressive scale of tariff duties preparatory to complete independence; to provide for the calling of a convention to frame a constitution for the government of the Philippine Islands; to provide for certain mandatory provisions of the proposed constitution; to provide for the submission of the constitution to the Filipino people and its submission to the Congress of the United States for approval; to provide for the adjustment of property rights between the United States and the Philippine Islands; to provide for the acquisition of land by the United States for coaling and naval stations in the Philippine Islands; to continue in force certain statutes until independence has been granted, and for other purposes, was read twice by its title, referred to the Committee on Territories and Insular Affairs, and ordered to be printed in the RECORD, as follows:

A bill to provide for the withdrawal of the sovereignty of the United States over the Philippine Islands and for the recognition of their independence; to provide for notification thereof to foreign governments; to provide for the assumption by the Philippine government of obligations under the treaty with Spain; to define trade and other relations between the United States and the Philippine Islands on the basis of a progressive scale of tariff duties preparatory to complete independence; to provide for the calling of a convention to frame a constitution for the government of the Philippine Islands; to provide for certain mandatory provisions of the proposed constitution; to provide for the submission of the constitution to the Filipino people and its submission to the Congress of the United States for approval; to provide for the adjustment of property rights between the United States and the Philippine Islands; to provide for the acquisition of land by the United States for coaling and naval stations in the Philippine Islands; to continue in force certain statutes until independence has been granted, and for other purposes

Whereas the act entitled "An act to declare the purpose of the people of the United States as to the future political status of the people of the Philippine Islands, and to provide a more autonomous government for those islands," approved August 29, 1916, declared it to be the purpose of the people of the United States to withdraw their sovereignty over the Philippine Islands and to recognize their independence as soon as a stable government can be established therein; and

Whereas a stable government has been established and is being maintained in the Philippine Islands; and

Whereas the Filipino people have petitioned the Government and people of the United States to declare the Philippine Islands free and independent: Therefore

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled:

CONVENTION TO FRAME CONSTITUTION FOR PHILIPPINE ISLANDS

SECTION 1. The Philippine Legislature is hereby authorized to provide for the election of delegates to a constitutional convention, which shall meet in the hall of the house of representatives in the capital of the Philippine Islands at such time as the Philippine Legislature may fix, to formulate and draft a constitution for a free and independent government of the Philippine Islands, subject to the conditions and qualifications prescribed in this act, which shall exercise jurisdiction over all the territory ceded to the United States by the treaty of peace concluded between the United States and Spain on the 10th day of December, 1898, the boundaries of which are set forth in Article III of said treaty, together with those islands embraced in the treaty between Spain and the United States concluded at Washington on the 7th day of November, 1900. The Philippine Legislature shall provide for the necessary expenses of such convention.

CHARACTER OF CONSTITUTION—MANDATORY PROVISIONS

SEC. 2. The constitution formulated and drafted shall be republican in form and adequate to secure a stable, orderly, and free government, and shall, either as a part thereof or in an ordinance appended thereto, contain provisions to the effect that, pending the final and complete withdrawal of the sovereignty of the United States over the Philippine Islands—

(a) All citizens of the Philippine Islands shall owe allegiance to the United States.

(b) Every officer of the government of the Philippine Islands shall, before entering upon the discharge of his duties, take and subscribe an oath of office, declaring, among other things, that he recognizes and accepts the supreme authority of and will maintain true faith and allegiance to the United States.

(c) Absolute toleration of religious sentiment shall be secured, and no inhabitant or religious organization shall ever be molested in person or property on account of religious belief or mode of worship.

(d) Property owned by the United States, cemeteries, churches, and parsonages or convents appurtenant thereto, and all lands, buildings,

and improvements used exclusively for religious, charitable, or educational purposes shall be exempt from taxation.

(e) Trade relations between the Philippine Islands and the United States shall be upon the basis prescribed in section 5.

(f) The public debt of the Philippine Islands and its subordinate branches shall not exceed limits now or hereafter fixed by the Congress of the United States; and no loans shall be contracted in foreign countries without the approval of the President of the United States.

(g) The debts, liabilities, and obligations of the present Philippine government, its Provinces, municipalities, and instrumentalities, valid and subsisting at the time of the adoption of the constitution, shall be assumed and paid by the new government.

(h) Provision shall be made for the establishment and maintenance of an adequate system of public schools conducted in the English language.

(i) No part of the public revenues shall be used for the support of any sectarian or denominational school, college, university, church, or charitable institution.

(j) Acts affecting the currency or coinage laws shall not become law until approved by the President of the United States.

(k) Foreign affairs shall be under the direct supervision and control of the United States.

(l) All acts passed by the legislature of the Philippine Islands shall be reported to the Congress of the United States.

(m) The Philippine Islands recognizes the right of the United States to maintain armed forces in the Philippines, and, upon order of the President, to call into the service of such armed forces all military forces organized by the Philippine government.

(n) Appeals to Federal courts of the United States shall be as now or as may be hereafter provided by act of Congress.

(o) The United States may exercise the right to intervene for the preservation of the government of the Philippine Islands and for the maintenance of a government adequate for the protection of life, property, and individual liberty, and for the discharge of its obligations.

(p) The authority of the United States commissioner to the government of the Philippines, as provided in this act, shall be recognized.

SUBMISSION OF CONSTITUTION TO FILIPINO PEOPLE

SEC. 3. If a constitution is formed in compliance with the provisions of this act, the said constitution shall be submitted to the people of the Philippine Islands for their ratification or rejection at an election to be held within four months after the completion of the constitution, on a date to be fixed by the Philippine Legislature, at which election the qualified voters of the Philippine Islands shall have an opportunity to vote directly for or against the proposed constitution, or for or against any proposition separately submitted. Such election shall be held in such manner as may be prescribed by the Philippine Legislature, to which the return of the election shall be made. The Philippine Legislature shall, by law, provide for the canvassing of the return, and, if a majority of the votes cast on that question shall be for the constitution, shall certify the result to the Governor General of the Philippine Islands, together with a statement of the votes cast thereon, and upon separate propositions, and a copy of said constitution, propositions, and ordinances.

SUBMISSION OF CONSTITUTION TO CONGRESS OF THE UNITED STATES

SEC. 4. When the constitution has been adopted in compliance with the provisions of this act, and has been duly ratified by the people of the Philippine Islands, a certified copy shall be submitted to the Congress of the United States for approval. If the Congress by law approves the constitution or if the Congress, within three months of legislative session following submission to it, fails by law to disapprove the constitution, the President shall so certify to the Governor General of the Philippine Islands, who shall, within 30 days after the receipt of such notification from the President, issue a proclamation for the election of officers of the government provided for in the constitution. The election shall take place not earlier than three months nor later than six months after the proclamation by the Governor General ordering such election. When the election of the officers provided for under the constitution has been held and the results determined, the Governor General of the Philippine Islands shall certify the result of the election to the President of the United States, who shall thereupon issue a proclamation announcing the results of the election, and upon the issuance of such proclamation by the President the existing Philippine government shall terminate and the new government shall enter upon its rights, privileges, powers, and duties, as provided under the constitution. The present government of the Philippine Islands shall provide for the orderly transfer of the functions of government.

If the Congress, within three months of legislative session following submission to it, by law disapproves the constitution adopted and ratified in pursuance of the provisions of this act, then such fact shall forthwith be communicated by the President to the constitutional convention, which shall thereupon consider any objections made and proceed to redraft the constitution for ratification and submission in accordance with the provisions of this act.

TRADE RELATIONS WITH THE UNITED STATES PENDING COMPLETE INDEPENDENCE

SEC. 5. Trade relations between the United States and the government of the Philippine Islands established under this act shall be upon the following basis:

(1) During the first year after the termination of the existing Philippine government all articles coming into the United States from the Philippine Islands or coming into the Philippine Islands from the United States shall be admitted in accordance with the law in force at the time of such termination.

(2) During the second year after the termination of the existing Philippine government there shall be levied, collected, and paid upon all articles coming into the United States from the Philippine Islands and upon all articles coming into the Philippine Islands from the United States 25 per cent of the duties which are required by the respective governments to be levied, collected, and paid upon like articles imported from foreign countries.

(3) During the third year after the termination of the existing Philippine government there shall be levied, collected, and paid upon all articles coming into the United States from the Philippine Islands and upon all articles coming into the Philippine Islands from the United States 50 per cent of the duties which are required by the respective Governments to be levied, collected, and paid upon like articles imported from foreign countries.

(4) During the fourth year after the termination of the existing Philippine government there shall be levied, collected, and paid upon all articles coming into the United States from the Philippine Islands and upon all articles coming into the Philippine Islands from the United States 75 per cent of the duties which are required by the respective Governments to be levied, collected, and paid upon like articles imported from foreign countries.

(5) During the fifth year after the termination of the existing Philippine government there shall be levied, collected, and paid upon all articles coming into the United States from the Philippine Islands and upon all articles coming into the Philippine Islands from the United States the rates of duty which are required by the respective Governments to be levied, collected, and paid upon like articles imported from foreign countries.

OTHER RELATIONS WITH UNITED STATES PENDING COMPLETE INDEPENDENCE

SEC. 6. Until the final and complete withdrawal of American sovereignty over the Philippine Islands—

(1) Every duly adopted amendment to the constitution of the Philippine Islands shall be submitted to the President of the United States for approval. If the President approves the amendment, or if the President fails to disapprove such amendment within six months from the time of its submission, the amendment shall take effect as a part of such constitution.

(2) The President of the United States shall have authority to suspend the taking effect of or the operation of any law, contract, or executive order of the Philippine Islands, which in his opinion seems likely to result in a failure of the government of the Philippine Islands to fulfill its contracts, or to meet its bonded indebtedness and interest thereon, or to provide for its sinking funds, or which seems likely to impair the reserves for the protection of the currency of the Philippine Islands, or may create international complications. The President shall, in any such case, finally determine whether or not such law, contract, or executive order shall go into or remain in effect.

(3) The chief executive of the Philippine Islands shall make an annual report to the President and Congress of the United States of the proceedings and operations of the government of the Philippine Islands, and shall make such other reports as the President or Congress may request.

(4) The President shall appoint, by and with the advice and consent of the Senate, a United States commissioner to the Philippine Islands, who shall hold office at the pleasure of the President or until his successor is appointed and qualified. He shall be the representative of the President of the United States in the Philippine Islands, and shall be recognized as such by the government of the Philippine Islands, by the commanding officers of the military forces of the United States, and by all civil officials of the United States in the Philippine Islands.

If the government of the Philippine Islands fails to pay any of its bonded or other indebtedness or the interest thereon when due or to fulfill any of its contracts, the United States commissioner shall immediately report the facts to the President, who may thereupon direct the commissioner to take over the customs offices and administration of the same, administer the same, and apply such part of the revenue received therefrom as may be necessary for the payment of such overdue indebtedness or for the fulfillment of such contracts. The United States commissioner shall annually, and at such other times as the President may require, render an official report to the President and Congress of the United States. He shall perform such additional duties and functions as may be lawfully delegated to him from time to time by the President.

The first United States commissioner appointed under this act shall take office upon the inauguration of the new government of the Philip-

pine Islands. He shall be paid by the United States an annual salary of $18,000, and $12,000 for expenses.

(5) The government of the Philippine Islands shall provide for the selection of a resident commissioner to the United States, who shall hold office for a term of four years beginning with the 4th day of March following his selection, and who shall be entitled to an official recognition as such by all departments upon presentation to the President of credentials signed by the chief executive of said islands. He shall have a seat in the House of Representatives of the United States, with the right to debate, but without the right of voting. His salary and expenses shall be fixed and paid by the government of the Philippine Islands. Until a resident commissioner is selected and qualified under this section, existing law governing the appointment of resident commissioners from the Philippine Islands shall continue in effect.

PLEBISCITE ON THE QUESTION OF PHILIPPINE INDEPENDENCE

SEC. 7. (a) Within the first six months of the fifth year after the termination of the government provided for in this act, the people of the Philippine Islands shall vote on the question of Philippine independence. The legislature of the Philippine government shall provide for the time and manner of an election for such purpose, at which the qualified voters of the Philippine Islands shall be entitled to vote.

(b) If a majority of the votes cast are in favor of Philippine independence, the chief executive of the Philippine Islands shall so report to the President of the United States, who shall, within 60 days after the receipt of such report, issue a proclamation announcing the results of such election, and announcing that upon the expiration of the fifth year after the termination of the government provided for in this act, the government of the Philippine Islands will be turned over to the duly elected officers thereof. Upon the expiration of such fifth year the President of the United States shall withdraw and surrender all right of possession, supervision, jurisdiction, control, or sovereignty then existing and exercised by the United States in and over the territory and people of the Philippine Islands, and, on behalf of the United States, shall recognize the independence of the Philippine Islands as a separate and self-governing nation and acknowledge the authority and control over the same of the government instituted by the people thereof, under the constitution then in force; provided that the constitution has been previously amended to include the following provisions:

(1) That the property rights of the United States and the Philippine Islands shall be promptly adjusted and settled, and that all existing property rights of citizens or corporations of the United States shall be acknowledged, respected, and safeguarded to the same extent as property rights of citizens of the Philippine Islands.

(2) That the Philippine Government will sell or lease to the United States lands necessary for coaling or naval stations at certain specified points to be agreed upon with the President of the United States not later than two years after his proclamation recognizing the independence of the Philippine Islands.

(3) That the officials elected and serving under the constitution adopted pursuant to the provisions of this act shall be constitutional officers of the free and independent government of the Philippine Islands and qualified to function in all respects as if elected directly under such government, and shall serve their full terms of office as prescribed in the constitution.

(4) That the debts and liabilities of the Philippine Islands, its Provinces, cities, municipalities, and instrumentalities which shall be valid and subsisting at the time of the final and complete withdrawal of the sovereignty of the United States shall be assumed by the free and independent government of the Philippine Islands; and that where bonds have been issued under authority of an act of Congress of the United States by the Philippine Islands or any Province, city, or municipality therein, the Philippine Government will make adequate provision for the necessary funds for the payment of interest and principal, and such obligations shall be a first lien on the taxes collected in the Philippine Islands.

(5) That the government of the Philippine Islands on becoming independent of the United States, will assume all continuing obligations assumed by the United States under the treaty of peace with Spain ceding said Philippine Islands to the United States.

(6) That by way of further assurance the government of the Philippine Islands will embody the foregoing provisions (except paragraph (3)) in a permanent treaty with the United States.

(c) If a majority of the votes cast are against Philippine independence, the chief executive of the Philippine Islands shall so report to the Congress of the United States for their action regarding the future political status of the Philippine Islands. In the event of such vote against Philippine independence, after the expiration of the fifth year after the termination of the existing Philippine government all articles coming into the United States from the Philippine Islands, or coming into the Philippine Islands from the United States, shall be admitted in accordance with the law in force at the time of such termination.

NOTIFICATION TO FOREIGN GOVERNMENTS

SEC. 8. Upon the proclamation and recognition of the independence of the Philippine Islands under their constitution, the President shall notify the governments with which the United States is in diplomatic correspondence thereof, and invite said governments to recognize the independence of the Philippine Islands.

TARIFF DUTIES AFTER INDEPENDENCE

SEC. 9. After the Philippine Islands have become a free and independent nation there shall be levied, collected, and paid upon all articles coming into the United States from the Philippine Islands the rates of duty which are required to be levied, collected, and paid upon like articles imported from other foreign countries.

CERTAIN STATUTES CONTINUED IN FORCE

SEC. 10. All laws or parts of laws applicable to the Philippine Islands not in conflict with any of the provisions of this act are hereby continued in force and effect until altered, amended, or repealed in accordance with existing law by the Philippine Legislature or by the legislative authority of the government established under the provisions of this act, or by act of Congress of the United States.

Mr. HAWES. Mr. President, it would be unfortunate for the American people and the Philippine people for this measure to be considered from a partisan political viewpoint.

By joint production, the Senator from New Mexico [Mr. CUTTING] and myself, each from a different political party, hope to avoid partisanship, so that Philippine independence may be discussed upon its merits and not from the standpoint of political bias.

We have considered bills now before the Committee on Territories and Insular Affairs. The measure we introduce will not fully satisfy those who want immediate and unqualified independence. It will not satisfy those who desire to place a tariff upon the imports and exports of the Philippine Islands prior to a definite period of readjustment under American sovereignty.

It will not be entirely satisfactory to the distinguished Commissioners from the Philippine Islands, or to the brilliant speaker of the Philippine House, the Hon. Manuel Roxas, or to the able majority leader, Hon. Manuel Briones, or to the able minority leader, the Hon. Pedro Gil; but upon reflection and study we believe that the advocates of immediate independence, as well as those who propose tariff duties without a limitation upon the duration of our sovereignty, and even the very distinguished representatives now in Washington representing the Philippine government, will agree that it affords a basis for adjustment between conflicting, extreme views.

In passing, however, I am wondering whether those who are here representing the Philippine people, and the Philippine people themselves, knowing the situation as it exists in America to-day, and fully acquainted with the difficulties that have to be surmounted through the education of the American public to the facts as to the Philippines—I am wondering whether they do not believe that actually they will achieve absolute independence more quickly through the methods provided in this bill than through the continuous demands for immediate independence.

I am personally satisfied that early Philippine independence, to which I personally subscribe, will be more effectively brought about by this method. The bill at least forms the basis for discussion of each problem presented during the intermediate period prior to independence and of adjustments after independence.

It provides for the submission of a constitution to the Philippine people, and its subsequent submission to the Congress of the United States for approval or disapproval.

It provides for the assumption by the Philippine Government of financial obligations.

It protects religious liberty.

It provides, if deemed advisable and necessary, for naval and coaling stations; and for the maintenance of public schools conducted in the English language.

Mr. President, the statement has been made that the Filipinos, while now desiring independence, if confronted by the responsibilities of government, including tariff regulations, would change their minds.

This bill faces that question squarely in its provision for tariff regulation covering a period of years, and then after the Philippine people have been faced by this readjustment, paid what penalties may come with independence and freedom, that they shall again have an opportunity to express their opinion in a plebiscite held for that purpose.

This provision will eliminate guesswork. It will eliminate speculation. It will remove from any debate or uncertainty the thought that the people of the Philippine Islands have not weighed the cost of responsibility, the price that they must pay for freedom, by first giving them an actual, practical demonstration of what this cost will be, and giving them an opportunity to change their minds or give a new expression on the subject.

Mr. President, one interesting fact has been established in the hearings so far before your committee: Every witness,

whether for immediate independence or contingent independence, or delayed independence, has without exception stated that ultimately the Philippine people should be given their freedom.

There has been another agreement upon the part of all witnesses, no matter what their shade of opinion may be, and that is that it is the duty of Congress, for the benefit of both the Philippine people and the citizens of the United States, to enact some legislation.

We went very far in the Jones Act, which placed all political offices in the Philippines in the hands of the Philippine people, with the exception of the offices of Governor General, Vice Governor General, and insular auditor, and a few other positions now held by American citizens; but the government of the subdivisions or Provinces of the Philippines, numbering 49 in all, are now governed by Philippine officials with the exception of two special Provinces, which are governed by Americans. The municipalities and other subdivisions are in the hands of Philippine officials.

Mr. President, the American people have but two courses open to them. One is to advance democracy, which was done under the Jones Act, or to establish a dictatorship, which would be totally repugnant to American thought, American traditions, and American statesmanship.

Our national promise for ultimate independence can not be disputed by anyone. No one attempts to dispute it. It was expressed definitely and finally in the Jones Act, reading as follows:

Whereas it was never the intention of the people of the United States in the incipiency of the war with Spain to make it a war of conquest or for territorial aggrandizement; and

Whereas it is, as it has always been, the purpose of the United States to withdraw their sovereignty over the Philippine Islands, and to recognize their independence as soon as a stable government can be established therein.

But long prior to that act, which was an official expression of the Congress of the United States, both political parties and all of our public men who have discussed the subject have promised independence.

Mr. JONES. Mr. President——

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Washington?

Mr. HAWES. I yield to the Senator.

Mr. JONES. I have been frequently asked if I was responsible for what is known as the Jones Act with reference to the Philippines. Since the Senator has referred to the Jones Act, I think it well for me to say that the term refers to Congressman Jones, of Virginia, who was a Member of the House at that time, and was the author of that act.

Mr. HAWES. I will say to the Senator that I do not believe he would disown it, even though he were charged with having been the author of the act.

Mr. JONES. That is probably true.

Mr. SWANSON. Mr. President——

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

Mr. HAWES. I should like to continue.

Mr. SWANSON. I merely wish to say that the friends of Congressman Jones are very proud of his achievement in that act.

Mr. JONES. I do not want to take any of his glory.

Mr. HAWES. Mr. President, I shall conclude in just a minute. I ask permission to insert in the RECORD at this point statements by President McKinley, President Roosevelt, President Taft, President Wilson, President Harding, and President Coolidge.

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

The matter referred to is as follows:

M'KINLEY

It is also my wish and expectation that the commissioners may be received in a manner due to the honor and authorized representatives of the American Republic, duly commissioned on account of their knowledge, skill, and integrity as bearers of the good will, protection, and the richest blessings of a liberating rather than a conquering nation. (Letter to Secretary of War, January, 1899.)

Forcible annexation can not be thought of; that, according to the American code of morals, is criminal aggression. (Statement by McKinley at the beginning of Spanish-American War.)

We shall continue as we have begun * * * to make these people * * * feel that it is their liberty and not our power * * * we are seeking to enhance. (Message to Congress, December, 1899.)

ROOSEVELT

We hope to do for them what has never before been done for any people of the Tropics—to make them fit for self-government after the fashion of the really free nations * * *. We are extremely anxious that the natives shall show the power of governing themselves. We are anxious first for their sake and next because it relieves us of a great burden. There need not be the slightest fear of our not continuing to give them all the liberty for which they are fit. (Message to Congress, December, 1901.)

If they are safeguarded against oppression, and if their real wants, material and spiritual, are studied intelligently and in a spirit of friendly sympathy, much more good will be done them than by any effort to give them political power, though this effort may in its own proper time and place be proper enough. (Message to Congress on December, 1901.)

At present they are utterly incapable of existing in independence at all or building up a civilization of their own. I firmly believe that we can help them to rise higher and higher in the scale of civilization and of capacity for self-government, and I most earnestly hope that in the end they will be able to stand, if not entirely, yet in some such relation to the United States as Cuba now stands. (Message to Congress, December, 1904.)

We are constantly increasing the measure of liberty accorded the islanders; and next spring * * * we shall take a great stride forward in testing their capacity for self-government by summoning the first Filipino legislative assembly; and the way in which they stand this test will largely determine whether the self-government thus granted will be increased or decreased. (Message to Congress, December, 1904.)

I hope and believe that these steps—setting up the Philipine Legislative Assembly—mark the beginnings of a course which will continue till the Filipinos become fit to decide for themselves whether they desire to be an independent nation. (Message to Congress, December, 1906.)

They have yet a long way to travel before they will be fit for complete self-government, and for deciding, as it will then be their duty to do, whether this self-government shall be accompanied by complete independence. It will probably be a generation—it may even be longer—before this point is reached; but it is most gratifying that such substantial progress toward this as a goal has already been accomplished. We desire that it be reached at as early a date as possible for the sake of the Filipinos and for our own sake, but improperly to endeavor to hurry the time will probably mean that the goal will not be attained at all. (Message to Congress, January, 1908.)

In order to use the Navy effectively we should clearly define to ourselves the policy we intend to follow and the limits over which we expect our power to extend. Our own coasts, Alaska, Hawaii, and the Panama Canal and its approaches should represent the sphere in which we should expect to be able, single-handed, to meet and master any opponent from overseas.

I exclude the Philippines. This is because I feel that the present administration has definitely committed us to a course of action which will make the early and complete severance of the Philippines from us not merely desirable but necessary. I have never felt that the Philippines were of any special use to us. But I have felt that we had a task to perform there and that a great nation is benefited by doing a great task. It was our bounden duty to work primarily for the interest of the Filipinos; but it was also our bounden duty, inasmuch as the entire responsibility lay upon us, to consult our own judgment and not theirs in finally deciding what was to be done. (Ex-President Roosevelt in a newspaper article as quoted by Senator KING, Senate hearings, 1930, p. 94.)

Apparently its [the present administration's] course in the Philippines has proceeded upon the theory that the Filipinos are now fit to govern themselves. Whatever may be our personal and individual beliefs in this matter, we ought not, as a Nation, to break faith or even to seem to break faith. (Ex-President Roosevelt in another article as quoted by Senator KING, Senate hearings, 1930, p. 94.)

I hope, therefore, that the Filipinos will be given their independence at an early date and without any guaranty from us which might in any way hamper our future action or commit us to staying on the Asiatic coast. I do not believe we should keep any foothold whatever in the Philippines. Any kind of position by us in the Philippines merely results in making them our heel of Achilles if we are attacked by a foreign power. They can be of no compensating benefit to us. If we were to retain complete control over them and to continue the course of action which in the past 16 years has resulted in such immeasurable benefit to them, then I should feel that it was our duty to stay and work for them in spite of the expense incurred by us and the risk we thereby ran.

But inasmuch as we have now promised to leave them, as we are now abandoning our power to work efficiently for and in them, I do not feel that we are warranted in staying in the islands in an equivocal position, thereby incurring great risk to ourselves without conferring any real compensating advantage, of a kind which we are bound to take into account, on the Filipinos themselves. If the Filipinos are entitled to independence, then we are entitled to be freed from all the responsi-

bility and risk which our presence in the islands entails upon us. (Ex-President Roosevelt in a magazine article as quoted by Senator KING, Senate hearings, 1930, p. 94.)

Personally, I think it is a fine and high thing for a nation to have done such a deed [our work in the Philippines] with such a purpose. But we can not taint it with bad faith. If we act so that the natives understand us to have made a definite promise, then we should live up to that promise. The Philippines, from a military standpoint, are a source of weakness to us. The present administration has promised explicitly to let them go, and by its action has rendered it difficult to hold them against any serious foreign foe. These being the circumstances, the islands should at an early moment be given their independence without any guaranty whatever by us and without our retaining any foothold in them. (Ex-President Roosevelt in an article written in The Outlook after the passage of the Jones law.)

TAFT

What shall be done in the future * * * is a question which will doubtless have to be settled by another generation than the present, both of the American and of the Philippine people, to whose wisdom and generosity we may safely trust the solution of the problem. Should the Philippine people when fit for self-government demand independence I should be strongly in favor of giving it to them; and I have no doubt that the American people of the next generation would be of the same opinion. (Letter, Secretary of War Taft, March, 1905.)

How long this process of political preparation of the Philippine people is likely to be is a question which no one can certainly answer. When I was in the islands the last time I ventured the opinion that it would take considerably longer than a generation. I have not changed my view upon this point, but the issue is one upon which opinions differ. * * * As I promised, however, this is a question for settlement by the Congress of the United States. (Address to Philippine Assembly, October, 1907.)

It [the United States policy toward the Philippines] necessarily involves in its ultimate conclusion as the steps toward self-government become greater and greater, the ultimate independence of the islands, although, of course, if both the United States and the islands were to conclude after complete self-government were possible that it would be mutually beneficial to continue a governmental relation between them like that between England and Australia, there would be nothing inconsistent with the present policy in such result. * * * If the American Government can only remain in the islands long enough to educate the entire people, to give them a language which enables them to come into contact with modern civilization, and to extend to them from time to time additional political rights so that by the exercise of them they shall learn the use and responsibilities necessary to their proper exercise, independence can be granted with entire safety to the people. I have an abiding conviction that the Philippine people are capable of being taught self-government in the process of their self-development. * * * While I have always refrained from making this (the development of trade between the Occident and the Orient) the chief reason of the retention of the Philippines, because the real reason lies in the obligation of the United States to make its people fit for self-government, and then to turn the government over to them, I don't think it improper in order to secure support for the policy to state such additional reason. (Special report, Secretary of War Taft, January, 1908.)

It [the statement in the Democratic platform favoring independence] is an affirmation of policy only slightly different from that repeatedly announced by this and preceding Republican administrations. (Public address, March, 1918.)

WILSON

By their [the Philippine people] wise counsel and experience rather than by our own we shall learn how best to serve them and how soon it will be possible and wise to withdraw our supervision. Let us once find the path and set out with firm and confident tread upon it and we shall not wander from it nor linger upon it.

* * * * * * *

We must hold steadily in view their ultimate independence, and we must move toward the time of independence as steadily as the way can be cleared and the foundation thoughtfully and permanently laid. (Message to Congress, December, 1913.)

Allow me to call your attention to the fact that the people of the Philippine Islands have succeeded in maintaining a stable government since the last action of the Congress in their behalf, and have thus fulfilled the condition precedent set by the Congress as precedent to a consideration of granting independence to the islands. I respectfully submit that this condition precedent having been fulfilled, it is now our liberty and our duty to keep our promise to the people of those islands by granting them the independence they so honorably covet. (Message to Congress, December, 1920.)

HARDING

I can only commend the Philippine aspirations to independence and complete self-sovereignty. None in America would wish you to be without national aspirations. You would be unfitted for the solemn duties of self-government without them. (Statement to the Philippine legislative delegation in 1922.)

COOLIDGE

It is not possible to believe that the American people would wish to continue their responsibility in regard to the sovereignty and administration of the islands. It is not conceivable that they would desire, merely because they possessed the power, to continue exercising any measure of authority over a people who could better govern themselves on a basis of complete independence. * * *

If the time comes when it is apparent that independence would be better for the people of the Philippines from the point of view of both their domestic concerns and their status in the world, and if when that time comes the Filipino people desire complete independence, it is not possible to doubt that the American Government and people will gladly accord it. (Letter in 1924 to the speaker of the Philippine House of Representatives who came to Washington as chairman of the Philippine Independence Mission.)

Finally, I feel that it [the act to hold a plebiscite relative to Philippine independence] should be disapproved, because * * * it is delaying the arrival of the day when the Philippines will have overcome the most obvious present difficulty in the way of its maintenance of an unaided government. (Letter to Governor Wood in April, 1927, sustaining Governor Woods's veto of the plebiscite bill passed by the Philippine Legislature.)

Mr. HAWES. Mr. President, I shall not interrupt the tariff discussion by extended remarks at this time except to call national attention to the very unwise opposition of a small group who are carrying on a propaganda against Philippine independence, which has already aroused, and should arouse, the hostility of the Philippine people.

In conclusion, I ask to have inserted as a part of my remarks at this point excerpts from the political party platforms of the past several years with respect to Philippine independence.

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

The matter referred to is as follows:

EXCERPTS FROM REPUBLICAN PARTY PLANKS ON PHILIPPINE INDEPENDENCE

FROM THE PLATFORM OF 1900

And while the American people, sustained by this Republican legislation, have been achieving these splendid triumphs in their business and commerce, they have conducted and in victory concluded a war for liberty and human rights. No thought of national aggrandizement tarnished the high purpose with which American standards were unfurled. * * * To 10,000,000 of the human race there was given "a new birth of freedom," and to the American people a new and noble responsibility.

* * * * * * *

Our authority could not be less than our responsibility, and wherever sovereign rights were extended it became the high duty of the Government to maintain its authority, to put down armed insurrection, and to confer the blessings of liberty and civilization upon all the rescued peoples.

The largest measure of self-government consistent with their welfare and our duties shall be secured to them by law.

FROM THE PLATFORM OF 1904

In the Philippines we have suppressed insurrection, established order, and given to life and property a security never known there before. We have organized civil government, made it effective and strong in administration, and have conferred upon the people of those islands the largest civil liberty they have ever enjoyed.

* * * * * * *

FROM THE PLATFORM OF 1908

In the Philippines insurrection has been suppressed, law established, and life and property made secure. Education and practical experience are there advancing the capacity of the people for government, and the policy of McKinley and Roosevelt is leading the inhabitants step by step to an ever-increasing home rule.

* * * * * * *

FROM THE PLATFORM OF 1912

The Philippine policy of the Republican Party has been and is inspired by the belief that our duty toward the Filipino people is a national obligation which should remain entirely free from partisan politics.

FROM THE PLATFORM OF 1916

We renew our allegiance to the Philippine policy inaugurated by McKinley, approved by Congress, and consistently carried out by Roosevelt and Taft. Even in this short time it has enormously improved the material and social conditions of the islands, given the Philippine people a constantly increasing participation in their government, and, if persisted in, will bring still greater benefits in the future.

We accepted the responsibility of the islands as a duty to civilization and the Filipino people. To leave with our task half done would break our pledges, injure our prestige among nations, and imperil what has already been accomplished.

* * * * * * *

The 1920 Republican platform made no reference to the Philippines.

FROM THE PLATFORM OF 1924

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In accepting the obligations which came to them with the sovereignty of the Philippine Islands the American people had only the wish to serve, advance, and improve the condition of the Filipino people. That thought has been uppermost in every American dominating factor in the American consideration of the many problems which must inevitably grow out of such relationship as exists.

If the time comes when it is apparent that independence would be better for the people of the Philippines from the point of view of both their domestic concerns and their status in the world, and if when that time comes the Filipino people desire complete independence, the American Government and people will gladly accord it. A careful study of the conditions in the Philippine Islands has convinced the present administration that the time for such action has not yet come.

* * * * * * *

The 1928 Republican platform made no reference to the Philippines.

PHILIPPINE PLANK, PROGRESSIVE PARTY OF 1924

"*Resolved*, That we favor the immediate and complete independence of the Philippine Islands, in accordance with the pledges of official representatives of the American people."

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EXCERPTS FROM DEMOCRATIC PARTY PLANKS ON PHILIPPINE INDEPENDENCE

FROM THE PLATFORM OF 1900

* * * * * * *

The Filipinos can not be citizens without endangering our civilization; they can not be subjects without imperiling our form of government; and as we are not willing to surrender our civilization nor to convert the Republic into an empire we favor an immediate declaration of the Nation's purpose to give the Filipinos, first, a stable form of government; second, independence; and, third, protection from outside interference, such as has been given for nearly a century to the republics of Central and South America.

* * * * * * *

FROM THE PLATFORM OF 1904

We insist that we ought to do for the Filipinos what we have done already for the Cubans, and it is our duty to make that promise now and upon suitable guarantees of protection to citizens of our own and others resident there at the time of our withdrawal, set the Filipino people upon their feet, free and independent to work out their own destiny.

* * * * * * *

We favor the preservation, so far as we can, of an open door for the world's commerce in the Orient, without an unnecessary entanglement in oriental and European affairs and without arbitrary, unlimited, irresponsible, and absolute government anywhere within our jurisdiction.

* * * * * * *

FROM THE PLATFORM OF 1908

We condemn the experiment in imperialism as an inexcusable blunder, which has involved us in enormous expenses, brought us weakness instead of strength, and laid our Nation open to the charge of abandoning a fundamental doctrine of self-government. We favor an immediate declaration of the Nation's purpose to recognize the independence of the Philippine Islands as soon as a stable government can be established, such independence to be guaranteed by us as we guarantee the independence of Cuba until the naturalization of the islands can be secured by treaty with other powers. In recognizing the independence of the Philippines our Government should retain such land as may be necessary for coaling stations and naval bases.

FROM THE PLATFORM OF 1912

We affirm the position thrice announced by the Democracy in national convention assembled against a policy of imperialism and colonial exploitation in the Philippines or elsewhere. * * * We favor an immediate declaration of the Nation's purpose to recognize the independence of the Philippine Islands as soon as a stable government can be established, such independence to be guaranteed by us until the neutralization of the islands can be secured by treaty with other powers.

* * * * * * *

FROM THE PLATFORM OF 1916

We heartily indorse the provisions of the bill, recently passed by the House of Representatives, further promoting self-government in the Philippine Islands as being the fulfillment of the policy declared by the Democratic Party in its last national platform, and we reiterate our indorsement of the purpose of ultimate independence for the Philippine Islands expressed in the preamble of that measure.

FROM THE PLATFORM OF 1920

We favor the granting of independence without unnecessary delay to the 10,500,000 inhabitants of the Philippine Islands.

FROM THE PLATFORM OF 1924

The Filipino people have succeeded in maintaining a stable government, and have thus fulfilled the only condition laid down by the Congress as a prerequisite to the granting of independence. We declare that it is now our liberty and our duty to keep our promise to these people by granting them immediately the independence which they so honorably covet.

FROM THE PLATFORM OF 1928

The Filipino people have succeeded in maintaining a stable government, and have thus fulfilled the only condition laid down by the Congress as a prerequisite to the granting of independence. We declare that it is now our duty to keep our promise to these people by granting them immediately the independence which they so honorably covet.

Mr. BINGHAM. Mr. President——

Mr. HAWES. I yield to the Senator from Connecticut.

Mr. BINGHAM. I merely wish to ask the Senator if I understood him to say that the promise of independence was made in the Jones Act?

Mr. HAWES. That is my understanding.

Mr. BINGHAM. Can the Senator quote that promise? I am curious to see any words in the nature of a promise in that act, or even in the preamble to it.

Mr. HAWES. I will say to the Senator that we have had frequent discussions in our committee as to what the preamble meant, and I think the chairman stands absolutely alone in his interpretation of it. However, I will read the statement to the Senator.

Mr. BINGHAM. If the Senator will kindly read the clause in the preamble to which he refers as a promise, I shall be glad to leave it to the readers of the CONGRESSIONAL RECORD as to whether or not it is a promise.

Mr. HAWES (reading):

Whereas it was never the intention of the people of the United States in the incipiency of the war with Spain to make it a war of conquest or for territorial aggrandizement; and

Whereas it is, as it has always been, the purpose of the United States to withdraw their sovereignty over the Philippine Islands and to recognize their independence as soon as a stable government can be established therein.

That is a declaration of the Congress of the United States. It seems to me to be very clear.

Mr. BINGHAM. There is no question about its being a declaration in the preamble; but I still submit that it is not a promise in the act.

Mr. COPELAND. Mr. President——

The VICE PRESIDENT. Does the Senator from Missouri yield to the Senator from New York?

Mr. HAWES. I yield.

Mr. COPELAND. Has the Senator read the minutes of the executive session during the consideration of the treaty between Spain and the United States?

Mr. HAWES. I have.

Mr. COPELAND. The Senator did not get much encouragement from those minutes, did he?

Mr. HAWES. I did. I say without fear of contradiction that no official of the American Government, no President, from McKinley down to Coolidge, has failed to recognize the obligation of ultimate independence for the Philippines, and I put in the RECORD the statement of all these Presidents and both political parties.

There may be a few men from New York who are afraid of losing the sale of some cotton goods, who place the bargain counter above freedom, who have organized to oppose Philippine independence. I can only say to those men, "Read American history. Go back to the time of the Boston Tea Party. If something like that happens in the Philippines, it is your own fault, because the Filipinos have read American history, and they do not like the kind of Americanism that puts cotton cloth above liberty."

Mr. COPELAND. If the Senator will yield further, does not the Senator think it is a little bit sordid to base the desire for freedom of the Philippines upon competition with sugar and oil?

Mr. HAWES. I have stated during the absence of the Senator from New York that I was opposed to this amendment; that the question should be brought here frankly and freely as a matter of carrying out the national promise, preserving the honor of the American people who made that promise, and discussing the question of Philippine independence separately and entirely apart from the tariff, or any revenue measure.

Mr. COPELAND. I honor the Senator for that position, because it is only in that spirit that we can properly consider the question. Unfortunately for me, I have been convinced against my will that we have no constitutional right to grant that liberty without the consent of the people; but that is another question.

Mr. HAWES. I am glad the Senator from New York has brought up that question, because I do not believe there is a single lawyer—possibly there is one—on the Committee on Territories and Insular Affairs who thinks there is the slightest doubt about it. I do not think the Attorney General of the United States thinks there is any doubt about it; and certainly when the matter was referred to the legislative drafting bureau of the Senate they said there was no doubt about it. There is no doubt about it in my mind, Doctor.

Mr. COPELAND. I should like to say to the Senator that while the lawyers he has mentioned may take that view, there are plenty of lawyers in the United States who take exactly the opposite view; and even a layman can follow through a series of Supreme Court decisions, and found the knowledge he gets in that study upon what happened in the Senate when the question of the treaty was before it; and even a layman can be forced to reach the conclusion which I have been forced to reach, because it is against my honest desire, that without an amendment to the Constitution giving the power to the Congress to cede the Philippines, we are powerless to do it.

I concede at once that we have the might, the power, the iron hand, and by the exercise of might could do this thing, which, as I see it, is violative of the constitutional questions involved; and the Supreme Court might take the view that since it was a political question they could not deal with it. Nevertheless, as I see the matter from my study of several years given to it, I am convinced that without the consent of the people we have no right to cede that territory; and I can go back to our old friend and founder, Thomas Jefferson, for the first statement that there is no power in Congress to alienate a single square inch of American territory, and the conditions which existed in Jefferson's day, as I see the matter, are the conditions which exist to-day.

Mr. SWANSON. Mr. President, I have listened with a great deal of interest to the constitutional argument presented by the Senator from New York [Mr. COPELAND].

When the question came up in the Supreme Court as to the right to impose a tariff on products of the Philippine Islands, the Supreme Court decided that the Philippines were territory of the United States, and were subject absolutely to the will of Congress under the Constitution, which says that all territory of the United States is controlled by Congress; and it has never been disputed that Congress can alienate territory that has not been made into a State.

If Congress should, by an act, make the Philippine Islands a State, then they would succeed to the rights of the thirteen original States, as Louisiana did. The Supreme Court, however, has repeatedly decided that until some act is taken to incorporate the Philippines in the Union as a State they are subject to the will of Congress; and under the provision that Congress has a right to make rules and regulations as to the disposition of territory, we have a right to impose a tariff duty on them, under the decision of Chief Justice White.

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

The VICE PRESIDENT. Does the Senator from Virginia yield to the Senator from New York?

Mr. SWANSON. Yes.

Mr. COPELAND. What decision does the Senator refer to?

Mr. SWANSON. The decision of Chief Justice White in the Insular cases.

Mr. COPELAND. Does the Senator mean the case of Downes against Bidwell?

Mr. SWANSON. I do not know the exact name of the case. It might be that case; but the right of Congress to impose a tariff on Porto Rico before we made it a part of the territory of the United States or on the Philippine Islands was held to be dependent upon whether there had been an act of Congress making them succeed to the rights of the thirteen original States as a part of the Union. The court decided that it would take an act of Congress to do it, and that when Congress did that, then they had all the rights of the original thirteen States; but the court decided that Congress had not done it as to the Philippine Islands.

We have not done it. We have a right to-day to dispose of the Philippines under the clause of the Federal Constitution which says that Congress has control of the territory of the United States; and I do not know anybody who has ever disputed that fact since that decision, except somebody who believes that minority opinions ought to be the law of the country.

Mr. COPELAND. Mr. President, if the Senator will yield, the Senator has forgotten to get the foundation of the case to which he refers. That is a very remarkable case, in that on the main issue five of the judges agreed, but on everything else not more than two of them agreed on anything; and if I remember correctly, Chief Justice White was alone, in a minority.

Mr. SWANSON. No; he delivered the opinion of the court.

Mr. COPELAND. In Downes against Bidwell?

Mr. SWANSON. I do not know whether it was Downes against Bidwell or not; but in the Insular cases he delivered the opinion of the court.

Mr. COPELAND. No; Mr. Justice Brown delivered the opinion in that case.

Mr. SWANSON. The opinion in the Insular cases, which were the cases that decided this question, was delivered by Justice White. Chief Justice Fuller dissented. The question at that time was whether the Constitution came to any possession of the United States and became operative there of its own will. I, as a Democrat, was arguing at that time that the Constitution followed the flag and that no act of Congress was needed to carry the Constitution to the Philippine Islands or to Porto Rico; that wherever the flag of the United States went the Constitution went. The matter was fought out in court, and the Supreme Court decided that until Congress should extend the rights of the original thirteen Colonies to territory acquired by the United States it was territory of the United States, and that under the clause of the Constitution which says that Congress shall have control of the territory of the United States and have power to make rules and regulations for governing the same, they had a right to impose customs duties against territory that is not made by Congress a part of the Union with the same rights as the original thirteen Colonies.

Mr. COPELAND. I would like to ask my friend, the constitutional lawyer from Virginia——

Mr. SWANSON. I give way to the Senator as a constitutional lawyer. I am a lawyer, but I always yield to doctors in the law. The doctors are better lawyers now than the people who graduate in law in the University of Virginia.

Mr. COPELAND. I want to ask the Senator a question. Does he believe that the Congress could incorporate the Philippine Islands and make a State?

Mr. SWANSON. It could do it.

Mr. COPELAND. Then we have such ownership of the Philippines that we could actually admit them to the Union?

Mr. SWANSON. We could.

Mr. COPELAND. And yet we can give away, without the consent of the people, territory which we have a right to make into a State.

Mr. SWANSON. After we have given them the privilege accorded to the thirteen original Colonies and made them States, made them a part of the Union, we can not dispose of them. Until that occurs, we can do it.

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

The VICE PRESIDENT. The Senator from Virginia has the floor.

Mr. SWANSON. I yield.

Mr. McKELLAR. I just want to say to the Senator from New York that when we had fought the Spanish War we took over Cuba, we took over the legal title to Cuba, and then transferred it back to Cuba. If the Senator from New York will examine the treaty he will find we took over Cuba, that Spain transferred her sovereignty over Cuba to the United States, and that then the United States transferred that sovereignty to the people of Cuba.

The VICE PRESIDENT. The Chair will have to rule that the Senator can yield only for a question.

Mr. SWANSON. I will not yield after this.

Mr. COPELAND. Mr. President, I want to answer what the Senator from Tennessee said. I am surprised that my friend from Tennessee, usually so accurate, so correct in all of his statements, should fall into such a grievous error. When Spain made the treaty with the United States she relinquished sovereignty over Cuba, everybody knowing that that meant that it would be returned to Cuba. But when it came to the Philippines and Porto Rico, she ceded that property. The language is entirely different.

Mr. McKELLAR. Mr. President, if the Senator will yield——

Mr. SWANSON. Will the Chair permit me to yield?

The VICE PRESIDENT. The Senator can yield only for a question.

Mr. SWANSON. I will yield to the Senator if the Chair will not take me off the floor.

Mr. McKELLAR. What I want to say is that the Senator from New York is entirely mistaken. He said that if the

United States ever acquired sovereignty over territory we would have no power under the Constitution to transfer that sovereignty. I had on my desk the other day, for the purpose of calling the attention of the Senator to it, a document relating to that subject, but somebody has moved it. I recall from the treaty that what Spain did was to transfer her sovereignty over Cuba to the United States, and thereafter the United States transferred that sovereignty to the people of Cuba.

Mr. SWANSON. Mr. President, I think the Senator from New York is possibly right as to the language, but the question arose as to what became of the sovereignty after it was relinquished. We were in possession actually, our soldiers were there, it belonged to us, and there was some little dispute about it, but everybody knew that sovereignty was exercised, that Cuba belonged to the United States, and it was conveyed to the people of Cuba by treaty on certain conditions.

The Supreme Court has uniformly held, since the Insular cases, that any territory, until it is made a part of the United States by act of Congress, incorporated as a part of the United States, as the thirteen original Colonies were, is subject to the will of Congress. They can make a State out of it, they can dispose of it. Otherwise, we could never make peace if there were war. We might have a war and get a conveyance of territory, and we could never make peace under certain conditions if the power to transfer sovereignty did not belong to us. The authorities practically unanimously have held since the decision in the Insular cases that absolute sovereignty belonged in Congress to territory not incorporated as the thirteen original Colonies were.

Mr. BARKLEY. Mr. President, speaking of the constitutional power to acquire or dispose of territory, I want to ask the Senator from Virginia if he recalls the fact that there is nothing in the Constitution specifically authorizing the Government of the United States to acquire territory from another country, and that while Mr. Jefferson was President he was confronted with the opportunity of purchasing Louisiana, and finding no authority in the Constitution for purchasing territory, he was very much disturbed as to how it should be brought about, and finally purchased Louisiana under the treaty-making power of the President, because of which transaction he was charged with having bent if he did not break the Constitution.

It seems rather illogical to contend that the President has unlimited power, under the treaty-making power, to purchase territory, but that after it is purchased or acquired in any way by treaty, the United States Congress has no way of disposing of it.

Mr. SWANSON. Mr. President, I simply want to answer to this effect, that Jefferson finally agreed that the treaty-making power was sufficient to authorize the acquisition of territory. If that were not so, peace could not be made after a war in some cases.

Mr. BROUSSARD. Mr. President, this amendment of mine has led to a debate on Philippine independence. After consulting some of the Senators who are in favor of the amendment, I have come to the conclusion that I shall not ask for a record vote, but will be satisfied with a viva voce vote.

Mr. VANDENBERG. Mr. President, if there is not to be a record vote, I feel it very necessary to state that I am voting against the amendment proposed by the Senator from Louisiana, because so long as the Philippine Islands are in their present status I do not feel that we have any right to inflict any measure upon them which smacks even indirectly of exploitation.

Mr. BINGHAM. Mr. President, I hope very much that this amendment will not be adopted. While it is true, as the Senator from Louisiana has pointed out, that the sentiment of the Philippine Islands a number of years ago, when they did not have free-trade relations with the United States, was in favor of a smaller limitation, the sentiment at the present time is contrary to that. The Commissioners are very much opposed to it, and sentiment in the Philippine Islands is very strongly opposed to it.

There have been a great many statements made with regard to the growth of the sugarcane industry in the Philippine Islands, many of them by persons only partly informed. In a recent hearing a very able brief by Mr. John M. Switzer, of New York, was submitted with regard to the entire question of Philippine independence and the relation to it of the sugar production and coconut-oil production. I had intended to read a part of this brief, but the hour is late and I understand it is desired to get a vote on the amendment as soon as possible. Therefore I ask unanimous consent that the part of this brief relating to the sugar production may be printed in the RECORD as a part of my remarks.

The VICE PRESIDENT. Is there objection?

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

SUGAR'S COMPLAINT AGAINST THE PHILIPPINES

During the discussions of the tariff on sugar, especially in the Senate, much has been said in opposition to Philippine sugar. Philippine independence is advocated on account of it. We do not believe independence should be decided on whether or not Philippine products compete with domestic products. However, we hope to remove any fair complaint domestic sugar may have against Philippine sugar.

It is very apparent that a seriously fundamental error prevails in the minds of many as to what effect, if any, Philippine sugar has on our domestic sugar. This brief will attempt to show—

(1) That the increase of Philippine sugar production has been completely misunderstood, if not unfairly misrepresented.

(2) That Philippine sugar does not depress the American sugar market or displace our domestic sugar.

We hope this committee will pardon the length of this brief, but we are trying once and for all to put Philippine sugar in its proper light; we are trying to be helpful in arriving at real facts on which action in this matter may be based.

INCREASED PHILIPPINE SUGAR PRODUCTION

The proponents of Philippine independence give as their outstanding complaint against the Philippines what they call the sudden great increase of sugar production and its further possibilities. To justify this complaint they submitted to Members and committees of Congress and circulated throughout this country a mass of misinformation in order to make a strong case on this point against Philippine sugar. It would take many pages to correct and answer all of this, so we cite only two or three typical cases:

In Cuba's carefully prepared brief, submitted to the Ways and Means Committee last year, we find the following:

"In 1904 the Philippines produced 84,000 tons, whereas in 1928 it produced about 600,000 tons. Its increase in production has been 614 per cent."

The United States Beet Sugar Association last July, before the Senate Finance Committee, used practically the same figures. We took the Philippines in 1898. During the six years, 1899–1904, their average annual sugar exports were 70,345 tons. Those are the years immediately after their revolt against Spain in 1896, after the Spanish-American War in 1898, and actually during the revolution against us. Excepting the six war years just mentioned (1899–1904), these sugar interests must go back to 1873 before they find so low a tonnage as the year 1904 which they selected in order to show an exaggerated increase of 614 per cent to 1928. They took the production of 1904 immediately after three wars lasting six years. Naturally, the normal production had run down by that time and, using that as a base for comparison, the increase is very large, but that does not give the correct picture. Had they taken Philippine sugar exports of 336,075 tons in 1895, 9 years earlier, and the year before the wars began, the increase in 33 years to 1928 would be only 85 per cent instead of their 614 per cent. Is it not fairer for comparison purposes to take the years before, rather than after six years of wars?

Another table presented to Congress last year used 1901 production for comparison with 1927. Some one gave Senator BORAH 1903 production to compare with 1927. The yearly average for 1900–1903, actual war years, shows the lowest production of Philippine sugar of any years back to 1868. Surely no one will claim that is giving Congress a fair picture of the case.

The Philippine sugar industry suffered severely from the six or seven years of wars and recovered very slowly. The exportation of 336,075 tons in 1895, the last year before those wars began, was not again reached until 1922, 27 years later, and only 8 years ago. In 1905, Mr. W. C. Welborn, chief of the bureau of agriculture, stated:

"The industry must begin, however, just where Cuba began 40 years ago, and where Java began 50 years ago."

During the Spanish régime only muscovado sugar was produced and by centuries-old mills. Modern mills recover about 90 per cent more sugar than did those old mills. Had the same cane of 1895 been milled then by modern machinery, such as was used in Cuba, Hawaii, Java, and Louisiana, there would have been about 90 per cent more sugar produced, and therefore the increase up to 1928 would have been only about 30 to 40 per cent. In other words, in over 30 years the Philippines have increased their acreage to cane only enough to increase their total production by about 30 to 40 per cent. In fact, even some of that increase is due to better agricultural methods. Surely there is nothing alarming about that.

As will be shown later, the rapid increase during the past 15 years could not possibly be brought about by increased acreage to cane, no matter what the future possibilities may be. This recent increase was merely a matter of financing and erecting modern mills. The cane was already there. The islands now, however, have practically enough of these modern mills to take care of the old cane-raising areas. Any enlargement of present mills, or any new mills, will come from now on almost entirely from opening up to cane cultivation land not heretofore devoted to that crop and, of course, to better agricultural methods. This opening up of new areas to cane will be a very much slower process than merely providing mills for areas long under cane. It will

be difficult for Americans, unfamiliar with the Philippines, to understand this. Even an experienced American financed and managed company did not understand it. They undertook sugar production where it never had been raised before and failed, and their plant was sold at auction last May. It is quite natural to assume that the rather sudden increase of sugar production in the past 15 years was due to increasing areas to cane cultivation.

As will be seen in another connection, the cane in the Philippines is grown almost exclusively by small farmers who are very slow to make any change in crops raised or agricultural methods used. If the Filipino farmer never before raised cane it will be a slow and uncertain process to induce him to do so, even if cane pays better than what he now raises. Moreover, he is reluctant to go elsewhere to new lands. Like others of the Orient, he is ultraconservative. Anywhere in the world the small landowner changes slowly, but in the Orient he changes by decades, not by years.

These are some of the reasons why, once modern mills in the Philippines take care of the cane from lands long devoted to cane, and that time is practically here now, thereafter the increase of sugar will be very much slower than it has been in the past 15 years. It will be very much slower than it was in Cuba, Porto Rico, and Hawaii, because in all those countries most of the land is owned in large tracts, mainly by big, high-powered foreign capital which is never slow to develop the land or to change from one crop to another overnight if it pays.

Senator BORAH told the Senate on January 14 that:

"Any second-class lawyer can take a leasing system and combine all the cultivatable land in the Philippines, so far as the laws in the Philippines are concerned. Furthermore, it does not require very much exertion upon the part of influential powers to get rid of laws when they stand in the way of acquiring wealth or acquiring land in these subordinate nations."

If this last statement were the case, we wonder if the Senator thinks the Filipinos are ready for independence.

Our present Secretary of State tried to amend the present land laws of the islands while he was Governor General, but did not succeed. In his annual report he said:

"The average Filipino believes that it is better for his country to be slowly and gradually developed by a population of comparatively small individual land owners than to be more rapidly exploited by a few large corporations which own the land and till it either with tenant farmers or hired employees. The existence of this native sentiment has not been generally recognized in the United States."

He is entirely correct. That the distinguished Senator from Idaho is wrong is proven by the fact that after 32 years under our sovereignty there are not in the islands to-day over three or four sugar plantations of any considerable size, and, as we recall it, those arose out of conditions carried over from Spanish days. If what the Senator contends has not happened in the past 32 years, it is not likely to happen in the next 32 years. Since 1916 it has been in the power of the Philippine Legislature to amend their land laws, but it has not been done. "Influential powers" the Senator mentions have made no headway in 14 years. Throughout the islands the average-sized cultivated farm in 1903 was 4 acres, against 3 acres in 1918. The average-sized farm of all kinds of lands in 1903 was 8⅔ acres, against 6 acres in 1918. We have no later statistics. These show the average size of farms is growing smaller. The accumulation of large areas of land by a few, meets another stone wall in the small farmers' dislike of parting with their farms, which in most cases have been owned by the same family a hundred years or more. Never will there be large land holdings in the Philippines. The percentage of cane now grown by mill owners is negligible. It is grown by small farmers and will so continue.

Senator BORAH cited the case of Haiti, where the natives had laws prohibiting foreigners owning land, but we forced a constitution on them abolishing that restriction. We did better by the Philippines. Our own Congress, very soon after we took those islands, passed the restrictive land laws now in force.

Attention is called to the following table of comparative increased sugar production:

Sugar production

Countries	1898	1928-29	Per cent increase	
			Calculated	Actual
	Tons	*Tons*		
Philippines	[1] 294,402	740,987	[2] 32	152
Hawaii	204,833	825,893		303
Java	713,572	2,939,164		311
Cuba	[1] 662,330	5,156,315		679
Porto Rico	53,999	530,116		[3] 881
Formosa	68,260	900,334		1,219

[1] Average production 5 years (1893-1897).
[2] Per cent increase had Philippine cane in 1893-1897 been milled by modern machinery same as in Cuba, etc.
[3] The 1928-29 crop for Porto Rico was small due to hurricane and had the preceding year 1927-28 been used the increase would be 1,142 per cent.

If the Philippines doubled their production merely by introducing modern mills and yet in 32 years increased their production only 152 per cent, how can anyone doubt that the increase from now on must be very slow, when the increase hereafter must come entirely from increased acreage to cane and better yields? Careless and wild real-estate-type statements have been made about the possibilities of future production. Of course, there are possibilities of much greater production, but those unfamiliar with the islands will very easily be misled as to the rate of this increase. By another two or three years the new modern mills will be milling all remaining available cane grown on land heretofore devoted to cane. After that the increase must be slow. To-day the Philippines supply us with 10 per cent of our total sugar requirements. Our annual increase of consumption amounts to 250,000 tons. In another three years Philippine sugar production will increase so slowly as not even to reach 10 per cent of our annual increase of consumption. In other words, the Philippines will just about maintain its present ratio of supplying our requirements. We doubt if it will exceed 15 per cent in the next 25 years.

While we now have a temporary world overproduction, with the inevitable price depression, no country will rush at increasing its production, and before long the whole world will be short of sugar.

In the Senate recently Senator BORAH said:

"In 1922 it [duty on sugar] was further raised to 1.76 cents per pound. What was the result? The Philippines sprang forward at once and under this protection granted them in 1922 they have increased their production 330 per cent under the laws that are supposed to be a handicap, under conditions which were supposed to preclude further development, and there is no possible reason, so far as I can divine, why they should not in another six years increase it another 330 per cent. There is no limit to their capacity within any reasonable range of four or five million tons a year."

The Senator's great-grandchildren will never see such an amount of sugar produced in the Philippines. Philippine sugar increased from 1922 to 1929, seven years, 110 per cent and not 330 per cent, as some one gave it to the Senator. His fear should be allayed by the fact that in 17 years of unlimited access to our market, since 1913, after the impetus of high war prices and after our Government strongly encouraged increased production, yet Philippine sugar is supplying only 10 per cent of our requirements against Cuba's 52 per cent. Since 1922 Philippine sugar, with a free market here, increased 385,000 tons, and Cuba, with only a preferential, increased 1,550,000 tons. In the second place, Philippine sugar did not spring forward because of the 1922 increased tariff. Out of a total of 43,475 daily cane-ton capacity of modern mills in the islands August, 1928 (latest figures available), 35,375 tons, or 81 per cent, were actually in operation before 1922. Those are the mills responsible for perhaps 75 per cent of the increased production. These facts, therefore, do not bear out the distinguished Senator's contention.

Since the Senator raised this question, let us follow it a little farther. As in all sugar-producing countries, not immediately affected by the war, the high war-time prices gave a great impetus to sugar production in the Philippines. During the war there was a great world shortage of sugar. Our Government encouraged, in fact urged, the Philippines to increase their sugar production. The best short cut to accomplish this was to introduce modern mills, which, without increasing the cane production at that time, doubled the output of sugar merely by better milling. That these were the main cause and method of the increase is proven by the fact that out of 43,475 daily cane-ton milling capacity in the islands in 1928 only 1,800 tons were operating up to and including 1913. Moreover, 33,575 cane-ton capacity was financed or went into operation from 1914 to 1921, inclusive. Roughly, that was the war period, and certainly before the advent of the 1922 higher tariff.

This sudden influx of modern mills was not only encouraged by the war-time prices but by our own Government. The same may be said of coconut-oil mills. With those facts before them, we can not believe that Congress now will want to blast the very enterprises our Government urged and urged largely for our own supply of sugar in times of stress. Because of the turn of the wheel to-day, shall we rail against the very industry which expanded largely at our behest? When the industry we encouraged expands in 30 years only 152 per cent to Cuba's 679 per cent, will we now thrust it out, having served our purposes, and let Cuba replace it? We have here another moral obligation that has been overlooked. Much of the capital which went into sugar and oil is far from being out of the woods.

When Senator BORAH and others, now advocating Philippine independence, have all the facts of the case, as apparently the Senator did not have, we believe their sense of fair play will take them out of the ranks of those who would now leave stranded the very industry our own Government urged, roughly, $40,000,000 of Filipino and $20,000,000 of American capital to enter. Moreover, unlike the big capital in Cuban sugar, these $60,000,000 represent comparatively small capital. Thus, America's good faith is doubly at stake in the matter of the Philippine sugar industry.

While the above table shows the percentage of increased production during 30 years to have been 303 for Hawaii, 679 for Cuba, 881 for Porto Rico, 1,219 for Formosa, Japan's colony, yet when a few be-

lated modern mills go into the Philippines in the past 15 years and increase their production in the same 30 years only 152 per cent, Cuban and our domestic sugars beat their tom-toms sounding alarm. Of all the countries shipping sugar to us, the Philippines, Porto Rico, Hawaii, and Cuba, the Philippines produce least sugar per capital, least per square mile, and their sugar constitutes the lowest percentage of total exports. Cuba produces seven times more sugar than the Philippines, and yet she asks us to eliminate Philippine sugar from our market so she may secure for herself 600,000 tons more of America's market on top of the 3,000,000 she already sells here. In all this discussion of Philippine independence we never have seen a suggestion of giving the Philippines any preferential should they become independent. How is Cuba entitled to supply 3,600,000 tons of our sugar consumption and the Philippines not a ton?

Mr. BINGHAM. Mr. President, I want to state for the benefit of those who may be listening, and who may have no opportunity to read this brief, that the average production of sugar in the Philippine Islands before the war with Spain—that is, the period of five years from 1893 to 1897—was 294,000 tons. The production in 1928 and 1929 was 780,000 tons, or an increase in actual production of 152 per cent.

In Java in 1898 the production was 713,000 tons. In 1928, 20 years later, the production was nearly 3,000,000 tons, or an increase of 300 per cent.

In Cuba the average production for the five years previous to the war—1893 to 1897—was 692,000 tons, whereas the production in 1928 was over 5,000,000 tons, or an increase of 679 per cent.

As a matter of fact, the amount of acreage devoted to cane production in the Philippines has increased very little since the period 1893 to 1897, the period before the Spanish War.

Although fears have been expressed that unless we do limit the amount which may be imported free of duty into this country, there will be a flooding of the market with millions of tons of sugar from the Philippines, those fears are not justified by the best facts which the committee has been able to obtain.

Personally, I do not believe the question of independence or the question of the political status of the Philippines should depend at all upon the effect upon the price of sugar in this country, or the price of sugar beets, or the effect upon the production of oil in this country, or the effect upon the price of butter.

Only yesterday we received a long letter from a representative of the butter industry protesting that unless a duty were placed on coconut oil from the Philippine Islands, or unless independence were granted to the Philippines, it would seriously affect the butter industry of the United States.

It is unfortunate that these matters should enter into the question of the political status of the Philippine Islands. Whatever Congress may eventually decide to do in regard to that matter, it seems to me that as long as the Philippines are, by our own law, required to admit all of our products, to whatever extent we may send them into those islands, free of duty, the only fair thing to do is to permit them to send their products here free of duty. Therefore I hope the amendment offered by the Senator from Louisiana will not prevail.

Mr. McKELLAR. Mr. President, the amendment of Senator BROUSSARD reads as follows:

Provided, The rates herein shall be imposed on all sugars in excess of 600,000 tons imported into the United States from the Philippine Islands.

I am opposed to that amendment. I do not think we have any moral right to tax these people in a small or large degree. I think it is contrary to every promise we have held out to them. I disagree totally with the Senator from Connecticut [Mr. BINGHAM] in his statement that we have not made a promise to give them their independence. We have promised independence in a solemn act of the Congress. We have in no unmistakable language time and again, in my judgment, made such a promise, and under no circumstances am I willing to withhold independence from them. I would be delighted at any time to vote for a bill granting them their complete independence.

In this connection I want to quote the last declaration of the party to which I belong. I read:

The Filipino people have succeeded in maintaining a stable government and have thus fulfilled the only condition laid down by Congress as a prerequisite to the granting of independence. We declare that it is now our duty to keep our promise to these people by granting them immediately the independence which they so honorably covet.

I indorsed that proposition then and I indorse it now. I have indorsed it ever since we first began making substantially the same statement in the year 1904. I do not see how any man who believes in Democratic Party principles, I do not see how any man who believes in Republican Party principles, I do not see how any man who believes in our Declaration of Independence or in the Constitution of the United States, can for a moment think of doing anything else but vote these people their independence.

The Republican Party in 1924 strongly intimated that independence should be accorded the Philippines. I quote from the platform:

PHILIPPINES

The Philippine policy of the Republican Party has been and is inspired by the belief that our duty toward the Filipino people is a national obligation, which should remain entirely free from partisan politics.

In accepting the obligation which came to them with the control of the Philippine Islands the American people had only the wish to serve, advance, and improve the condition of the Filipino people. This thought will continue to be the dominating factor in the American consideration of the many problems which must inevitably grow out of our relationship to these people.

If the time comes when it is evident to Congress that independence would be better for the people of the Philippines with respect to both their domestic concerns and their status in the world, and the Filipino people then desire complete independence, the American Government will gladly accord it. The results of a careful study of the conditions in the Philippine Islands convince us that the time for such action has not yet arrived.

I hope, Mr. President, that a bill will soon be offered in the Senate and that it will pass the Congress giving to those people their independence. The sooner it is done, the better it will satisfy me. It should not be a party question. It is a matter of right and justice. It is a matter of standing by the principles of our own institutions. It is a matter of our standing by our own promises.

So far as the pending amendment is concerned, I agree that we ought not to mix the two matters. I do not believe we ought to give these people their independence by serving our own interests. I think we ought to look at it from a higher standpoint than that. I think we ought to look at it solely from the standpoint of what our own governmental policies and principles are and what is right to these people that we have taken over without their consent. We have, indeed, done a great work in the Philippines.

I have not a word of criticism for the work that has been done. I think we have done the Philippines a great benefit. It may be possible, if they still remain a part of the American territory, that, financially and economically, we could do them more good than they can do for themselves in the future. However that may be, Mr. President, it seems to me we ought not to violate our own Constitution, we ought not to violate our own governmental policies and principles, and, above all, we ought not to violate the word we have given to these people to give them their freedom. I think they have met every requirement and their freedom ought to be granted to them at the earliest possible moment.

The VICE PRESIDENT. The question is on agreeing to amendment submitted by the Senator from Louisiana [Mr. BROUSSARD].

The amendment was rejected.

Mr. LA FOLLETTE. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. LA FOLLETTE. Was the unanimous-consent agreement suggested by the Senator from Utah [Mr. SMOOT], concerning taking up the amendments schedule by schedule, agreed to?

The VICE PRESIDENT. It was not.

Mr. LA FOLLETTE. I hope the Senator from Utah will renew his request.

Mr. SMOOT. Mr. President, I spoke to the Senator from Washington [Mr. DILL] in relation to the amendments referred to by him and what he desires is that we may agree to the amendments, with the understanding, of course, that if a Senator is out of the city and returns and desires to offer an amendment, even though we have passed the paragraph within the schedule, he shall have that right. I do not think there is any objection to it.

Mr. SWANSON. Mr. President, I think that will simply delay matters and keep the bill before us open at all times to any kind of an amendment. When we pass by a paragraph we will not know whether we have finished with it or not. Senators interested in the paragraph may think that its consideration is concluded and may be absent. Then when they come back in a day or two they will find that it has been further amended. As I understand the situation, it is that the bill has been approved in Committee of the Whole and has been approved in the Senate except so far as reservations have been

made. The proper way to do is to let those reservations be taken up schedule by schedule.

Mr. McKELLAR. In their order?

Mr. SWANSON. No; not in the order in which they are filed.

Mr. BINGHAM. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. BINGHAM. Is it true that only those amendments which have been distinctly reserved for a separate vote may be offered and brought up in the Senate?

The VICE PRESIDENT. There are certain amendments upon which separate votes have been reserved, to which amendments may be proposed prior to concurrence therein by the Senate. Of course, the unamended portion of the House text will be open to amendment to the same extent as it was in Committee of the Whole.

Mr. BINGHAM. Other amendments are in order?

The VICE PRESIDENT. That depends on the provision to which the amendment applies. Any amendment made in the Committee of the Whole that has already been concurred in is not open to further amendment unless reconsidered. Amendments to the House text that has not been amended in the Committee of the Whole may be offered.

Mr. BINGHAM. Do I understand the Chair correctly that it is not in order to present an amendment in the Senate to an amendment which has already been adopted or rejected when the bill was in Committee of the Whole?

The VICE PRESIDENT. No. If an amendment was agreed to as in Committee of the Whole and a separate vote was reserved, the right exists to offer an amendment in the Senate before action taken on concurring therein. If an amendment has been concurred in by the Senate, it is not subject to amendment, except upon reconsideration. The ordinary practice has been to proceed to the consideration of the reserved amendments in their order. The Chair requested the clerk to prepare a list giving the reservations in the order in which they occur. That list has been prepared, and is before the Senate for the use of Senators.

Mr. LA FOLLETTE. Mr. President, the thing I want to point out is, in the first place, that a great many more amendments were reserved than any individual Senator had any idea would be reserved. In the second place, the House text, which has not been changed in Committee of the Whole, is open to amendment in the Senate. Unless there is a unanimous-consent agreement to proceed with the bill in the Senate as we proceeded with it in Committee of the Whole, namely, in its proper order, Senators will have to be here all the time or they will have no idea what business is being transacted and what amendments are being adopted.

It does seem to me that in order to have any procedure here which will be anything but chaotic it is necessary that some such arrangement shall be made as that suggested by the Senator from Utah.

I am in sympathy with the statement made by the Senator from Virginia [Mr. SWANSON]. I do not think that any Senator has the right or should have the right to reopen paragraphs which have already been acted upon in Committee of the Whole. We have been over the bill in Committee of the Whole for months. Every Senator has had the right to have a reconsideration of amendments in Committee of the Whole. The Senator from Utah has been very generous and every other Senator has been likewise generous. I know of no occasion when a request for reconsideration has been objected to.

Now, after six months, when Senators have had the opportunity to ask for reconsideration and we are in the closing days of the consideration of the bill, individual Senators ask that they should also have the right to reopen these paragraphs and schedules after we have disposed of them in Committee of the Whole. I do not think the request should be granted.

It does seem to me, to sum up, that in order to have a procedure here of which every Senator will have full knowledge, we should proceed with the bill schedule by schedule and, when a schedule is concluded, it should be finally closed, unless some Senator moves and obtains a vote for reconsideration, which, of course, under the rule he has the right to do.

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

The VICE PRESIDENT. Does the Senator from Wisconsin yield to the Senator from Ohio?

Mr. LA FOLLETTE. Certainly.

Mr. FESS. Would it not be better to proceed upon the printed list, taking each amendment as it comes in its order there, and then everyone would know what is to be taken up and acted on schedule by schedule?

Mr. LA FOLLETTE. Not only that, but I call the attention of the Senator to another thing, namely, that any part of the House text which has not been amended in Committee of the Whole is open to amendment in the Senate. If the procedure suggested by the Senator is followed, no Senator will know, unless he is in the Senate Chamber from the time it convenes in the morning until it recesses at night, whether some paragraph in which he is primarily interested has been called up and some amendment adopted to it.

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

The VICE PRESIDENT. Does the Senator from Wisconsin yield to the Senator from Tennessee?

Mr. LA FOLLETTE. I yield.

Mr. McKELLAR. I want to make this suggestion. How would it do to go over the amendments that have been printed on the list of reserved amendments and finish them, and then take up the bill schedule by schedule? I believe that time would be saved in that way and it would be notice as to the order in which the amendments were to be taken up.

Mr. LA FOLLETTE. What is the objection to proceeding with the bill schedule by schedule in its regular order?

Mr. McKELLAR. The only difference is that there are so many amendments that have been printed and in such a way that we could not now tell very well in what schedule they are to be found. It seems to me it would be much better to go through the list of reserved amendments first, and then take up the bill schedule by schedule. I believe that we would make better time in that way.

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

Mr. LA FOLLETTE. I yield to the Senator from Virginia.

Mr. SWANSON. It seems to me the best way to get the desired result and to obtain speed it to call up each one of these amendments one after the other. The schedule is stated and the amendment is stated on which a vote has been reserved. When we get through with the amendments on which a vote has been reserved, the Presiding Officer would then state that the bill is still in the Senate and open to amendment. If there are then no further amendments to be offered, the bill would be passed. If we take up a certain schedule and are notified that amendments to that schedule are in order, then if any Senator has an amendment it can be offered and disposed of one way or the other.

Mr. NORRIS. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. NORRIS. Not all the amendments made in Committee of the Whole that were reserved for a separate vote in the Senate have been voted on?

The VICE PRESIDENT. Only one of them has been voted on.

Mr. NORRIS. Then why is not the proper procedure to take up those amendments? Why is not that the way to do it, without any agreement or anything else? Why not go through that list before we begin offering miscellaneous amendments? We have now before the Senate every one of those amendments on which a separate vote has been reserved.

The VICE PRESIDENT. The Chair made a statement to that effect a few moments ago, that that was the regular and ordinary procedure.

Mr. GLASS. Mr. President, regardless of the rule and the ordinary requirements of procedure, in view of the fact that we have voted on the sugar schedule, why would it not accord with the eternal fitness of things to vote on lumber and oil and hides right now?

Mr. WALSH of Montana. Mr. President, while this matter is under consideration, I think it quite appropriate to refer to an article appearing in the morning paper which indicates that the Senate has again been the subject of caustic remarks attributed to the President of the United States through his Secretary of Labor upon the responsibilities resting upon this body for the present depressed business conditions, due to the delay in getting out the tariff bill, thus upsetting business and continuing the disorder that prevails.

I desire to call attention to the fact that the friends of the administration are responsible for the delay that has occurred in past days. We have spent a large amount of time on such items as sugar, oil, hides, lumber, and aluminum. The political friends of the President of the United States propose now to open up all of those items. Notice has already been given that at least those are to be reconsidered and the fight again prosecuted. Under these circumstances, Mr. President, I should imagine that we would not be likely to hear very much from the Executive concerning the delay incident to the passage of the tariff bill.

I suppose probably the notices that a separate vote upon these items will be called for are all given advisedly and with the purpose to advance new arguments and reasons why the action heretofore taken by the Senate should not be adhered to.

Mr. TRAMMELL. Mr. President——

The VICE PRESIDENT. Does the Senator from Montana yield to the Senator from Florida?

Mr. WALSH of Montana. I yield.

Mr. TRAMMELL. Does not the Senator think that it is possible that the statement which was made by the Secretary of Labor was precipitated, and possibly invited, by considerable criticism of the administration on the part of Senators here upon the floor? I think it was rather a rejoinder to the outburst of criticism made on the floor of the Senate with regard to the administration.

Mr. WALSH of Montana. Mr. President, I dare say that is true, but, nevertheless, whatever delay is now incident to the further consideration of oil or hides or lumber or aluminum must be attributed to those in close association with the Executive and friendly to the administration.

Mr. SWANSON. Mr. President, discussing the method of procedure, I will ask Senators to look at the list of amendments which have been reserved. Take the first one, formic acid, reserved by the Senator from Illinois [Mr. GLENN].

Mr. BARKLEY. Mr. President, if the Senator will yield to me there, let me say that the Senator from Illinois and I have conferred in regard to that, and there will be no time wasted on it. The amendment will be concurred in, and go to conference.

Mr. SWANSON. I am talking about the procedure. The next reservation is by Senator KING, the item being calcium carbide, in paragraph 16, page 7, line 1. The best way to proceed is to follow the list as it has been prepared. In that way we know when a particular item is coming up. On the contrary, if we open up every paragraph of the bill and the right is reserved to get unanimous consent to offer amendments at any time, after we think one item has been disposed of and some of us may leave the Chamber, thinking that the question has been settled, it may be reopened again. The regular order, Mr. President, would be to follow the list as prepared, and I insist on the regular order.

Mr. LA FOLLETTE. Mr. President——

The VICE PRESIDENT. Does the Senator from Virginia yield to the Senator from Wisconsin?

Mr. SWANSON. I yield.

Mr. LA FOLLETTE. I call the Senator's attention to the fact if we proceed in the manner he proposes that is exactly what is likely to happen. If first we go through the list of amendments, which, it is true, are arranged in the order of the schedules, then, after they shall have been disposed of, the House text and every schedule will be open to amendment, and the Senator will find himself in just the predicament that he has just now outlined, namely, that he will think a question is disposed of, but he will not know whether it is or not until the bill shall finally have passed by the Senate.

Mr. SWANSON. The agreement which we made reserves the right to do that; already that right exists; so that, when we dispose of the amendments as to which reservations have been made, we shall have disposed of the bill, unless some Senator desires to offer a further amendment. I do not think there will be as many amendments offered if we shall proceed in the way I have indicated as would be offered under the other procedure; and I insist on the regular order.

Mr. NORRIS. Mr. President, let me make an inquiry of the Chair?

The VICE PRESIDENT. The Senator from Nebraska will state his inquiry.

Mr. NORRIS. Is it not true that under the procedure of the Senate when a bill is reported to the Senate from the Committee of the Whole the first thing in order is the disposition of the amendments made as in Committee of the Whole, and until that is done, except by unanimous consent, it is out of order to offer an amendment to the sections of the bill?

The VICE PRESIDENT. The Chair will state that that order of procedure is provided for in Rule XVI of the Manual. The Secretary will report the first amendment which has been reserved.

Mr. NORRIS. If that is true, our course is mapped out by the rules.

Mr. HARRISON. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. HARRISON. Portland cement item, on page 37, in the earthenware schedule, was stricken out there and put on the free list. I think the recommendation of the committee was that a duty of 8 cents a hundred pounds should be imposed upon Portland cement. If the order suggested is carried out, ought not the Portland cement item come early in the consideration of the bill in the Senate when the earthenware schedule is reached rather than to have to wait until the free list is reached?

The VICE PRESIDENT. The Chair will state that he caused a list of reserved amendments to be prepared in the order in which they appear in the bill. By mistake cement was not put in its proper place, but when the earthenware schedule is reached the amendment referred to will be called.

Mr. HARRISON. I thought so, but according to the memorandum it is the other way.

The VICE PRESIDENT. The Secretary will report the first amendment which is reserved.

The LEGISLATIVE CLERK. On page 2, line 12, paragraph 1, formic acid, 4 cents per pound.

The VICE PRESIDENT. The question is on concurring in the amendment made as in Committee of the Whole.

Mr. GLENN. Mr. President, I have been requested by the concern in Chicago which asked me to make the reservation not to urge it at this time.

The VICE PRESIDENT. Without objection, the amendment is concurred in. The Secretary will report the next reserved amendment.

The LEGISLATIVE CLERK. In paragraph 16, page 7, line 1—calcium carbide.

Mr. McNARY. Mr. President, I rise to a parliamentary inquiry. What disposition was made of the first reserved amendment?

The VICE PRESIDENT. It was concurred in.

Mr. McNARY. I did not understand it in that way. I thought the Senator from Illinois said he did not want to press the amendment at this time.

Mr. SMITH. He did.

Mr. BARKLEY. He said he would not press for a separate vote on the amendment; he would not press his reservation for a separate vote on it.

The VICE PRESIDENT. The Secretary will report the next amendment.

Mr. HARRISON. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. HARRISON. Then, should we not vote on the proposition?

The VICE PRESIDENT. The question on the first reserved amendment has been settled; the Chair already announced that the amendment was concurred in.

The legislative clerk read as follows:

Paragraph 16, page 7, line 1, calcium carbide, 1 cent per pound.

The VICE PRESIDENT. The question is on concurring in the amendment.

Mr. LA FOLLETTE. Mr. President, the junior Senator from Utah [Mr. KING], who reserved the amendment, has been in ill health, and, although he came into the Chamber to vote upon the sugar amendment, I think he was not sufficiently well to stay here through the remainder of the session to-day. I believe his principal purpose in reserving the amendment—although, of course, he probably intended to argue it—was to secure a separate vote upon it in the Senate; and if we could have a record vote upon this amendment in the Senate, I would be entirely satisfied to dispose of it without prolonged debate.

Mr. FESS. Very well; let us settle it in that way.

Mr. BARKLEY. Mr. President——

The VICE PRESIDENT. Does the Senator from Wisconsin yield to the Senator from Kentucky?

Mr. LA FOLLETTE. I yield.

Mr. BARKLEY. The committee amendment which provided a duty of one-half of 1 cent was disagreed to, leaving the rate at 1 cent. I think the Senator from Utah desired to offer an amendment restoring the committee amendment. As I understood him, he wanted to reduce the rate of 1 cent, provided by the House bill, to a half a cent a pound.

Mr. SMOOT. That will be accomplished by rejecting the amendment agreed to as in Committee of the Whole.

Mr. BARKLEY. The amendment was rejected as in Committee of the Whole, and the rate was left at 1 cent, so that the bill comes into the Senate with the House text restored.

Mr. LA FOLLETTE. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. LA FOLLETTE. Should not the question come, the reservation having been made, on the adoption of the committee amendment?

The VICE PRESIDENT. The question is whether or not the Senate will concur in the amendment made as in Committee of the Whole.

Mr. BARKLEY. There was no amendment to the House text.

Mr. BINGHAM. There was no amendment made as in Committee of the Whole. The amendment which has been reported by the committee was rejected while the bill was being considered as in Committee of the Whole.

The VICE PRESIDENT. The question is, of course, whether or not the Senate will ratify the action taken as in Committee of the Whole.

Mr. SMOOT. That is right.

Mr. BARKLEY. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator from Kentucky will state his parliamentary inquiry.

Mr. BARKLEY. My position is that there is nothing before the Senate in this paragraph at this time, and that some Senator will have to offer an amendment to reduce the rate below 1 cent in order that it may be before the Senate.

Mr. SMOOT. That is correct.

Mr. LA FOLLETTE. Mr. President, I will submit this question to the Chair: If I desire to secure the result which the committee sought to secure as in Committee of the Whole, namely, a reduction of the rate from 1 cent to a half cent a pound, is it the proper procedure for me to offer an amendment to that effect, or does the question come on the adoption of the amendment which the committee offered and which was rejected?

The VICE PRESIDENT. The question recurs on ratifying the action taken as in Committee of the Whole, and those in favor of the 1-cent rate would vote "yea."

Mr. SMOOT. Then, supposing the "noes" should prevail?

The VICE PRESIDENT. Then, the amendment would not be concurred in.

Mr. BARKLEY. Mr. President, a parliamentary inquiry.

Mr. LA FOLLETTE. Mr. President, I ask unanimous consent that I may be permitted to offer an amendment reducing the rate from 1 cent to one-half cent a pound.

Mr. SMOOT. That is the proper way in which to proceed.

The VICE PRESIDENT. That is permissible.

Mr. LA FOLLETTE. I inquire if there is any objection?

The VICE PRESIDENT. The Chair hears no objection.

Mr. LA FOLLETTE. I offer that amendment, and upon it I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. HATFIELD. I desire to be heard upon this subject.

Mr. ODDIE. Mr. President——

The VICE PRESIDENT. The Senator from Nevada.

Mr. ODDIE. Mr. President, I hope the amendment of the Senator from Wisconsin will not be adopted. We have a situation in Nevada which has induced me to request a certain company to come in the State and to engage in the manufacture, among other things, of carbide and calcium carbide at the Boulder Dam, when the dam shall be built, as we have reason to believe it will be. As I advised the Senate while the bill was being considered as in Committee of the Whole, we have in Nevada limestone, and the State of Utah has abundant quantities of coal. Those two products are needed in the manufacture of carbide. We will have at Boulder Dam an abundance of cheap power; and it is important for us, Mr. President, to have manufacturing enterprises established at the site of the Boulder Dam. We want pay rolls in the western section of the country. We want new industries established there, and I hope the amendment will not prevail.

Mr. HEFLIN. Mr. President, I should like to ask the Senator from Nevada a question.

The VICE PRESIDENT. Does the Senator from Nevada yield to the Senator from Alabama?

Mr. ODDIE. I yield.

Mr. HEFLIN. I was called from the Chamber a moment ago. The rate in the present law is 1 cent, I believe?

Mr. ODDIE. As in Committee of the Whole the Senate agreed to a rate of 1 cent. It is 1 cent as the bill stands now.

Mr. HEFLIN. What has been the rate since the act of 1922 was passed?

Mr. ODDIE. It has been 1 cent.

Mr. HEFLIN. That was my understanding. And the Senator from Nevada, as I understand, feels as I do about it, that the rate should remain at 1 cent?

Mr. ODDIE. Yes.

Mr. HEFLIN. I thank the Senator.

Mr. NORRIS. Mr. President, the Senators are talking about cheap power. The Senator from Nevada [Mr. ODDIE] says we are going to have lots of cheap power and we are going to establish a new industry. I wish the manufacturers of the United States would appreciate that, as a matter of fact, this is a tax in favor of expensive power.

I related here on a former occasion, in connection with a former tariff bill, where in the Agricultural Committee we were listening to hearings on the Muscle Shoals proposition, and where the testimony showed, or pretended to show, that the price of power in Ontario, across the boundary line, was so much higher than the price of power over here, where we have private initiative; and that I came from the hearings directly to the Senate upon a call—this was in 1922—and found a debate going on on the tariff, on carbide and some other chemicals, and the Finance Committee was defending its action in putting a tariff upon carbide upon the theory that they had such cheap power over in Ontario that our manufacturers of carbide could not compete with the Canadians, and therefore the American manufacturers had to have a tariff on carbide in order to manufacture it in the United States.

In other words, when the Power Trust were trying to get a firmer grip on Muscle Shoals they were contending that this report about cheap power in Ontario was all buncombe; it was all a myth; and they sent their envoys over there to write magazine articles, and about that time one of them wrote a book in which that was the principal statement. They circulated it all over the United States, and then came into the Senate and got a tariff on carbide on the ground that there was such cheap power in Ontario that our manufacturers, who had to pay higher prices for power, could not compete with the Canadians in the manufacture of carbide.

At this very session I have read into the RECORD the testimony before the Ways and Means Committee of a national association—and it will be found in the RECORD when this question was up before in Committee of the Whole—a national association of people engaged in the gravel and crushed-stone business. They were contending before the Ways and Means Committee for a tariff on gravel and crushed stone; and their written brief, which is in the RECORD now, shows that their contention was based on this proposition in black and white, made by their own representatives—that in crushing stone and in washing gravel a great deal of power was used, and they had such cheap power over in Ontario that these gravel men, crushed-stone men, and material men over here wanted a tariff on gravel and on stone as well as carbide in order that they might be protected against the cheap power over in Canada.

Mr. President, I wish the manufacturers of the United States only realized that no tariff would be necessary by virtue of cheap power if we did not have in this country a Power Trust that are mulcting the consumers of the United States by exorbitant, extravagant prices for power that they are taking from the people of the United States from one end of the country to the other, and here is an illustration of it. Shall we levy a tariff in order further to intrench the Power Trust and give them a little further opportunity to gouge the consumers of power in the United States? There ought to be no tariff on carbide; and if this were not an effort to build up on an artificial basis an industry that in itself is trying to continue the power and the influence of the Power Trust to throttle the people of the United States, there would be no demand for a tariff of any kind upon carbide.

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

The PRESIDING OFFICER (Mr. JONES in the chair). Does the Senator from Nebraska yield to the Senator from Nevada?

Mr. NORRIS. Yes; I yield.

Mr. ODDIE. Just one observation in comment on what the Senator has just mentioned in regard to power.

The Secretary of the Interior has made a tentative allocation of power to be developed at the Boulder Dam. I have protested very strongly against his allocation. His allocation gives a large quantity of this power to a great power company in California. I have protested that allocation. I think it would be more economical and better business for the State of Nevada to have allocated to it the power that it is entitled to so that it can use this power for manufacturing enterprises on the ground.

Mr. NORRIS. Why, Mr. President, of course, it would be better. I wish the Senator from Nevada would join with us who are trying to pull off some of the tentacles of the grasping Power Trust. Of course, the action of the Secretary of the Interior is going to increase the price the consumers must pay for power. It is not only doing that, but the Secretary of the Interior by that action has nullified an act of Congress. He has said, in the face of the law that gives municipalities and States the preference, "You shall not have it. The Power Trust does not want you to have it"; and so the great Secretary of the Interior, in violation of the laws of Congress, has allocated to the Power Trust some of the power to be developed at Boulder Dam.

I do not believe we ought to spend the public money to develop power in the United States, and then, after we have spent it, turn over the power to a private corporation for private profit, thereby enabling it to make a profit from the expenditure of public funds in the development of natural resources that belong to, and ought to be kept for the benefit of, all the people.

As long as we continue to levy a tariff upon products on the ground that our private owners of public utilities will not com-

pete with publicly owned utilities across the boundary line, we are assisting the Power Trust to continue its power, and we are to that extent assisting the Secretary of the Interior—a member of the Cabinet, a member of the Power Commission—to nullify the laws of Congress.

It will not be denied by any man who will give any study to the dam act, who will go back and look at the contest that was waged before Congress when we passed it—I am sorry that the Senator's colleague [Mr. PITTMAN] is not here, because he was a member of the conference committee on that occasion—he will tell you, and can tell you better than I can, that one of the principal things in issue in that bill was whether we should give preference to States, counties, and municipalities. That bill was in conference for weeks after an amendment had been put in by one House that gave them that preference. We fought the matter over and over; and the Senator's colleague from Nevada was one of the leaders in the conference trying to get into the bill a preference for municipalities and States and counties. He succeeded, and we passed the bill with that provision in it; and when the Boulder Dam law was before us we had the same contest over again.

One of the principal issues involved when we developed public dams on public streams by public money was, Shall we turn over the improvement, after we have made it, to private interests for public gain, and make the people pay a profit on their own property to men who have not expended money or effort in the development of the enterprise? That issue was involved; and again Congress, in no doubtful terms, it seems to me, put into the law a preference right for municipalities. It is standing there now in the law. In defiance of it, I understand that the Secretary of the Interior is trying to devise a means to give a portion of it, at least, to private corporations; and under the law he has not a right to give a single kilowatt to a private corporation if there is a public corporation, a municipality, or a State that wants it.

Mr. SHORTRIDGE. Mr. President——

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

Mr. NORRIS. I do.

Mr. SHORTRIDGE. Has the Senator placed in the RECORD the allocation of the power?

Mr. NORRIS. No.

Mr. SHORTRIDGE. I do not know what it is.

Mr. NORRIS. I am taking the statement of the Senator from Nevada, who said that it was tentatively done. I do not think it has been formally done yet.

Mr. SHORTRIDGE. Assuming that 100 per cent is developed, how has it been allocated; or has that been placed in the RECORD?

Mr. ODDIE. Mr. President——

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

Mr. NORRIS. I do.

Mr. ODDIE. I intended to state that it was the suggested allocation of the Secretary. Nothing definite has been done. Protests have been made against it.

Mr. SHORTRIDGE. Mr. President, if the Senator will permit me, what is the suggested or tentative allocation? I do not happen to know.

Mr. JOHNSON. Mr. President, if the Senator will permit me, it is one that was printed last October, distributed to the various individuals and Members of Congress who have been interested in the subject, and published again a month ago. The tentative allocation that was suggested by the Secretary of the Interior was that of the power developed at the Boulder Dam, first to the Metropolitan Water District, which is composed of various municipalities in the Southwest, would be given 50 per cent for the purpose of pumping the water over the mountain; and, of the remaining 50 per cent, 25 per cent would be given to the City of Los Angeles, and 25 per cent—that is, half in each instance of the remaining 50 per cent—to the Southern California Edison Co., with certain drawback provisions in favor of Arizona and Nevada.

Mr. GLENN. Mr. President——

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

Mr. NORRIS. I yield.

Mr. GLENN. Supplementing the statement made by the Senator from California [Mr. JOHNSON], I will say that the Secretary of the Interior testified to-day before the Interstate Commerce Committee about this specific matter. Under the drawback provisions, if they are fully exercised by the States which the Senator from California has mentioned, the final result will be that the Southern California Edison Co. will have, as I understood the testimony, only 3 per cent of the power generated.

Mr. JOHNSON. I have been told this evening that that was the testimony of the Secretary of the Interior. May I say to the Senator that I think the Secretary of the Interior is in error; but I do not care to discuss that at the moment.

Mr. NORRIS. Mr. President, it is only a question of amount. The principle is just the same. The Secretary of the Interior would have a right to give all of this power to private corporations if no public corporation like a municipality or a State wanted it; but, under the law, if he does his duty, he will give them an opportunity first, and they will have the right to 100 per cent of it.

Mr. WHEELER. Mr. President, may I interrupt the Senator?

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

Mr. NORRIS. Yes.

Mr. WHEELER. I want to say to the Senator that I questioned the Secretary of the Interior this morning about this very proposition, and his testimony was in accord with what the Senator from Illinois says.

He called for an opinion from Mr. Finney, in the legal department of the Department of the Interior, and Mr. Finney interprets that provision of the law with reference to how he should lease this power to this effect: That he should make a lease that was to the best interests of the Government. The Secretary said that what he was interested in was primarily the leasing of it to people under circumstances where he could be sure he was going to get the money back the Government had put into the project. Of course, if he follows that course, and if that is his viewpoint, he might very properly say, under Mr. Finney's ruling, that he would lease it to a private concern.

Mr. NORRIS. Of course.

Mr. KEAN and Mr. ODDIE addressed the Chair.

The PRESIDING OFFICER. Does the Senator yield?

Mr. NORRIS. I can not very well yield to two Senators at once.

Mr. KEAN. Will not the Senator yield to me to ask a question of the Senator from Montana?

Mr. NORRIS. I yield.

Mr. KEAN. Did not the Secretary also say that he wished to be sure that the power was given the widest possible distribution?

Mr. WHEELER. Yes; and, of course, under that interpretation he could lease it to the power companies, because of the fact that the power companies would give it the widest distribution.

Mr. NORRIS. It would be as easy as rolling off a log. Take the city of Los Angeles, for instance. It has the right to distribute power within the corporate limits of the city. It has a rival in the city, a competitor, this corporation, the Southern California Edison Co., which has the right to distribute power not only in the city of Los Angeles but wherever it wants to build a transmission line. That is the same with all private corporations. If the theory is going to be that he is going to lease it to the institutions which can give it the widest distribution, then not a single kilowatt will ever go to anybody except a private corporation. In other words, the statement in the law giving preference to municipalities would be a nullity, would amount to nothing.

However, Mr. President, let us get back to the question involved.

Mr. ODDIE. Mr. President, I would like to ask a question as to the hearing this morning. I was not present, and am not familiar with what happened. Did the Secretary recognize the greater credit of a State over that of a private corporation?

Mr. WHEELER. He did not state whether he did or not, but he had, of course, Mr. Finney's opinion; and while he said he did not feel that he was bound by it, yet, if he should follow Mr. Finney's opinion, there would not be any question in my mind as to what he would do with it. He would not give it to the municipalities, he would not give it to the States.

Mr. ODDIE. Was there any statement that the credit of the State was not as good as that of a private corporation, or was that merely an inference?

Mr. WHEELER. I asked him that question, but he did not state. However, I inferred that from the statement he made, because he said, when I asked him the question, "You know, sometimes they have earthquakes." He added, "We had an earthquake down in San Francisco, and when we had that earthquake down there the city of San Francisco was not able to meet its obligations," or something to that effect.

Mr. NORRIS. I suppose an earthquake never injures a transmission line if it is owned by a private corporation. It

would not destroy a building that was owned by a private corporation. Earthquakes have the peculiarity of only destroying property of municipalities. They do not touch private corporations.

Mr. KEAN. Mr. President, will the Senator yield again?

Mr. NORRIS. I yield.

Mr. KEAN. The Secretary stated this morning that tentatively he had allotted 50 per cent to the southern part of California.

Mr. NORRIS. That is for the purpose of pumping water.

Mr. KEAN. Yes; 18 per cent to Arizona, 18 per cent to Nevada, 3 per cent to the Southern Edison Co., and the other 3 per cent to somebody else.

Mr. NORRIS. That is a great variation from the statement which was made some time ago.

Mr. KEAN. That was the statement he made this morning.

Mr. WHEELER. Mr. President, my understanding is that Arizona does not want any power, and, consequently, if Arizona does not take the power and Nevada is not prepared to take it, he is going to give it to some private corporation. I may be wrong about this, but I gathered the impression that was what he had in mind, but that it was not definitely decided upon.

Mr. KEAN. I am not sure about the private concern. I think he testified that the municipalities would have the first choice.

Mr. WHEELER. I did not so understand it.

Mr. KEAN. Then it would go back to the States, after a period of years.

Mr. NORRIS. Mr. President, the principle involved is not changed by what the amount is. I think the tentative statement which came from the Secretary some time ago, as the Senator from Nevada said, and as the Senator from California said, was that he had made a tentative allocation of this power. There was much more than 3 per cent—I think it was 15 or 18 per cent—that was to go to a private corporation.

Mr. ODDIE. Twenty-five per cent.

Mr. NORRIS. Was it 25 per cent?

Mr. ODDIE. Yes.

Mr. NORRIS. That, however, does not change the principle involved, whether it is 25 per cent or 1 per cent or 60 per cent.

The *question* before us is, Are we going to put a tariff of a cent on carbide? Carbide requires a great deal of power in its manufacture, and hence is manufactured to a great extent where there is cheap water power. If there were cheap coal, the result would probably be the same, but it requires a great deal of power for its manufacture.

As a matter of fact, the freight rate on carbide, I understand, is very high. It ought to be high. It is a rather dangerous thing to carry on a freight train. So that freight itself is practically a regulator of the price.

I do not believe there ought to be any tariff on carbide. When a tariff is put on carbide, the price is increased, and everybody must pay who uses carbide. I want again to call the attention, particularly of those who have been voting for high tariffs for the benefit of the farmer, to the fact that here is the burden, which, to a great extent, rests upon the shoulders of agriculture.

Carbide is used in a great many places where the people do not have access to electricity. In the remote districts they can have little systems of lighting or heating in their homes, no matter where they may be located, and haul the carbide for their use to the place where they are going to use it, and to a great extent it is used in that way. It makes a very fine light. Therefore, we are putting a financial burden, to a great extent, upon people who can not afford the burden, and who are living in localities where they can not always have the advantages of civilization which most people have.

Mr. BARKLEY. Mr. President, I do not wish to delay a vote on this item, but I do think the Senate ought to have briefly stated the facts with reference to the comparative production, imports, and exports of this commodity before it votes.

The domestic production of calcium carbide is apparently on the increase. In 1923 we produced 118,000 tons. In 1926 we produced 127,000 tons. The importations have been on the decrease. The last year for which the figures are available is 1928, and we imported only 1,200 tons of calcium carbide into the United States in that year, which was a reduction from 11,000 tons in 1926.

We are exporting more of this commodity than we are importing, for while we imported in 1928 only two and a half million pounds, which represents about 12,000 tons, we exported over 3,745,000 pounds, and the price has increased from 4½ cents a pound to 5 cents a pound. So that the importations have been falling off, the production has increased, and the price has increased.

The senior Senator from Nebraska [Mr. NORRIS] referred to the fact that a large quantity of calcium carbide is used in the manufacture and installation of lighting systems throughout the rural districts. More than one-half of all the calcium carbide used in the United States is used in the installation of lighting systems through the country and by the miners of this country who have to go down into the bowels of the earth to mine coal and other products, affording lights to enable them to see their way around after they get into the mines. So that 50 per cent of the entire consumption is by the farmers and miners of the United States.

The production is increasing, the importations are decreasing, our exportations are increasing, and the price is increasing. If this combination of circumstances does not justify a reduction in this rate, it would be difficult to imagine a set of circumstances that would justify it, and that is what actuated the Finance Committee when it brought in an amendment in the Committee of the Whole recommending one-half of 1 cent instead of 1 cent. Under these circumstances I think this amendment ought to be agreed to.

Mr. COPELAND. Mr. President, I was very much impressed, as I always am, by the statements made by the senior Senator from Nebraska [Mr. NORRIS]. It is a shame to think that these great water powers are controlled by monopolies and exploited for the making of money instead of being used for the benefit of the people.

I was shocked yesterday at the set of facts presented by the junior Senator from Montana [Mr. WHEELER] about what has been going on relative to water powers, particularly those at Niagara Falls in my own State. I concede all the Senator from Nebraska has said about why these powers should be preserved for the people and used for the common good. But I am not prepared to vote to destroy the great establishments in my State making calcium carbide, and send it over to Canada, where it has a plant, and put out of employment hundreds of men and women now employed at Niagara Falls.

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

Mr. COPELAND. I yield.

Mr. VANDENBERG. And precisely the same result at Sault Ste. Marie would practically kill 50 per cent of a thriving modern American city.

Mr. COPELAND. Mr. President, if the Senator from Michigan and I were to vote to reduce this rate simply because we are angry and outraged by the action of the Power Trust, we would be biting off our noses to spite our faces. There are hundreds and thousands of employees in the United States engaged in making this product. We have had an endless number of speeches here about unemployment. We have bewailed the fact that a supine administration has failed to do something to relieve unemployment. We have expressed our indignation in such terms. Do we intend as a Senate now to perform an act which will bring about more unemployment? I can not understand that philosophy.

Mr. VANDENBERG. And, Mr. President, if the Senator will permit a further interruption, perform it, furthermore, without one word of evidence before the Finance Committee of the Senate or one single request before the committee for a reduction.

Mr. COPELAND. We now have the rate for which we are contending. That is the rate at the present time as contained in the act of 1922, and yet because we wish to record our indignant protest against the outrageous imposition of rates by the Niagara Falls Power Co., it is our purpose to reduce the tariff on this commodity and send this great organization to Canada. I can not believe that the Senate will do that thing.

Mr. ROBSION of Kentucky. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Kentucky?

Mr. COPELAND. I yield.

Mr. ROBSION of Kentucky. We have heard the statement made that Norway can supply our entire demand for this commodity, and that labor costs in Norway are about one-fourth of those in the United States. Is that correct?

Mr. COPELAND. That statement is correct. The cost per ton in Europe, largely in Norway, is $29.50, while in the United States it costs $58 per ton to produce it.

Mr. ROBSION of Kentucky. What is the cost in Canada compared to the cost in the United States? I understand the power costs and the labor costs in Canada are about one-half what they are in the United States.

Mr. COPELAND. Unskilled labor in the United States receives $4 to $6 per day, and in Canada it is paid from $2.50 to $4 a day. Skilled labor in the United States receives $6 to $10 a day, while skilled labor in Canada receives $4 to $6 a day.

In other words, we pay our labor in the United States about twice the amount that corresponding labor is paid in Canada.

Mr. ROBSION of Kentucky. Is it the contention of the Senator from New York that if the duty is reduced from 1 cent to one-half cent a pound, it will put out of business the carbide factories in this country?

Mr. COPELAND. That is my contention. The reason why I am standing here arguing as I am to-day is that I do not care the snap of my finger for the American Carbide Co., and I do not care where they operate so far as my personal interest in the company is concerned, but I do want the men and women of the United States who are now employed by that concern to continue in employment. If we reduce the rate, the company would have every incentive to go over and operate plants already owned in Canada, and, of course, that is what they would do.

Mr. ROBSION of Kentucky. How many men and women does this industry employ in the United States?

Mr. COPELAND. It runs into the thousands. I can not give the number. I suppose the Senator knows. It runs into a very large number.

Mr. HATFIELD. Mr. President, if the Senator from New York will permit me——

Mr. COPELAND. I yield to the Senator from West Virginia.

Mr. HATFIELD. The pay roll amounts to $4,000,000 a year.

Mr. COPELAND. There is paid $4,000,000 to American citizens to spend in American stores and to pay American taxes, and yet we are so mad at the Niagara Falls Power Co. that we want to smash the whole business of the Niagara Falls Power Co. and the Carbide Co. and every other concern utilizing that great water power, and send that business to Canada and let Canada profit by it. I do not believe we are going to do that. I know the Senator from Nebraska [Mr. NORRIS] is too kind hearted and is too much interested in the welfare of American citizens to permit his feelings regarding the Power Trust to lead him to vote to reduce this rate and send this business abroad.

Mr. President, the Senator from Kentucky spoke about exportations. I want to tell just what happened regarding exportations. The Union Carbide Co. exported 2,500,000 pounds, just as he said, but of this amount 1,756,000 pounds went to Hawaii, the Philippines, and Porto Rico. We exported to foreign countries only 820,000 pounds, while Canada exported last year 9,000,000 pounds. Do Senators see the great possibilities in Canada? Is there any reason why Canada can not be exporting all of this commodity to the United States? That is what will happen if we reduce this rate.

I plead with Senators again to-night, as I did the other day when the matter was before the Senate, to continue the rate at 1 cent in order that the establishments in Niagara Falls, Sault Ste. Marie, and elsewhere in this country may be continued and that employment may be given to American citizens. That is the way for us, as I see it, to help solve the unemployment problem, at least to prevent further unemployment. That, I am sure, is the desire of every Member of the Senate.

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

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Kentucky?

Mr. COPELAND. I yield.

Mr. BARKLEY. The statement was made a little bit ago that the pay roll is $4,000,000 a year in this country. At the rate of $1,000 a year for each employee, that would mean that 4,000 people would be employed. If they happened to be fortunate enough to receive $2,000 a year on the average, it would mean 2,000 people employed. How does that number compare with the number of miners who use this commodity and the number of farmers who use it, and who use 50 per cent of the entire product of the United States?

Mr. COPELAND. Let me ask the Senator how much a year a miner pays for his carbide?

Mr. BARKLEY. I do not know.

Mr. COPELAND. The Senator knows it is a very small sum.

Mr. BARKLEY. I want to ask how the number of men employed in this industry compares with the number of miners and farmers who use it?

Mr. COPELAND. I have no doubt that in numbers there are more farmers, though perhaps not more miners, but a lot of them; but when the Senator is talking about employees, whether he talks about 4,000 or 2,000, he is talking about the entire annual income of 4,000 or 2,000 families.

Mr. BARKLEY. I have not received any information from any source that indicates that there has been any falling off in the employment of these men because the product of these factories has increased. Our exports have increased and our imports have fallen off. If there has been any lessening of employment it certainly is not on account of foreign competition.

Mr. COPELAND. I have not said there has been a lessening of employment. I have said if the tariff is reduced these factories will operate in Canada, and the company owns factories there now; and then there will be unemployment here. I am seeking to prevent further unemployment.

Mr. BARKLEY. There is only one Canadian factory that imports calcium carbide into the United States.

Mr. COPELAND. There are Canadian factories that export from Canada 9,000,000 pounds of this product.

Mr. BARKLEY. But not to the United States. They export to the same countries to which we export.

Mr. COPELAND. And almost all of our exports from continental United States go to the Philippines, Porto Rico, and Hawaii.

Mr. BARKLEY. Some go to Mexico and some to Japan, and I think we even send some into Canada.

Mr. COPELAND. The Senator was not here a little while ago when I gave the figures. We exported last year 2,576,000 pounds, and of this amount 1,756,000 pounds went to Hawaii, the Philippines, and Porto Rico; in other words, to other countries, including Mexico, 820,000 pounds were exported, while Canada exported last year 9,506,000 pounds.

Mr. WHEELER. What difference does it make to what country it goes?

Mr. COPELAND. It makes a difference whether it goes to an American dependency or not.

Mr. WHEELER. What difference does it make?

Mr. COPELAND. It makes this difference: Suppose we close all the factories in the United States?

Mr. WHEELER. What difference does it make whether we export to Mexico or to Hawaii or to the Philippine Islands?

Mr. COPELAND. It does not make any difference.

Mr. WHEELER. The Senator was drawing a distinction as to where we export it, but I can not see what difference it makes.

Mr. COPELAND. I do not say that it makes any difference so long as it gives employment to our people.

Mr. BARKLEY. It means that we are making more than we use, and we are sending it wherever there is a market for it.

Mr. COPELAND. Then we can sell it cheaper to our own people.

Mr. WHEELER. I have always noticed that we put a tariff on any commodity which we are exporting. The truth about it is that we always charge our own people more and charge the people to whom we export it less.

Mr. COPELAND. I want to say to my dear friend from Montana that he spoke eloquently and convincingly about unemployment. I am striving to prevent the widening of the epidemic. There is no question that every time we enact a tariff law we are going to raise the price to somebody. There is no doubt about that. But we are not proposing here to raise a rate. The rate is now 1 cent a pound and, without being put upon notice, these people find themselves confronted by an amendment reducing the rate to one-half cent a pound. Is the Senator, who is anxious to have people work, desirous of creating a situation which may put out of employment the heads of from 2,000 to 4,000 or 5,000 families, and increase unemployment to that extent?

Mr. WHEELER. The Senator has asked me a question. Of course I do not want to put them out of employment, but when this company is exporting to foreign countries I do not see how it is possible for it to be put out of business. The Senator has used that same argument with reference to everything from his State where he sought to impose a tariff.

Mr. COPELAND. Yes, and I am going to use it some more.

Mr. WHEELER. I appreciate that. Of course the Senator is using the same argument that has been used by every Republican and high protectionist all down through the years. Let me call the Senator's attention to the fact that he has talked here about the suffering of the unemployed in New York, and yet he voted for a rate on rayon that goes into the clothes of the poor people of New York, thousands of them who hardly get money enough to pay their living expenses.

The Senator has talked about their having to eat sidewalks, and yet he voted to put a tariff on rayon, which goes into the cheap clothes and the cheap socks and the cheap underwear of those poor people who he says have not money enough to buy food and have to eat the sidewalks in New York.

Mr. COPELAND. Mr. President, I did vote for the duties contained in the rayon schedule. Why? Because I want the rayon which the people wear made in the United States; that is what I want those duties for. Ten thousand men and women in my State are working in rayon factories. The Senator will say it is British money or it is German money or it is Dutch money invested in those factories. I do not care who owns the factory if it is operated in the United States and the em-

ployees are American citizens, I am glad to have the factory operated here. If the Senator can advance a convincing argument to show that the rate on rayon instead of being 40 cents a pound should be 33½ cents a pound, I will vote with him, but he did not propose to take off everything; he wanted to leave some rate of duty on rayon.

Mr. WHEELER. Exactly.

Mr. COPELAND. In other words, he is going to tax the poor people of my city to some extent; so while I may be 40 per cent wicked, he is at least 33½ per cent wicked, and that is one-third.

Mr. WHEELER. What I was proposing to do was to give the employees of labor in the United States the benefit of a rate that would equalize the difference between the cost of production at home and abroad.

Mr. COPELAND. That is right; and so do I.

Mr. WHEELER. And I am perfectly willing to do that.

Mr. COPELAND. So am I.

Mr. WHEELER. But I am not willing on rayon, or on any other material, to vote for a tariff which will give them about 50 per cent more than the difference in the cost of production at home and abroad. I brought the figures to the attention of the Senate, and to the attention of the Senator from New York; I challenged anybody to dispute the figures that I produced with reference to rayon, and there was not a soul who disputed them.

Mr. COPELAND. The Senator from Utah [Mr. SMOOT] disputed those figures.

Mr. WHEELER. No; he did not dispute them with any figures. He merely made the statement he did, because of the fact that he did not have any figures, and because the Tariff Commission had not obtained any figures upon the subject.

Mr. COPELAND. Let us see just how far we are apart. The Senator wants to impose a duty equal to the difference in cost between American production and foreign production. That is it, is it not?

Mr. WHEELER. I am willing to do that; I am willing to go that far.

Mr. COPELAND. All right. That is what I want to do. The only question between us is how much that difference is. Because the Senator did not convince me that the duty should be 33⅓ *per cent*; he then says that I should be condemned and cast into outer darkness because I voted for 40 per cent.

Mr. WHEELER. No; I would not condemn the Senator nor would I cast him into outer darkness if I could, and, of course, I could not.

Mr. COPELAND. But, of course, the Senator is doing everything he can to cast me into outer political darkness.

Mr. WHEELER. Not at all; I would not even do that; but I appreciate that the Senator is arguing for high tariffs upon everything that is produced in his State, and it seems to me regardless in many instances as to whether or not it is necessary for the protection of labor or for the protection of the people of the country. I am perfectly amazed and surprised to see the Senator from New York stand on the floor of the Senate and argue repeatedly for the highest kind of a duty upon everything produced in the State of New York. The only question with him seems to be, has the industry a factory operating in New York.

Mr. COPELAND. Let us see. I have forgotten now how the Senator from Montana voted on wool.

Mr. WHEELER. I voted for the tariff upon wool; that is correct.

Mr. COPELAND. We do not raise many sheep in New York, but they are raised in great numbers in the State of the Senator from Montana.

Mr. WHEELER. Of course we raise sheep in my State; and I want to call the Senator's attention to the fact that we also produce lumber in my State; and we raise sugar in my State; and we produce oil in my State; but I did not vote for a duty on those articles merely because of the fact that we happen to have a few factories in my State, or that we raised a little lumber there. I have, however, yet to see a single instance where a manufacturing interest has a factory in the State of New York that the Senator has not stood up on the floor of the Senate and voted for a tariff on the product of that factory, regardless of the poor people whom he has told us about, with tears in his eyes, eating the sidewalks of New York.

Mr. COPELAND. Has the Senator finished?

Mr. WHEELER. I have finished.

Mr. COPELAND. Every Senator who votes in the Senate upon any question is making his own bed, and he must lie in the bed that he makes. So far as I am concerned, I can say that I have had two things in mind in every vote I cast. When it came to a necessity of life; when it came to sugar, to tomatoes, to bread, and things that we eat——

Mr. WHEELER. Things that are not produced in the Senator's State.

Mr. COPELAND. Are not those commodities produced in New York?

Mr. WHEELER. Their production is comparatively small; a few tomatoes may be raised there in hothouses.

Mr. COPELAND. Ah, Mr. President, here is the man who condemns the Republican Party, the President, the "reds," and all others; who consigns everybody to oblivion because of the unemployment situation. I have had in my mind—I have in my mind now, and I intend to keep it there until the end comes of the tariff bill—the question, How can we keep people in employment? I happen to know about the conditions in my State. It is my business, as a Senator from New York, to see that the interests of that State are protected. I mean by that not the "interests" in quotation marks, but the welfare of my State, and I intend to vote with that in view.

Mr. BARKLEY. Mr. President——

Mr. COPELAND. I will yield in just a moment. I know about the conditions there, and I would be a traitor to my State if I did not protect it. In the next place, I want to know by what sort of political philosophy a 1930 Democrat thinks that every time he has to vote he must vote for a low tariff. That idea is of the past; it is not in style in politics any more; we have reverted to the original teachings of our party.

I do not know whether or not the Senator from Montana signed it, but when I had a telegram from the chairman of the Democratic National Committee asking whether or not I indorsed Mr. Smith's view about the tariff I telegraphed back at once "I do." That is the view I hold. There must be established in our country a tariff rate that will measure the difference between the cost of production in Europe and the cost here. I know the conditions surrounding labor in most of the countries of Europe from personal observation, and I would not have the American laboring man forced to submit to the conditions which surround labor in Europe. I want the American standard to be maintained, and I do not apologize, Mr. President, for any vote I have cast on the pending tariff bill. I will say in all pride, if I may be permitted to do so, that I have voted in every instance to maintain established industries in my State and in other States. If I felt sure that a tariff would mean employment, I have voted that way; I am not sorry that I have done so, and I am going to continue to vote that way.

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

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Kentucky?

Mr. COPELAND. Yes.

Mr. BARKLEY. The Senator and I are not very far apart in our desires, but we may differ a little as to the method of accomplishing them. The Senator speaks about unemployment. I do not wish to open up the rayon schedule, because we will probably have a siege of that later on; but practically every textile mill in this country—I do not know how many of them there are in New York—uses rayon in the manufacture of its finished products. There are in the State of North Carolina, for instance, 241 textile mills that use rayon yarn in the manufacture of finished products.

In the State of Tennessee there are 139 such textile mills, and in all the States where there are textile mills those mills are required to use rayon yarn in the manufacture of stockings, underwear, and garments made of rayon. Of course rayon products are purchased very largely by those who can not afford high-priced silk garments, but who do prefer a comfortable rayon garment to ordinary cotton, because it not only looks better but it wears better and feels better while it is being worn.

If the rate of the tariff duty on rayon, that amounts now according to present prices to 95 per cent ad valorem, increases the price of rayon yarn so as to make the textile mills pay a larger price for their raw material, which operates to depress still farther the textile industry, I am wondering, by comparison, how many men we have thrown out of employment in the textile industry by undertaking to keep men employed in the rayon industry by an increase in the tariff on this necessity.

Mr. COPELAND. I think the Senator has made a very clear statement. I can give him an example. In the case of necktie silk the admixture of rayon with silk in less than 50 per cent quantities has made it possible under our present tariff rates to bring the mixture in at a price with which our people can not compete. I do not know how to handle that; I have introduced a measure to undertake to do so, and I took the counsel of the wool men. They said that a product that had 15 per cent or more wool in it should be taxed as wool. I propose to do the same thing as regards rayon and silks, so that if a piece of goods contains rayon to a greater extent than 15 per cent, then it shall be taxed as rayon.

Mr. BARKLEY. Of course, the Senator realizes that the question of comparative benefits is one that is difficult to solve scientifically. I have a great deal of sympathy for the men and women who are required to purchase rayon articles as a substitute for silk. If we increase the price of such articles, of course, the reaction is to lessen consumption, and if we lessen consumption, of course, we lessen, by a law of economics, production, by which we lessen employment in the textile mills; and so, while we may be undertaking to help a smaller group engaged in the direct production of the rayon itself, I am wondering whether we have not damaged a much larger group by a reaction which will necessarily follow in all the textile mills of the United States under the situation which I have pointed out.

Mr. COPELAND. Mr. President, I am glad the Senator has asked the question. There is just one thing that determines prosperity in a country, and that is employment. I do not care whether it is employment of labor or the employment of the farmer, the determining factor is employment. If the people are employed at decent wages, are successful enough in their industries, whatever they may be, to enable them to receive incomes, the rest takes care of itself.

Mr. BARKLEY. Will the Senator yield there?

Mr. COPELAND. Yes.

Mr. BARKLEY. The American Federation of Labor gave out a statement three or four days ago in which it was set forth that unemployment had increased last month, as compared to the previous month, and that the largest proportion of that unemployment existed and the largest increase had occured among the building trades of the United States—the carpenters and bricklayers and masons and all those who engage in the construction of buildings. There is not anything that a tariff can do to give those men employment.

Mr. COPELAND. No.

Mr. BARKLEY. And yet this bill undertakes in three or four places to increase the cost of building material, which will lessen further the constructive activities of the country, and bring about to a greater degree unemployment among the workmen in occupations where the increase in unemployment has been the greatest, according to the American Federation of Labor.

Mr. COPELAND. Let me reply to the Senator there. It is perfectly clear to me why building is off, why there is very little building. It is utterly impossible to get any mortgage money for building. That has been true for several years.

When we have great prosperity in the country, when Wall Street is humming with activity, the money goes there. Take the conditions which prevailed in Wall Street during the past year—more than a year, but we will say a year. During this year every bank in the country was sending its money to Wall Street, where they could get a big price for it. I talked with friends of mine, bankers. I said, "What do you do when a man comes in, one of your regular customers, a merchant who wants a line of credit, and he is asking for $10,000? What do you do with him?" He said, "We give him about $4,000. The money is down in Wall Street."

Take the case of a young man who has saved a thousand dollars, who owns a lot, who is a man of good health and good character. It ought to be possible for him to build a house. If there is any risk in the world that is a good risk, it is a mortgage on a home. The last thing in the world that a man will do or a family will do is to give up the home. It has not been possible, however, to get money for that sort of thing. Consequently, the building trades are out of luck.

Mr. BARKLEY. Mr. President, just one question there.

Mr. COPELAND. I yield to the Senator from Kentucky.

Mr. BARKLEY. I am satisfied that the Senator, as an observer if not as an actual participator, will agree that the easiest thing that it has been possible to do in recent years has been to buy a home on credit without a payment of very much cash. Here in the city of Washington, in the city of New York, and in all the cities and villages and towns in the United States, one of the easiest possible things to do was to buy a home.

Mr. COPELAND. Why?

Mr. BARKLEY. Because there was money available for the building of the home and for the carrying of the mortgage and for the opportunity of the man interested in it to buy it on terms that would enable him to afford his own home. It may be much harder to pay for it after you buy it, but it has been very easy to buy it.

Mr. COPELAND. I notice in this town signs upon almost every house reading "For sale," and you can buy them on any kind of terms. Of course, with the great credit that the Senator from Kentucky has, there will be no trouble about his getting all the money he wants; but let a man who is working on a salary of $2,500 a year go and try to borrow money to build a house, and he can not get the money. That, as I said, is the reason why the building trades are out of luck.

Mr. President, I do not know what this has to do with carbide.

Mr. VANDENBERG. Mr. President——

Mr. COPELAND. Just one minute. I suppose my friend from Montana has gone. He is tired out. However, I have no apologies to offer. I have voted to try to keep people employed, and I have tried to keep down the price of the essential articles in demand by our people.

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

Mr. COPELAND. I yield to the Senator.

Mr. VANDENBERG. Returning for a moment to the subject of calcium carbide, may I inquire about the statement that was made that 50 per cent of the commodity is used in farm lighting? Does the Senator recall that statement?

Mr. COPELAND. I remember that; yes.

Mr. VANDENBERG. The facts are, according to the report of the Tariff Commission, that only 14 per cent is used in farm lighting. That is a far different consideration.

Mr. COPELAND. Further, those figures were founded upon the average of past years, when automobile lighting used to be by carbide or acetylene.

Mr. BARKLEY. Mr. President, I think I made the statement to which the Senator from Michigan refers. What I stated, and what the Tariff Commission said, is that 50 per cent of the domestic consumption is used by farmers and miners—not farmers alone, but farmers and miners.

Mr. COPELAND. I am willing to leave the matter here. I hope the Senate will take a humane view, which means that this industry will be maintained, in order that employment may be continued.

Mr. HEFLIN. Mr. President, I have no desire to detain the Senate on the matter that is now before it. The rate in the law of 1922 is the rate that the House fixed—1 cent—and is the rate that the Senate, in Committee of the Whole, has fixed. I ask for a vote on it before I take up another matter.

Mr. HATFIELD. What is the vote on, Mr. President?

The PRESIDING OFFICER (Mr. FESS in the chair). The amendment will be stated.

The LEGISLATIVE CLERK. On page 7, line 1, before the numeral "1," the Senator from Wisconsin proposes to insert "one-half of."

Mr. GEORGE. Mr. President, I rise to inquire whether the yeas and nays were not ordered. I understood that they had been ordered on this amendment.

The PRESIDING OFFICER. The yeas and nays have already been ordered.

Mr. HATFIELD. I do not understand what the amendment is. Is this the amendment on carbide?

The PRESIDING OFFICER. It is.

Mr. HATFIELD. I wish to be heard.

Mr. President, carbide is a very interesting subject, both from an industrial and from a chemical point of view. At Spray, N. C., in 1892, in an effort to produce metallic calcium, by fusing limestone and petroleum coke in an electric furnace, the results of the experiment was a grayish stone which brought in contact with water gave off a white cloud gas with a peculiar odor. The next batch was allowed to cool naturally and then put in water, where it dissolved, and gave off a gas. The gas was bottled and sent to the laboratory of the University of North Carolina. It was found to be acetylene gas.

Its first attempted use was as a gas enricher in city gas service of Chicago, Ill.

The first carbide plant that met with any degree of success was developed at Sault Ste. Marie, Mich. It was the combined efforts of the Spray, N. C., and Chicago people. This experiment to supplement city gas was not successful.

The plant founded in 1896 has developed to a capacity of 90,000 tons yearly. A second one was developed at Niagara Falls, 1898. None of these plants were successful until the Horry type of furnace was developed in 1900.

The modern type furnace utilizes electrodes weighing several tons and using 20,000 horsepower, with a capacity of 50 tons of raw material.

The development of this industry came through the faith of the inventors and their financial supporters in its ultimate great outlay of money. In the beginning this industry was protected by a patent which expired in 1912. It was 10 years at least before this business got under way, as cheap electricity is indispensable.

There are eight carbide furnaces in America: Sault Ste. Marie, Mich.; Niagara Falls, N. Y.; Duluth, Minn.; Ivanhoe, Va.; Keokuk, Iowa (2 plants); Anniston, Ala.; and Bluefield, W. Va.

The yearly production in the United States is approximately 200,000 tons.

The Underwood bill placed carbide on the free list. The American companies transferred their business to Norway so it could compete with European production. Then the war changed the international picture, as it did in all other chemicals.

Had protection been continued on this industry, the West Virginia plant would have been developed many years ago.

When the present tariff law was under consideration in 1922, the Canadian carbide producers opposed the tariff on carbide. After the act went into effect, a Canadian company began the operation of a furnace at Keokuk, Iowa.

The development in this industry in the United States has been greatly accelerated by the Fordney-McCumber Act, there being five companies, all competitive. At no time, however, did the price reach the competitive heights attained by similar electrical-furnace products. The increase of war-time prices was the increased cost of coal, lime, transportation, labor, and so forth.

In 1922, during the debate on the present law, those who opposed the duty, the RECORD discloses, predicted greatly increased prices as a result of the duty.

The senior Senator from South Carolina asked the question, "If this protection is granted, what will its prices go to?" The price then was $112 per ton. The development and cost to consumer since that time is a most satisfactory answer to his interrogation.

It has steadily declined until the average is $90 per ton to-day.

Carbide, CaC_2.

Lime, 62½ per cent; coke, 37½ per cent.

Lime, 2 parts; coke, 1 part.

Two tons of lime. One ton of coke produces one ton of carbide.

Carbide fuses in the temperature of the electric arc between 5,000° and 6,000°.

The possible reason for the failure of the development of carbide before 1892 was because no sustained heat had been developed to combine these two basic elements that produce this commodity.

The development of calcium carbide was one of the first steps in creative chemistry.

It was the electrical furnace that made possible heat sufficient to fuse these two recalcitrants formed by chemical combinations in ages past.

The development of carbide is all American. The principle is thoroughly American.

In the present method of production there is a constant fusing as the material is fed into the furnace, not unlike the manufacturing of glass. When brought into contact with water a chemical change takes place, CaC_2 plus $2(H_2O)$ equals C_2H_2, or acetylene.

The first problem in the development of acetylene was to find a use for it so as to make its production profitable. The first 10 years of experimentation were largely given, by a great outlay of money, to an effort to produce cheap electrical energy. This did not develop to a point where it was financially a success.

Generators were finally developed by which acetylene could be used for house lighting, its first commercial use; then for motor car and bicycle lamps, by the use of dissolved acetylene in steel cylinders, in the charging of these cylinders, first by packing them with asbestos disks or diatomaceous earth, which is a pure lime of high absorptive qualities. The cylinder is treated with acetone which is absorbed by the disks, and acetylene is introduced under pressure.

As a result of this process, acetylene may be safely shipped all over the country.

This development made possible oxy-acetylene welding, with which many are familiar. A minute stream of acetylene and oxygen are brought together and ignited, forming a practical, usable high temperature unit which accomplishes either cutting or welding.

While I was a member of the State Senate of West Virginia this process of cutting or welding of metal substances was exhibited in a local theater as a curiosity in 1909 by Mr. Shank, a very wealthy and prominent citizen of Wheeling, W. Va., who was the demonstrator of the welding power of acetylene by the use of oxygen, which was stimulated by the great discovery made possible by American ingenuity.

Acetylene is one of two endothermic gases known to science. The other one is cyanogen, which on account of its highly poisonous character can not be used for cutting or welding purposes. The proper temperature for the procedure is from 4,000° to 5,000°, made possible only by acetylene. When this temperature is reached the cutting process continues by the use of oxygen alone.

Welding by acetylene first came into prominence during the war when it was used for repairing the engines of the damaged German vessels which had been taken over at the beginning of the war. As we remember, the cylinder heads of the engines had been smashed and the machinery generally demolished. It was thought that the equipment could not be repaired without great delay, if at all. Acetylene welding did the complete job within three months, and after the Navy Department had performed this marvel, the ships were used for transporting our soldiers to the front.

In addition to this accomplishment, the mine barrage which the American Navy laid from Norway to Scapa Flow was made possible by tanks manufactured by acetylene welding. During the war guns that were put out of commission could be repaired on the scene of action by portable repair shops on motor trucks designed by the Ordnance Department.

To-day every automobile repair shop has its own acetylene outfit for repairing numerous damaged parts of motor cars. All railroads are equipped with it. It is indispensable to every miner.

The saving to industry by the use of oxy-acetylene welding in making usable damaged or broken equipment which was useless before the process was discovered, runs into countless millions of dollars a year.

In the development of aliphatic chemicals, which we discussed here yesterday, carbide is the basic material. A great many of these elements present themselves in the way of catalysis, being derivative chemicals.

The following are synthetic organic chemicals—the aliphatic series—derived from acetylene gas:

Acetaldehyde, acetaldol, acetic acid, crotonaldehyde, "niatan," paraldehyde, and paraldol.

These industrial uses for carbide have become of major importance. Carbide is the important base product and the one that must be protected. The earlier use of carbide for house lighting now consumes only 14 per cent of the carbide produced, 86 per cent going into industrial uses.

It is necessary that the production of this commodity remain within the United States. Acetylene is a basis for acetic acid, which, when used with cotton linters, produces the well-known rayon. The development of carbide and rayon must therefore go hand in hand.

Welding by acetylene is now used in laying hundreds of miles of pipe lines, making it possible to bring oil and gas from the great fields in Texas, Oklahoma, and Arkansas to the seaboard more speedily and economically than can be accomplished by any other method.

When carbide was under discussion in October last in the Senate it was shown that the average cost of production was $58, and that the average European production cost was $29.50 per ton. The variations responsible for these different costs are as follows:

HYDROELECTRIC POWER

United States: Lowest rate (on old contracts), $20 per horsepower-year. Usual current prevailing rates, $25 to $35 per horsepower-year.

Canada: Lowest power costs, $6 to $8 per horsepower-year. Contract rates, $12 to $15 per horsepower-year.

Norway: Unlimited power available at $6 to $8 per horsepower-year (on deep water).

Rates throughout other European countries, $6 to $15 per horsepower-year.

Average production, 2 tons of carbide per horsepower-year.

LABOR

United States: Unskilled, $4 to $6 per day; skilled, $6 to $10 per day; technical, $3,000 to $10,000 per year.

While there is not a great difference in Canadian labor cost, it will vary somewhat as follows:

Canada: Unskilled, $2.50 to $4 per day; skilled, $4 to $6 per day; technical, $2,000 to $5,500 per year.

Norway: Unskilled, $1.50 to $2 per day; skilled, $2 to $3 per day; technical, $1,500 to $3,000 per year.

Europe generally: Unskilled, 80 cents to $1.50 per day; skilled, $2 to $2.50 per day; technical, $1,000 to $2,500 per year.

OTHER COSTS

Primary investment in plant, plant maintenance, replacement, and all electric furnace equipment, electrodes, and steel shipping drums are all proportionately higher in the United States.

COST OF INGREDIENTS OF CARBIDE

Coke: United States (special grade used for carbide), $9 per ton; Germany, $5.76 per ton.

Lime: United States, $6.75 per ton; Germany, $3.30 per ton.

EXPORTS AND IMPORTS OF CALCIUM CARBIDE

IMPORTS

In 1928, according to United States Government statistics, imports of carbide into the United States were 2,527,215 pounds.

EXPORTS

The figures given to the Tariff Commission for verification were 336 tons shipped in 1928 to countries over seas, not including our possessions and adjacent countries like Mexico.

The other figures on exports which were cited by opponents of the duty last October were chiefly as to carbide made in Canada and shipped in bond through the United States.

As to why we are unable to export carbide, see attached letter from the United States Department of Commerce representative in Mexico, which shows the price at which foreign nations sell carbide there:

Prices of carbide, Mexico, 1928
(American currency)

	Per ton
From Italy	$39.76
From Holland	44.10
From Poland	44.39
From France	51.33
From Germany	80.81

In 1921, when the present tariff law was being considered, the American producers told the committees of Congress that if carbide was not adequately protected, they would be forced against their desires to go to foreign countries to make their carbide.

Since the establishment of the 1922 rate of 1 cent a pound all these producers have increased their domestic production. Foreign manufacturers have come to the United States and built plants here, utilizing American labor and American materials.

The business has grown, competition has increased, and the price has been greatly lowered. Surely these producers, who employ thousands of American workmen, have kept their faith with the American people and this business should be kept in the United States.

In response to an interrogation made by the junior Senator from Kentucky [Mr. ROBSION] a while ago, I stated the amount that was paid annually by this industry to American labor.

I was very greatly impressed with the statement made by the senior Senator from Nebraska [Mr. NORRIS] in referring to the carbide industry as being a part and parcel of the great hydroelectric combination of this country.

I wish to say to this body that during my 17 years of public service to the State of West Virginia, beginning in the State senate of that State, that during that period the State of West Virginia reclaimed her streams, her beautiful rivers, six of which take their origin in a mountain formed by three counties that have an elevation of 4,860 feet, and from those rivers, some of which empty into the Chesapeake Bay and others into the Ohio River, we have water-power possibilities that are almost unlimited, and all that is necessary to develop it is a sufficient amount of capital to harness this power. Without men who are willing to risk their fortunes to build these towering structures in the way of dams, West Virginia will remain in the future as she has largely been in the past a State producing raw materials.

The West Virginia Legislature, when I was a member of it, reclaimed these wonderful rivers, and dedicated them to the State. They are in the control of that State, and for 17 years I have opposed the Water Power Trust in West Virginia and have helped with my influence and my vote to save this great natural resource to my native State and to its people.

I ask to have printed as a part of my remarks some statistics I have prepared.

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

CALCIUM CARBIDE STATISTICS

FREIGHT

The freight on carbide to any port in the United States from Europe, from any plant in the United States to any port in the United States. This freight differential favoring European production ranges from $1 to $10 per ton.

* * * * * * *

The cost of producing calcium carbide in what would be the chief competing European plants is generally conceded to be about half the cost of producing in the United States.

DOMESTIC SALES PRICES

Range from $90 to $96 per ton, depending on quantity and location. This price, however, includes freight from plant to user, warehousing, and delivery charges.

The large tonnage of carbide is now used by chemical plants. European competition would seek only these large users, that part of the domestic industry which owns foreign plants would be compelled to make carbide in its foreign plants to meet the European costs.

With all these factors of higher United States costs, the present duty of 1 cent per pound is a very low rate. The beneficial effect is shown in the maintenance of prices lower than the average prevailing prices during the entire time carbide was on the free list, and lower than the price in 1922 when the existing tariff law was being debated in the Senate. Justified criticism has been made in the Senate and has appeared in the press of American companies with foreign plants and production who seek lower tariffs so they may import from these plants in greater volume in competition with American labor. American companies producing carbide in the United States also own plants in other countries which produce for foreign trade. They do not seek to import this foreign carbide into the United States. They do not want to be compelled by a lowering of the tariff in the United States to use this foreign production at foreign costs to compete with foreign production of foreign companies in the American market.

Here is an industry with plants, both in the United States and abroad, which seeks to retain the present tariff to keep its $4,000,000 pay roll in the United States.

Due to the higher labor, power, and material costs, American manufacturers can not compete in the markets of the world against carbide produced in Canada and continental Europe. European nations are able to and do undersell American manufacturers in the export markets, to the effect that no carbide made in the United States is exported.

REDUCTION IN DUTY MEANS TOTAL ABANDONMENT OF AMERICAN PLANTS

The direct pay roll paid to American labor every year in the production and distribution of carbide is approximately $4,000,000. It is the desire of this industry to keep this pay roll in the United States, where the market for the final products of the United States carbide industry lies. Unlike most manufacturing operations, the operation of an electric furnace in which carbide is made either runs to capacity or stops entirely. Any diminution in tariff duty which lessens the protection against foreign competition whereby foreign carbide can undersell the American product in the American market will not mean the gradual diminution of the carbide industry; it will mean a total cessation of production in the United States and the transferring of the industry to those foreign countries where the costs are much lower. The smaller manufacturer in America will thus be eliminated. The larger American manufacturers will be forced to abandon production here and make carbide in their foreign plants so as to be on a parity with foreign competitors.

Mr. HATFIELD. When I stand before this body and before you, Mr. President, and advocate the continuation of this tariff rate I do so feeling that if it is accomplished and the Senate permits the rate to remain as it is, West Virginia will be the recipient of one of the great industries in the country, which will mean an expenditure within the confines of that Commonwealth of an amount aggregating more than $100,000,000. I hope that it will be the pleasure of the Members of this body to vote against the amendment offered by the Senator from the State of Wisconsin [Mr. LA FOLLETTE]. I feel that in doing so they will do a great favor to a great industry. They will continue labor in employment at a wage which is worthy of their hire. They will prevent, no doubt, the transferring of the activities of this industry to Norway, to Canada, and to other countries where labor is willing to work for a smaller stipend per day, where electrical energy produced from water power is very much cheaper than is to be found anywhere in the United States.

Mr. President, I wish to say in conclusion to my friend, the Senator from Nebraska [Mr. NORRIS], far be it from me to enter into or support a principle which would have for its purpose the control of the water-power rights and privileges of the State of West Virginia.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Wisconsin.

Mr. FESS. Mr. President, I promised a Senator who is not now present that at the conclusion of the speech of the Senator from West Virginia [Mr. HATFIELD] I would make the point of no quorum. Therefore 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:

Allen	Frazier	La Follette	Shortridge
Ashurst	George	McCulloch	Smoot
Baird	Glenn	McKellar	Steck
Barkley	Goldsborough	McMaster	Steiwer
Black	Grundy	McNary	Stephens
Blaine	Hale	Metcalf	Sullivan
Borah	Harris	Norbeck	Swanson
Bratton	Harrison	Norris	Thomas, Idaho
Brock	Hastings	Nye	Thomas, Okla.
Capper	Hatfield	Oddie	Trammell
Connally	Hawes	Patterson	Vandenberg
Copeland	Hebert	Phipps	Wagner
Cutting	Heflin	Pine	Walsh, Mass.
Dale	Johnson	Robinson, Ind.	Walsh, Mont.
Dill	Jones	Robsion, Ky.	Waterman
Fess	Kean	Schall	Watson
Fletcher	Keyes	Sheppard	

The VICE PRESIDENT. Sixty-seven Senators have answered to their names. A quorum is present. The question is

on agreeing to the amendment proposed by the Senator from Wisconsin, on which the yeas and nays have been ordered.

Mr. DILL. Mr. President, let us have the amendment stated.

The VICE PRESIDENT. The amendment will be reported.

The LEGISLATIVE CLERK. In paragraph 16, page 7, line 1, the Senator from Wisconsin [Mr. LA FOLLETTE] proposes to insert the words "one-half of" before the numeral "1," so it will read:

Calcium carbide, one-half of 1 cent per pound.

The VICE PRESIDENT. The yeas and nays having been ordered, the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. McNARY (when his name was called). On this vote I have a pair with the senior Senator from Michigan [Mr. COUZENS]. If present he would vote "nay," and if I were permitted to vote I would vote "yea."

Mr. METCALF (when his name was called). I have a general pair with the Senator from Maryland [Mr. TYDINGS]. Not knowing how he would vote, I withhold my vote.

Mr. THOMAS of Idaho (when his name was called). On this vote I have a pair with the Senator from Montana [Mr. WHEELER]. If he were here and voting, he would vote "yea." If I were at liberty to vote, I would vote "nay."

Mr. THOMAS of Oklahoma (when his name was called). On this question I have a general pair with the senior Senator from West Virginia [Mr. GOFF]. I understand if he were present he would vote "nay." Were I permitted to vote, I would vote "yea."

The roll call was concluded.

Mr. GLENN. I have a general pair with the junior Senator from South Carolina [Mr. BLEASE]. I understand that if present, he would vote as I shall vote. Being at liberty to vote, I vote "nay."

Mr. METCALF. I transfer my pair with the Senator from Maryland [Mr. TYDINGS] to the junior Senator from Connecticut [Mr. WALCOTT] and vote "nay."

Mr. WATSON (after having voted in the negative). I transfer my pair with the Senator from South Carolina [Mr. SMITH] to the Senator from Delaware [Mr. HASTINGS] and permit my vote to stand.

Mr. STECK. I have a pair with the senior Senator from New Hampshire [Mr. MOSES]. I understand that on this question he would vote the same as I shall vote. Therefore I vote "nay."

Mr. GEORGE. I wish to announce that the Senator from North Carolina [Mr. SIMMONS] has a general pair with the Senator from Massachusetts [Mr. GILLETT]. The Senator from North Carolina [Mr. SIMMONS] is necessarily absent.

Mr. THOMAS of Oklahoma. I transfer my pair with the Senator from West Virginia [Mr. GOFF] to the junior Senator from Arizona [Mr. HAYDEN] and vote "yea."

Mr. WATSON (after having voted in the negative). I hitherto announced the transfer of my pair with the Senator from South Carolina [Mr. SMITH] to the Senator from Delaware [Mr. HASTINGS]. The Senator from Delaware [Mr. HASTINGS] has since appeared and voted. I therefore transfer my pair with the Senator from South Carolina [Mr. SMITH] to the Senator from New Hampshire [Mr. MOSES] and let my vote stand.

Mr. McKELLAR (after having voted in the affirmative). I transfer my pair with the Senator from Delaware [Mr. TOWNSEND] to the Senator from Nebraska [Mr. HOWELL], and let my vote stand.

Mr. FESS. I desire to announce the following pairs:

The junior Senator from Maine [Mr. GOULD] with the junior Senator from Utah [Mr. KING];

The junior Senator from Vermont [Mr. GREENE] with the junior Senator from Arkansas [Mr. CARAWAY];

The senior Senator from Massachusetts [Mr. GILLETT] with the senior Senator from North Carolina [Mr. SIMMONS];

The senior Senator from Minnesota [Mr. SHIPSTEAD] with the senior Senator from Wyoming [Mr. KENDRICK];

The senior Senator from Illinois [Mr. DENEEN] with the junior Senator from North Carolina [Mr. OVERMAN]; and

The senior Senator from Louisiana [Mr. RANSDELL] with the junior Senator from Iowa [Mr. BROOKHART].

The senior Senator from Connecticut [Mr. BINGHAM] with the junior Senator from Virginia [Mr. GLASS].

If present, the junior Senator from Maine [Mr. GOULD], the senior Senator from Vermont [Mr. GREENE], the senior Senator from Massachusetts [Mr. GILLETT], the senior Senator from Wyoming [Mr. KENDRICK], the senior Senator from Illinois [Mr. DENEEN], and the senior Senator from Louisiana [Mr. RANSDELL], would vote "nay"; and if present, the junior Senator from Utah [Mr. KING], the junior Senator from Arkansas [Mr. CARAWAY], the senior Senator from North Carolina [Mr. SIMMONS], the senior Senator from Minnesota [Mr. SHIPSTEAD], the junior Senator from North Carolina [Mr. OVERMAN], and the junior Senator from Iowa [Mr. BROOKHART], would vote "yea."

I also desire to announce that the senior Senator from Pennsylvania [Mr. REED] has a general pair with the senior Senator from Arkansas [Mr. ROBINSON].

The result was announced—yeas 25, nays 39, as follows:

YEAS—25

Barkley	Fletcher	McKellar	Swanson
Borah	Frazier	McMaster	Thomas, Okla.
Bratton	George	Norbeck	Walsh, Mass.
Capper	Harris	Norris	Walsh, Mont.
Connally	Harrison	Nye	
Cutting	Johnson	Sheppard	
Dill	La Follette	Stephens	

NAYS—39

Allen	Grundy	McCulloch	Smoot
Ashurst	Hale	Metcalf	Steck
Baird	Hastings	Oddie	Steiwer
Black	Hatfield	Patterson	Sullivan
Brock	Hawes	Phipps	Trammell
Copeland	Hebert	Pine	Vandenberg
Dale	Heflin	Robinson, Ind.	Wagner
Fess	Jones	Robsion, Ky.	Waterman
Glenn	Kean	Schall	Watson
Goldsborough	Keyes	Shortridge	

NOT VOTING—32

Bingham	Gillett	King	Shipstead
Blaine	Glass	McNary	Simmons
Blease	Goff	Moses	Smith
Brookhart	Gould	Overman	Thomas, Idaho
Broussard	Greene	Pittman	Townsend
Caraway	Hayden	Ransdell	Tydings
Couzens	Howell	Reed	Walcott
Deneen	Kendrick	Robinson, Ark.	Wheeler

So Mr. LA FOLLETTE'S amendment was rejected.

Mr. LA FOLLETTE. Mr. President, I ask unanimous consent to have printed at this point in the RECORD the yea-and-nay vote which was taken on this question as in Committee of the Whole. It is found on page 4821 of the RECORD of October 23, 1929.

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

The vote referred to is as follows:

Yeas—37: Ashurst, Barkley, Blaine, Borah, Brookhart, Capper, Caraway, Connally, Cutting, Dill, Fletcher, Frazier, George, Glass, Harris, Harrison, Hayden, Howell, Johnson, Jones, King, La Follette, McKellar, McMaster, McNary, Norbeck, Norris, Nye, Overman, Pine, Sheppard, Simmons, Swanson, Thomas of Oklahoma, Walsh of Massachusetts, Walsh of Montana, and Waterman.

Nays—42: Allen, Bingham, Black, Blease, Brock, Broussard, Copeland, Couzens, Edge, Fess, Gillett, Glenn, Goff, Goldsborough, Gould, Greene, Hale, Hastings, Hatfield, Hawes, Hebert, Heflin, Kendrick, Moses, Oddie, Patterson, Phipps, Pittman, Ransdell, Schall, Shortridge, Smoot, Steck, Steiwer, Thomas of Idaho, Townsend, Trammell, Vandenberg, Wagner, Walcott, Warren, and Watson.

Not voting—16: Bratton, Burton, Dale, Deneen, Kean, Keyes, Metcalf, Reed, Robinson of Arkansas, Robinson of Indiana, Sackett, Shipstead, Smith, Stephens, Tydings, and Wheeler.

The VICE PRESIDENT. The next reserved amendment will be stated.

The LEGISLATIVE CLERK. The next reserved amendment is in the paragraph relative to casein, paragraph 19, page 7, line 12. The Senate as in Committee of the Whole struck out 2½ cents and inserted 5½ cents.

The VICE PRESIDENT. The question is on concurring in the amendment.

Mr. COPELAND. Mr. President, I desire to make the duty 8 cents a pound. How shall I proceed in order to do that?

The VICE PRESIDENT. It will be in order for the Senator from New York to propose such an amendment.

Mr. COPELAND. Then, I move that the rate of duty on casein be made 8 cents.

The VICE PRESIDENT. The question is on agreeing to the amendment proposed by the Senator from New York.

Mr. COPELAND. Mr. President, every great city in America is interested in the welfare of the dairy industry. Unless there can be an abundance of milk, sold at a reasonable price, there will be suffering and a high death rate.

I am much concerned over the welfare of the dairy industry. If my friend, the junior Senator from Montana [Mr. WHEELER] were present, he would say that this is because it is a New York industry. I am interested in the industry because it is a New York industry, but I am interested in it because it is an American industry. I am well aware that unless it prospers there will ultimately be a shortage of fluid milk. Then the cities and towns will suffer.

I had occasion some years ago to deal with the problem of a shortage of milk. I assure you it is an unhappy experience.

There are consumed in the city of New York nearly 4,000,000 quarts of milk every day. An enormous quantity of milk is necessary to supply that city. While the amount required at

the time I have referred to was not so great as it is now, yet it was very large then; at least 2,000,000 quarts being required every day.

My friend from Florida [Mr. FLETCHER] asks what the consumption per capita is.

In New York City it is something over one pint per capita per day. A community is not really civilized until the consumption is one quart per capita per day. So we are a little over 50 per cent civilized in New York, but we have progressed further than have most communities.

The milk industry in my State was much distressed because of the unevenness of the flow of milk. In the flush season there was an oversupply, but in the winter season there was not enough. It became a matter of great concern to those of us who had anything to do with the problem to find some way to encourage the farmers to continue to raise cattle for the production of fluid milk. Very little progress was made of a substantial nature until the organization by the milk producers in New York State and in northeastern United States of the Dairymen's League, a great cooperative now consisting of about 60,000 members. This organization covers the whole milkshed which contributes to the supply of New York City and to a great extent of Boston. New York City receives milk from six States and from the Dominion of Canada. It receives cream from almost half the States of the Union.

It was not until the organization of the Dairymen's League that there was any prospect of an unlimited supply and uniform quality of milk. The farmers who came together in that organization have demonstrated to farmers everywhere in the world how well a cooperative may work. One reason why, during the years I have been in the Senate, I have been enthusiastic about farm cooperatives is because of what I have observed with reference to that particular cooperative.

The Dairymen's League has gone on until now not only do the members of the organization consult together about how their welfare may be promoted, but also this cooperative has purchased creameries, country milk stations; they have city milk stations; they are even distributing milk in New York City, and I think in other communities. Because of the necessity of having a uniform flow of milk the wisdom of the league reached the point of advising its members to have their cows freshen not alone in the springtime but to arrange to have numbers of them freshen in the fall. Through the activity of this organization there is now afforded New York City a very fine supply of pure milk. But, Mr. President, no matter how well organized the activities of such a group may be, it will be a long time before there is that uniform flow and supply of milk necessary to the supply of the communities where it is distributed. In the springtime and early summer when the meadows are lush there is an oversupply of milk, and then comes the problem of disposition of the surplus. The problem of a surplus is not confined alone to wheat or corn; it confronts this industry—what to do with the surplus of milk? The Dairymen's League has met that problem.

A farmer member of the league is guaranteed that all of his milk shall be taken. So the organization takes all the milk offered to it by its members, and in the flush season in the milk stations the cooperative not only receives milk but manufactures the surplus. It is made into butter, cheese, and casein, and there is also as incidental to the operations of the cooperative, the sale of ice cream and cottage cheese. Here, however, is a product—skimmed milk—of which there is always a surplus.

I listened with great interest to the 2-day speech of the Senator from Wisconsin [Mr. BLAINE]. He discussed this problem of casein intelligently and convincingly. He did not reach quite the same conclusion which I have reached. He expressed the opinion that the proposed rate of 5½ cents was sufficient to give protection to the industry. Of course, in his State—which, next to New York, is the greatest producer of casein—the problem is not relatively quite the same as it is in my State. The surplus in his State is used largely for making cheese, which absorbs the casein; but no matter how the milk industry is conducted there is and will continue to be a great surplus of skimmed milk.

There are several reasons for this; not alone the reason I have mentioned, that in the flush season the surplus must be taken care of, and in making butter the skimmed milk is left and is converted into casein. That is one thing that must be faced. Then, in the next place, there is a great demand in the cities for cream, and the carriage is so expensive in transporting fluids in 85-quart cans that the skimming is done, of course, before the product leaves its source of origin. The valuable cream, which is sold at a great price—if I remember correctly, about $25 or $28 a can—is shipped great distances. It comes from the West, from Wisconsin, from Illinois, even from Minnesota, into our market.

Likewise, in our city, where we have a large Jewish population, there is a great demand for sour cream. Most of us, with our dietary habits, do not take sour cream; but with the Jewish population sour cream is a favorite dish, as it is with all eastern peoples. If you have ever gone into a Russian restaurant, you have been served with what in my country we call "pancakes"—wheat-flour pancakes—upon which is placed a heaping tablespoonful of caviar, and then there is poured over that sour cream. I do not know how that dish appeals to my friend from Florida [Mr. FLETCHER], but I assure him that it is delicious.

In the eastern European countries sour cream is a common article upon the table. The transplanted customs of these peoples have created a great demand in New York for sour cream.

Mr. SMOOT. Mr. President, will the Senator yield for a minute?

Mr. COPELAND. I yield.

Mr. SMOOT. I ask unanimous consent that at the conclusion of to-day's session the Senate take a recess until 11 o'clock to-morrow morning.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

Mr. COPELAND. The Senator from Utah is very wise to make that motion now, but I shall certainly quit by 10 o'clock.

Mr. WALSH of Massachusetts. Mr. President, I hope the Senator will find an early opportunity to recess. We are all very tired and nobody, possibly, is more worn out than the Senator from Utah. Of course, I appreciate that the great victory which he has achieved to-day makes him feel light-hearted and happy and cheerful; but he has been through a big strain, even on that. I hope, therefore, it may be possible to find an early hour for recess.

Mr. SMOOT. There are only 2 hours and 25 minutes left.

Mr. COPELAND. Let not my friend from Massachusetts be distressed or downhearted. It is true that the Senator from Utah has won a great victory; but the vote upon sugar to-day will mean the retirement from the Senate of several of our colleagues.

Mr. BARKLEY. Mr. President, I hope the Senate will not adjourn until it has finished ultramarine blue.

Mr. COPELAND. That would be a very appropriate subject to use as the grand finale of this session—the ultramarine blues. [Laughter.]

Mr. WALSH of Massachusetts. Mr. President, I hope the Senator has not any fear about the retirement of any Democratic colleagues of his. I am sure there is one on his left [Mr. ASHURST] whom he would not want to retire.

Mr. COPELAND. I should be extremely sorry if the Senator on my left—the ever-charming and sweet colleague of ours representing ably his great State of Arizona—should retire, even though he did vote, from the standpoint of the Senator from Massachusetts and myself, wrongly on sugar to-day.

Mr. SMOOT. I do not think the Senator need worry about the Senator from Arizona nor any of the others.

Mr. COPELAND. If the Senator for a moment thinks I am worrying about it, he is very much mistaken. I never was freer from worry in my life than I am at this moment.

Let us see where we were.

Mr. WALSH of Massachusetts. The Senator was talking about casein.

Mr. COPELAND. Let me say to my friend from Massachusetts that if this were a food product, I would not be here asking for an increase in rates. I want to say further that the people of Massachusetts have had a valiant champion upon the floor of the Senate; and when, next fall, they have occasion to buy the necessities of life and pay an increased price, they will know that their able Senator did his best to keep these prices where they belong. But this casein, let me say to my friend, is not a food product. It is not used for food. The casein I am talking about is used in coating paper and in bringing plywood together, in the nature of a glue.

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

The VICE PRESIDENT. Does the Senator from New York yield to the Senator from Michigan?

Mr. COPELAND. I yield.

Mr. VANDENBERG. I think the Senator is mistaken. That is not the casein he is talking about, because there will not be any of it used for those purposes if the duty is put at 8 cents.

Mr. COPELAND. Yes; I read the speech of the Senator. I am well aware of what he said. I am going to refer to it pretty soon. I am going to speak about how his paper mills are going to close up because this amendment will add half a cent a pound to the price of paper. It is terrible. I feel sorry for the Senator and all the interests he represents.

So, because of the fact that both skimming milk for cream and making butter create large quantities of skimmed milk, we have that great surplus with which to deal. I am sorry that people generally do not realize the food value of skimmed milk. If I had occasion to speak to any of the fair sex who were inclined to be overweight, or thought they were overweight, I should say, "Take skimmed milk instead of whole milk." The skimmed milk has all the mineral values and all the protein values of whole milk, and it lacks the cream, the fat, that part which is fatal to the willowy form.

But anyhow, Mr. President, there is a very great surplus of skimmed milk. If that product could be used in a way to increase the income of the farmer, it would mean much to his financial welfare.

I know that the Senator from Wisconsin [Mr. BLAINE] pointed out that the unattached and independent farmer would not be likely to prosper much even though casein is put at 8 cents a pound. I think that must be granted. Where there are cheese factories or butter factories or country milk stations where milk is gathered by corporations, by commercial institutions, of necessity those corporations would make the money, and perhaps the farmer would not profit. But where the cooperatives are found—and that is everywhere now—there can be no doubt that to place a higher rate upon casein would mean that the income of the cooperatives would be materially increased.

We produce about 10,000,000,000 pounds of skimmed milk annually, according to the Department of Agriculture. A representative of that department testified before the Tariff Commission and made that statement. All this is capable of being made into valuable casein.

We bring in from Argentina tremendous quantities of casein. I find, for instance, that in 1916 there was, in round numbers, a production of about 8,000,000 pounds in the United States, and the imports of casein amounted to 10,000,000 pounds. From year to year the production in our country has increased up to about 14,000,000 pounds in 1919. In the same year from abroad came 17,000,000 pounds. In 1920 we had a home production of 10,000,000 pounds, and the imports were 21,000,000 pounds. There has been practically no change from 1919, when the home production amounted to 18,000,000 pounds. By 1927, however, the imports were 24,000,000 pounds. So, with a total production of 42,000,000 pounds, only 43 per cent came from the domestic supply.

Where do these imports come from? Largely from the Argentine. Down there there is very little demand for whole milk, and the only use there is for skimmed milk is in feeding the calves. No butter is sent from there. Consequently, practically all of their milk is put into the form of casein, and from Argentina alone, starting in 1922, there came to the United States 12,000,000 pounds of casein. This was increased until in 1926 it was 23,000,000 pounds, and in 1928 it was 21,000,000. A comparatively small amount comes in from France, very little from Germany, some from Great Britain. As you see, almost all of the imports of casein are from the Argentine.

I do not need to remind Senators that there is a great difference between the cost of preparing and manufacturing in the Argentine and the United States. The Tariff Commission made some investigation of this subject and took Kalamazoo, Mich., as the point to determine the value of casein. It took that point because that was a place where large paper mills are found and because it represents about the center of the distribution of casein which is brought from outside the country and from New York and Wisconsin.

According to the figures, I find that the American casein laid down at Kalamazoo would cost 6.03 cents, a little more than 6 cents a pound. The price of the casein from Argentina laid down there would be 5.61, a little more than 5 cents.

The Tariff Commission pointed out that these figures do not tell the whole story; that skimmed milk in our country has a value as a food for animals. It is fed to the cattle and the hogs and the chickens, so that it has a money value. The Tariff Commission thought a hundred pounds of skimmed milk was about equal to half a bushel of corn.

Mr. VANDENBERG. Mr. President, what is the Tariff Commission report from which the Senator is reading?

Mr. COPELAND. I am quoting from the speech of the junior Senator from Wisconsin [Mr. BLAINE], who referred to this in his speech. The subject was investigated by the Tariff Commission. Perhaps I had better be a little more explicit than that.

Mr. VANDENBERG. Mr. President——

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

Mr. COPELAND. I yield.

Mr. VANDENBERG. The only reference I have to the Tariff Commission is in its letter to the President on March 15, 1926, in which it said:

> In its judgment no findings of fact pointing to any change in the rate of duty on casein are warranted by the data which it has been found possible to secure in its investigation of the cost of production of this product in the domestic and foreign fields.

Mr. COPELAND. That is correct. That is the same report, which was not wholly favorable to the thesis which I am presenting.

Mr. VANDENBERG. Not wholly favorable? It is wholly hostile.

Mr. COPELAND. Perhaps so, but if the Senator will be patient—and we have ample time—I will try to develop my thought, and then perhaps, while he will not be convinced, he will see that there is another side to the argument.

Anyhow, friendly or hostile, it was pointed out by the Tariff Commission that in this country skimmed milk has a certain food value for animals.

As I said, a hundred pounds of skimmed milk was considered equal to half a bushel of corn. So, without considering interest or selling cost or refining cost, the cost of production, including this diversion of the skimmed milk from animal feeding, the total cost of production put down at Kalmazoo for American casein, was $0.1073, 10 cents plus, and for the Argentine casein about half as much, $0.0561.

The junior Senator from Wisconsin in his argument used these figures to justify a rate of 5 cents. The difference between $0.1073 and $0.0561 is the difference of 5.12 cents a pound—that is, about 5⅛ cents a pound—which, as the Senator from Wisconsin pointed out, is the difference between the cost of the American casein and Argentine or other foreign casein. That, of course, gives no protective duty; that is simply the difference in the cost of production.

My feeling is that the 5½ cents provided by Senator BLAINE'S amendment is not a sufficient amount to profit the farmers of the United States very much.

The argument familiarly put forward against the American casein is that it is an inferior product, that it is not equal to the Argentine product. I know enough about milk and cows to know that it makes no difference where they are raised—milk is milk. The reason why the Argentine product some years ago was considered superior to the American product was because America had not yet progressed far in the preparation of casein. Now it is agreed on all hands, so far as I know, that American casein is as good as Argentine casein.

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

Mr. COPELAND. I yield.

Mr. VANDENBERG. I do not want to continue to interrupt the Senator, but it is not thus acknowledged on all hands. It is a very definitely controverted point. My distinguished friend the Senator from Nebraska [Mr. HOWELL] will insist that casein from California and certain other points is better than Argentine casein. The paper mills of Michigan will tell us that they can not use the domestic casein. At least it is not true, as the Senator from New York has just stated, that there is no further argument on the subject.

Mr. HOWELL. Mr. President, will the Senator from New York yield to me?

Mr. COPELAND. I yield.

Mr. HOWELL. May I ask the able Senator from Michigan if he can tell us why American cottage cheese shredded and dried is not as good as Argentine cottage cheese shredded and dried?

Mr. VANDENBERG. If the Senator will tell me why paper makers are perfectly willing, although hard pressed for profits, to pay more for Argentine casein than for American casein, he will answer his own question.

Mr. HOWELL. I call attention to the fact that they are not paying more.

Mr. COPELAND. The prices are identical.

Mr. HOWELL. I thought I had in my hand the quotations of the last three or four months of last year. During that period Argentine casein sometimes was even lower in price than American casein.

Mr. VANDENBERG. Mr. President, I certainly do not care to reopen the entire casein argument, and I did not intend to precipitate it by interrupting the Senator from New York. I content myself on this particular point with saying that I have in my desk letters from practically every coated-paper maker in the Middle West stating that they are now paying more for Argentine casein than for domestic casein. That is the source of my information.

Mr. COPELAND. Mr. President, in order that I may settle this dispute, I will give the facts.

Mr. VANDENBERG. That will be a novelty.

Mr. COPELAND. That will be an unusual thing in the Senate, I admit.

Mr. President, on that point I submit the following table:

Prices of casein; cents per pound

(Car lots, f. o. b. New York)

Date	20-30 mesh		80-100 mesh	
	Domestic	Imported	Domestic	Imported
Jan. 6, 1930	14½-15	14½-15	15-15½	15-15½
Jan. 13, 1930	14½-15	14½-15	15-15½	15-15½
Jan. 20, 1930	14½-15	14½-15	15-15½	15-15½
Jan. 27, 1930	14½-15	14½-15	15-15½	15-15½

That utterly disposes of the argument put forth by the able Senator from Michigan. The prices are identical. Of course, if we want to go into conditions which prevailed before the Civil War, or even 8 or 10 years ago, there is no doubt it can be shown that Argentine casein was superior. But I am too much of a patriot, too loyal to the Stars and Stripes to believe that anybody in the Argentine can continue long to do anything better than the American can do it. I am sure the Senator from Michigan does not want to be so unpatriotic as to suggest the possibility that there could be any superior article made anywhere, after a little experience had been gained in any industry.

Mr. WALSH of Massachusetts. Mr. President, will the Senator yield to me?

Mr. COPELAND. I yield.

Mr. WALSH of Massachusetts. Whatever dispute there is as to the relative value of domestic and imported casein when used in the coating of paper, it seems to me the overwhelming evidence is to the effect that the imported casein is very much superior to the domestic in making glue. To be sure, glue is not produced in any such quantity as coated paper is, and therefore the casein that is used in the making of glue is not very great.

I will say to the Senator from New York that I had glue manufacturers shedding tears in my office over this duty on casein, stating that they would be compelled to import casein and pay whatever duty was levied here. I concede the dispute about the relative value of casein imported and domestic casein in connection with the coating of paper. I concede there is a fair dispute. Of course, the information I got when I interviewed the paper manufacturers is that the imported is superior and that they must have it. But in the case of glue there can not be any dispute. It has been tried and tried, and even the Government officials in prescribing the kind of glue that must be used in the making of furniture specify casein that is imported, not using the term "imported," but the tests they have made of different glues indicate that the glue containing the imported casein is preferable.

Mr. COPELAND. Mr. President, if my friend from Massachusetts talked to me about what kind of leather should go into shoes or what kind of cotton ought to be used in the manufacture of clothing and a lot of other problems going into the realm of technology, I would say I do not know. But I should like to have him or some one else tell me what there is different chemically or physically between the milk of a cow drawn in New York and the milk of a cow drawn in the Argentine.

Mr. WALSH of Massachusetts. I do not think there is any difference.

Mr. COPELAND. No; there is none.

Mr. WALSH of Massachusetts. It is quite apparent that the debate is going to last some time, well into to-morrow and the next day. May I ask the Senator if he will not telegraph to the furniture manufacturers in his great State, and there are many of them there, and let them tell him about glue and about the kind of casein that is required to make good glue to be used in the sealing together of the parts of furniture?

Mr. COPELAND. Once more, if I were asked to tell what kind of paper should be put into a book or how to bind a book or how to make a chair, I would say I do not know; but I do know something about the chemistry and the physics of milk.

Mr. WALSH of Massachusetts. I think the Senator knows more about it than I do. I concede it.

Mr. COPELAND. I say that there is no difference in the world between milk drawn from a cow in the Argentine and milk drawn from a cow in the State of Utah. It is exactly the same.

Mr. GLENN. Mr. President, does it not depend upon the cow?

Mr. COPELAND. Yes; I admit it depends upon the cow. The milk of one cow may produce more butterfat than that from another cow; but when it comes to the chemistry and the physics of skimmed milk, I say there is no difference. There is a difference whether the milk comes from a Holstein cow or a Jersey cow or a Guernsey cow. I know that; but the drying processes that formerly made the Argentine caesin superior have been adopted by the American manufacturer and he now makes an article just as good.

I hold in my hand a letter which was written by the Chief of the Bureau of Dairy Industry of the United States Department of Agriculture. I wish to read it. It is signed by Mr. O. E. Reed, chief of the bureau. This letter says:

> Referring to your inquiry regarding the comparative quality of casein produced in Argentina and in the United States will say that we have no knowledge that the Argentine casein is better than the casein made in the United States or of any reason why it should be better. All the information we have on the manufacture of Argentina casein is to the effect that their methods are crude. The good casein produced in this country is at least equal if not superior to the Argentine product. Large quantities of high-quality casein can be produced in this country when the price for same will justify its manufacture.

I wonder if any Senator here is lacking in confidence in the Department of Agriculture of the United States Government? I have confidence in that department, and I know that a statement from the Chief of the Bureau of Dairy Industry would not be made unless it was the real belief of the department that the truth was being told.

Then we find in the Department of Agriculture another able scientist, Dr. L. A. Rogers. This gentleman is chief of the dairy division laboratory of the United States Department of Agriculture. I may say of him that he is one of the leading authorities we have in this country on the manufacture of dairy products.

Doctor Rogers, a witness before the United States Tariff Commission in the matter of the investigation concerning the cost of production on June 23, 1924, testified as follows, and for convenience of reference I wish to state that it appears at page 583, transcript of testimony.

> One final question, Doctor Rogers. Have you any knowledge as to the allegations that the casein made in the United States was of inferior quality as compared to that made in the Argentine?

That is the question which we are deciding here. That is what everybody wants to know. What did Doctor Rogers say? His reply was:

> That was one of the questions considered at the time of our relations with the War Department, and we were unable to find any evidence that the American casein was inferior to the Argentine casein.

Since this question has been raised, for the sake of the record I will refer to a letter written by the president of the Golden State Milk Products Co. of San Francisco. In this letter, Mr. Gray, who signs it, recites several questions which are frequently asked when casein is discussed. Then he said:

> My opinion is that to secure casein of high quality there are several factors necessary:
>
> 1. An ample supply of skim milk of suitable quality.
> 2. Available knowledge of the methods of manufacture.
> 3. Satisfactory equipment for carrying out the methods.
> 4. A reasonably suitable market or price level for the product.
> 5. A demand for quality.

Those are the questions which are asked, and Mr. Gray said:

> If the price of casein covered the cost of production and if there is a demand for high quality, there are no sound reasons why the United States can not turn out as high-quality product as any country in the world. In the United States to-day we have a quality of market milk and cream which without doubt excels that of any other country. There is manufactured in the United States large quantities of butter of the highest quality. The quality of the ice cream is without doubt the highest manufactured. There can be produced in the United States casein which will meet any quality requirement.

I may say that this company used to be the largest manufacturers of casein in the United States. They sold casein directly to many of the casein-coated paper manufacturers, as, for example, the Champion Coated Co., of Hamilton, Ohio; the West Virginia Pulp & Paper Co., of New York, and others. So we are having here the testimony of an expert on the subject.

Let us hear no more about the superior quality of any product of any country in the world over that produced here. The casein we produce is equal to the casein produced anywhere, and there is no reason why casein made from the milk of the cows of the farmers of America might not be used for all the purposes for which casein is used.

Mr. President, there has been opposition, and it has been voiced here to-night. Senators who come from States where there

are great paper factories have discussed the question. I come from such a State. I was accused this afternoon of never voting for anything that was not desired by the manufacturers of my State, but, if I may address the Senator from Michigan [Mr. VANDENBERG], I am now speaking against what the paper manufacturers consider their interests. But, of course, he will say immediately that I am speaking in the interest of the farmers of New York, and I am. I am speaking with and for the coalition for once. But my friend from Michigan says it will utterly ruin the paper business.

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

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Michigan?

Mr. COPELAND. Certainly.

Mr. VANDENBERG. It will particularly ruin the casein business, which is more to the point, because there will be no coated paper made and there will be no market for casein.

Mr. COPELAND. Yes; I read that in the Senator's speech, and I have the answer to it right here. It is a great thing, Mr. President, to have twice-told tales in the Senate, to go over a subject the second time. Then if one wants to make a speech he can read what has been said previously on the subject. I read the speech of the Senator from Michigan, and it was a good speech. He swept the cobwebs off the moon in his desire to give the coated-paper people of America their cheap casein. He represented well the interests of the paper makers of America and particularly of Kalamazoo. I congratulate him. I am speaking now for the farmers of New York and northeastern United States.

What is there about this paper business? Those who are opposing a tariff on casein are the coated-paper manufacturers. We have highly calendered paper that is made without casein, and then we have another kind of paper which is made white by painting with a preparation of casein. The people who make the latter kind of paper are afraid that their profits will be decreased, because they will have to pay a little more for the casein, according to the statement of the Senator from Michigan.

Mr. VANDENBERG. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Michigan?

Mr. COPELAND. I yield.

Mr. VANDENBERG. They have not had any profits in five years, so they could not be reduced any.

Mr. COPELAND. We will see about that in a minute. I read that statement also in the Senator's speech, and I have the answer to it. If the Senator will be patient, before 10 o'clock I shall hope to answer all the problems that are in his mind.

The coated-paper manufacturers, who have no interest in the welfare of the dairy farmer, want casein made as cheaply as it can be made and sold to them at as low a price as possible. That is natural; if I were in the coated-paper business I have no doubt I would feel the same way about it.

The coated-paper manufacturers claim that the domestic producer of casein can not deliver either the quantity or the quality of casein desired. I have already dealt with the question of the quality; I have pointed out that there is no chemical or physical reason why the American product should not be equal in quality to the product from Argentina. While I have not convinced the Senator from Michigan, and never shall; I myself am convinced.

So far as quantity is concerned, there is not any question about that. The Senator from Wisconsin [Mr. BLAINE] brought out very ably—although he shared the view of the Senator from Michigan about the mistake of having overprotection—the possibilities in the way of quantity production. As I have said, 10,000,000,000 pounds of skimmed milk are produced in America every year. So, so far as quantity is concerned, we can dispose of that argument without difficulty.

The second reason for the opposition of the paper makers to this duty is that because of the casein duty they lost their foreign trade in coated paper. My friend from Michigan has already referred to that. I am going to speak of it again in a moment.

The third objection is that the coated-paper business will be ruined, and that it now is operating at a low ratio and on an unprofitable basis. That point, too, has been developed by the Senator from Michigan.

Fourth, the paper manufacturers say they can not "pass on" the added casein cost. If they can not do that, they are different from all the other manufacturers that I know anything about. If there is one thing that a manufacturer can do it is to "pass on" the cost, and the public always pays it.

Now let us see about the "ruin" of the coated-paper industry. As I have said, these manufacturers maintain that since the tariff of 2½ cents a pound on casein has been imposed they have lost their foreign trade in coated paper. The Senator from Michigan brought that out in his speech the other day and the manufacturers made a similar statement before the Tariff Commission in 1924. As a matter of fact, the reports on foreign and domestic commerce show that since the tariff of 2½ cents a pound was placed on casein the exports of coated paper have increased every year. Let me give the Senate the facts, which are taken from the report of the Department of Commerce. "The tariff will ruin the business of the coated-paper manufacturers." They said back in 1922, "Put a tariff on casein and the coated-paper business will be ruined." Now, if we shall increase the tariff on casein the paper business is "ruined."

What are the facts? I will give simply the round numbers. In 1922 these "ruined" paper makers exported 3,700,000 pounds of coated paper. Then when they were still more "ruined," the next year, in 1923, they exported 3,900,000 pounds. Then, when they were almost completely "ruined," by 1926, they exported 5,900,000 pounds, and in 1927 they exported, in round numbers, 6,000,000 pounds. That is the way they were "ruined." It is ridiculous to say that the coated-paper industry is "ruined" by a tariff on casein. We may put it down as a fact on the statement of the committee, from the reports on foreign and domestic commerce, and from the testimony before the Tariff Commission, that the yarn about the coated-paper manufacturers losing their foreign trade is absurd.

Of course I know the Senator from Michigan is telling what he believes to be the fact, but the official figures prove the exportations have increased year by year. The business of this "ruined" industry has so prospered that in the years from 1922 to 1927 the exportations nearly doubled. That is the way the business has been "ruined." I ask permission, Mr. President, to have Table No. 8, from which I have just quoted, inserted in the RECORD at this point.

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

The table is as follows:

Casein table—Exports of coated paper

Year:	Pounds
1922	3,764,742
1923	3,973,675
1924	3,357,609
1925	3,802,117
1926	5,903,248
1927	5,973,265

Source: Reports, Foreign and Domestic Commerce.

Mr. COPELAND. The fact is, Mr. President, that the business of the coated-paper manufacturers has steadily improved since 1921. I will show why I say that. The production of coated paper from 1921 to 1925 almost doubled, and, so far as I can see, there is every indication that the business will continue to improve. The production of coated paper in 1921 was, in round numbers, 97,000 tons; in 1925 it was 180,000 tons. I will ask that the figures in a table be inserted in the RECORD at this point.

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

The table is as follows:

Production of coated paper in the United States

Year	Tons	Value
1921	97,868	$18,623,880
1923	158,726	27,724,902
1925	180,462	31,970,357

Source: Census of Manufactures, 1925, p. 638.

Mr. COPELAND. Between 1921 and 1925 there was an increase in value from $18,000,000 to $31,000,000. The volume of production is mounting year by year.

Now, let me give the Senate an idea as to the monthly average production of book paper, coated and uncoated. I will ask to have inserted in the RECORD at this point, without reading, a table.

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

The table is as follows:

CASEIN TABLE 10.—*Monthly average production of book paper (coated and uncoated)*

Year:	Short tons
1917	74,357
1918	70,763
1919	76,232
1920	92,039
1921	60,499
1922	81,827

Year—Continued	Short tons
1923	93,466
1924	102,569
1925	107,038
1926	112,182
1927	110,963
1928	
January	121,509
February	123,939
March	137,572
April	125,191
May	130,199
June	122,387
July	117,492
August	130,416
September	117,374

Source: Page 61, Table 39. U. S. Department of Commerce, Survey of Current Business, August, 1928.

Mr. COPELAND. Mr. President, all the testimony indicates that the coated-paper manufacturing business is prospering. I did not think it wise to insert in the RECORD a statement of the financial returns of the coated-paper manufacturing concerns. I did not think that would be quite proper; but there is no evidence at hand, and none to be produced, that there is any lack of prosperity among the coated-paper manufacturing companies. On the other hand, there is every indication, so far as I can discover, that the paper industry compares favorably with other industries so far as financial condition is concerned. It is in very much better condition than the opponents of the casein tariff would lead us to believe.

Mr. WATSON. Mr. President——

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

Mr. COPELAND. I yield.

Mr. WATSON. The Senator from New York is always frank and kind. I have been asked by a great many Senators how long the Senator from New York is going to talk.

Mr. COPELAND. If the Senator desires to move a recess, I shall be very happy to yield for that purpose.

Mr. WATSON. I do not want to do that. We have an agreement among ourselves, as the Senator knows, to remain here until 10 o'clock; but I was wondering whether or not the Senator is going to talk along for a while and then make the point of no quorum, so as to force a recess.

Mr. COPELAND. Oh, no. I would prefer to have a vote taken on this matter to-morrow, because I want a record vote; but I shall not raise the question of a quorum. I know the Senator from Nebraska [Mr. HOWELL] desires to speak on this subject.

Mr. WALSH of Massachusetts. May we agree to have a vote at 1 o'clock to-morrow?

Mr. COPELAND. Any time to-morrow will suit me.

Mr. WATSON. In the absence of the Senator from Utah I would not want to enter into any kind of an agreement.

Mr. WALSH of Massachusetts. I should like to discuss the subject very briefly before a vote shall be taken.

Mr. COPELAND. I may say that I shall resort to no parliamentary dodge of any sort.

Mr. GLENN. What is it the Senator is doing?

Mr. COPELAND. If Senators want to go home, that is all right; I am perfectly willing. I will finish what I have to say, and my friend, the Senator from Nebraska, may proceed, and the other Senators can go home and get a good sleep and come here refreshed in the morning.

Mr. SWANSON. Mr. President, I am not going to consent——

Mr. WALSH of Massachusetts. Mr. President, I want to present some figures showing the tremendous expense to the paper industry that increased duty on casein would involve. I have some figures to that effect.

Mr. SWANSON. Mr. President, so far as I am concerned, I would rather have the lack of a quorum disclosed and be compelled to adjourn than to consent to an adjournment at this time, involving further delay in voting on the reserved amendments. We have been six months considering this bill, and have been assured repeatedly that the consideration of the bill was not going to be delayed for the convenience of any Senator. I have been here continuously, and, so far as I am concerned, we are going to vote on the amendments which have been reserved in the regular order; and at 10 o'clock, if there is no quorum here, then those who are not present may take the responsibility of delaying the business of the Senate.

If the Senator from New York wants to speak until 10 o'clock that is all right, but so far as I am concerned there are going to be no more promises to delay any vote on any question. As I have said this bill has been before the Senate for six months; every item of it has been discussed. We have had the fiction and humbug of discussing it for six months in Committee of the Whole, and if we continue at the present rate we will be here another six months disposing of it in the Senate. It is an absolute humbug to have the bill considered both as in Committee of the Whole and in the Senate.

I, for one, want this debate to proceed. If there is no quorum here, and we are compelled to take a recess before 10 o'clock, let those who are absent take the responsibility.

The Senator says he is not going to call for a quorum. I have stayed here to-night and broken engagements to do so. I am entitled, and all of us who have done that are entitled, to have those who are absent, and will not attend the sessions of the Senate, disclosed.

Mr. SMOOT. I will say to the Senator that there is no intention whatever of taking a recess before 10 o'clock.

Mr. SWANSON. The Senator assured me that that would not be done. I asked the Senator in January if he was going to continue and continue to delay these votes to suit the convenience of one or two Members out of 96. We can not consider this bill as the Chinese wage war. The Chinese wage war by agreeing, "We will fight to-morrow if it is not raining. We will fight at 4 o'clock if the temperature is not above 70, and then we will fight two hours and adjourn at 6."

The time has come for this bill to be passed; and I, for one, am not going to consent to any more unanimous-consent requests that retard the passage of the bill. The country is entitled to have the bill passed.

I have sat here in the Committee of the Whole after a promise had been made by the Senator in January—and the RECORD will show it—that these measures would be pressed in the order in which they came up. Now, I, for one, insist on the regular order, the regular voting, the regular disposition of this bill. If there is no quorum here, let the responsibility go to the country of those who are not willing to come here and furnish a quorum to dispose of the country's business.

The PRESIDING OFFICER. The Senator from New York has the floor.

SEVERAL SENATORS. Vote! Vote!

Mr. COPELAND. Mr. President, let me say for the benefit of my courteous colleagues that I am going to stay here until I finish my job. You may yell "Vote!" until you are black in the face, but I shall be here on the floor when you get through with your physical exertions in that direction.

Mr. GLENN. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Illinois?

Mr. COPELAND. I yield.

Mr. GLENN. I, for one, desire to protest against this filibuster and the delay in the passage of this tariff bill by the Senator from New York. I respectfully call upon the acting Democratic leader to persuade him, if possible, to desist from his efforts to-night.

Mr. COPELAND. Mr. President, I want to say to the Senator from Illinois that if he charges me with filibustering he says that which is not true. I am here to represent the 60,000 farmers of my State, and I intend to make this speech, no matter how much the Senator from Illinois suffers; and if he does not like it he need not listen to it.

Mr. GLENN. Mr. President, will the Senator yield again?

The PRESIDING OFFICER. Does the Senator from New York further yield to the Senator from Illinois?

Mr. COPELAND. I yield.

Mr. GLENN. I have not been here very long; but I think I recognize a filibuster and a useless speech when I hear one, and I think there is one going on now.

Mr. COPELAND. It may be a useless speech, but the Senator has not been here long enough yet to know what a filibuster is. He still has much to learn in that direction.

Mr. GLENN. If this is not one, I hope I shall not remain that long.

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

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Mississippi?

Mr. COPELAND. I yield.

Mr. HARRISON. I wonder if we could not agree to vote on this matter at 11 o'clock in the morning, and go along with the other matters.

Mr. COPELAND. Mr. President, I am not through yet with what I have to say on this subject. I do not want a Senator on my side of the Chamber to think that I am engaged in a filibuster.

Mr. HARRISON. I did not say anything about a filibuster. I thought that was agreeable to the Senator from New York, that he wanted to vote to-morrow; and I was making the suggestion because immediately following this item I have an amendment which I think will be agreed to, and I thought we might get rid of some of the other propositions. If the Senator

objects to that—I thought that was what he wanted—I withdraw the suggestion.

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

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Washington?

Mr. COPELAND. I yield.

Mr. DILL. I desire to call the attention of the Senator to the fact that last night Senators who are so extremely enthusiastic about rushing the bill wanted to recess and go home, which we finally did.

Mr. COPELAND. Yes; I remember that.

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

Mr. SWANSON. If the Senator will remember, last night——

The PRESIDING OFFICER. Does the Senator from New York yield; and if so, to whom?

Mr. COPELAND. I yield to the Senator from Virginia.

Mr. SWANSON. The Senator will remember that last night I wanted to take a recess and take a vote at a certain time, and I was beaten. I then acquiesced in the judgment of the Senate, which decided that we must proceed to dispose of the bill. The Senate by an overwhelming majority having taken that view, I think the time has come to establish the precedent, and I will invoke it as it was invoked against me last night. From now on the Senate shall proceed until 10 o'clock, so far as I am concerned.

My engagements—my desire to have a recess last night were not acquiesced in. I cheerfully acquiesced, and stayed here until the Senate recessed. Now, the law of the Medes and Persians having been established, it shall not be modified and will not be modified by my consent.

Mr. WATSON. Mr. President, will the Senator yield? I should like to ask him a question.

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

Mr. COPELAND. I yield.

Mr. WATSON. Does the Senator really want to make his speech, or, for some other reason, does he want the vote postponed until to-morrow?

That is a fair question.

Mr. COPELAND. I am going to finish my speech. That is what I am going to do.

Mr. WATSON. All right.

Mr. COPELAND. The Senator from Indiana can decide when we are going to vote; but what is the use of the Senators on his side of the aisle trying to sweep me off the floor? I have the floor and I know my rights, and I am going to stay here. If Senators do not like it, let them go on home.

The PRESIDING OFFICER. The Senator from New York will proceed.

Mr. WATSON. Mr. President, I simply want to ask the Senator a question. This is all in good humor.

Mr. COPELAND. Perfectly, so far as I am concerned.

Mr. WATSON. Nobody is mad about it, unless the Senator from New York is.

I understood the Senator to say a while ago that he was willing to take up some other business now and put off this matter until to-morrow for a vote. Of course, there are other Senators who want to speak on this question. That led me to ask the Senator frankly whether he wanted to make a speech or whether he really wanted to put off the vote until to-morrow for some other reason.

Mr. COPELAND. Why in the world should I want to put this thing over for ever and ever?

Mr. WATSON. I do not know.

Mr. COPELAND. I am going to live whether the farmers get a duty of 8 cents on casein or not; but I am going to finish my speech, and I am going to do it to-night, unless the Senate recesses from under my feet.

Mr. WATSON. We are not going to recess from under the Senator's feet or over his head.

Mr. COPELAND. All right. Let me go ahead; and when I get through, let somebody else who has something to say say it. I have been bored myself listening to other Senators make speeches. Now just let them bear a little bit of the same kind of stuff.

Mr. FESS. Not a little bit.

Mr. COPELAND. Mr. President, I hope nobody in the gallery will think that we are in earnest down here. This is just our form of amusement. This is a game that we play on occasions. It probably does not appeal to the public, but it pleases us immensely. We are having a wonderful time.

Mr. WALSH of Massachusetts. These are bedtime stories.

Mr. COPELAND. Yes; bedtime stores.

When I was interrupted in the midst of my "filibuster"—as the innocent Senator from Illinois [Mr. GLENN] has suggested—I was asking if we were to increase the price of coated paper by the full amount of an increase of the duty on casein to 8 cents a pound, what would happen to these paper industries that are "going to be ruined"? I will tell you just exactly what would happen to them.

The rate now is 2½ cents. It has been raised to 5½ cents. That means that the total expense of making coated paper would be increased $4 a ton. This is about one-fifth of a cent a pound. One-fifth of a cent a pound would "ruin" the paper industry. That would be the last straw on the camel's back. This industry, which has doubled its production and its income since the passage of the last tariff act, by the addition of a fifth of a cent a pound would go into bankruptcy. What ridiculous nonsense!

Of course, as a matter of fact, there is nothing to be feared by this industry; and any Senator who works himself into a perspiration over the predicament of the coated-paper industry may cool off. No harm to the paper men will result. The only difference will be, I am sorry to say, that those engaged in that industry will take advantage of that fifth of a cent a pound to put up the price to the public 5 or 6 cents a pound, because we have no way of preventing that sort of pyramiding. But the industry itself is in no danger.

There have been many proposals for farm relief for which I could not vote because the increased rate would mean so much to the consumers of the essential foods or the essential garments. But I am confident the country will survive if an added cost of a fifth of a cent a pound is put on coated paper and the farmers of America are permitted to put a billion pounds of skimmed milk into casein.

Is it worth while to help the farmers in that way? This is one form of farm relief that meets full approval, so far as I am concerned. We do not need to point out any more strongly than has been done already where the opposition to this proposal lies. The paper industry is back of it. The paper industry is objecting to it. I do not now just exactly how much of a tariff they ask. I have not looked into that. May I ask my friend from Michigan how much of an increased tariff the paper people ask?

Mr. VANDENBERG. None that I know of. I am not familiar with it.

Mr. COPELAND. The Senator is not quite sure whether any increase is asked or not; but if the paper industry did not ask for something I am almost inclined to think that we ought to defeat this measure, because it will be one outstanding industry, almost alone, not to have asked any increased rate upon its product. The various industries came here from every part of the country like a lot of vultures descending upon the Capital, demanding increases in this, that, and the other thing.

Mr. VANDENBERG. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York further yield to the Senator from Michigan?

Mr. COPELAND. I do.

Mr. VANDENBERG. I might say to the Senator from New York that the chairman of the Finance Committee says there is no increase; that none was sought.

Mr. COPELAND. No increase on paper? Wonderful!

Mr. VANDENBERG. But there should be, of course, a compensatory duty, in the Senator's judgment, if this 8-cent rate on casein goes through.

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Michigan?

Mr. COPELAND. Oh, yes, Mr. President; I yield to the Senator from Michigan.

There is no trouble about the paper people. Without a compensatory duty they will pass it on to the public if there is any increase in the cost of production.

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

Mr. COPELAND. I yield.

Mr. VANDENBERG. I suppose it is scarcely worth while to embarrass the Senator with any facts, and certainly I would not give any facts to interrupt his pleasant evening, but probably a hundred of the leading magazines in the United States have transferred from coated paper to calendered paper within the last few years on a purely competitive price basis, and the trend will continue until there is no coated-paper market for casein, in spite of the Senator's optimism and persistence and eloquence.

Mr. COPELAND. That is fine. In spite of the fact, then, that the tariff had not been changed they have already made a change in the kind of paper they use. Let not the Senator come here when we are talking about another tariff bill and say that we must keep casein at a starvation point to save the coated-paper industry. He has already confessed that before there was any talk about a tariff on casein the magazines had made these changes, because, of course, the highly calendered paper, which is so bad for the eyes, which makes beautiful pictures to look upon, appeals to them. I would not have any

highly calendered paper used in magazines and books if I could stop it, just because of the ill effect upon the eyes of those who read magazines and papers and books so printed.

Mr. VANDENBERG. Mr. President, will the Senator yield again?

Mr. COPELAND. I yield.

Mr. VANDENBERG. I want to make it plain that there is no difference between us regarding the fundamental fact that coated paper was on the way out long before the Senator proposed his 8-cent duty on casein, but the very fact that it is on the way out makes it all the more hazardous to undertake to multiply four times the cost of the fundamental product that enters into this competitive situation. I am simply saying that I agree with the Senator entirely that coated paper was on the way out before this tariff discussion arose at all.

Mr. COPELAND. Is it not remarkable that, in spite of the fact that it is on the way out, the manufacturers are still making such profits in this business? We hear the tales of disaster and misery and suffering. During the last six months I have seen a procession of business men on the way to the poor house because we would not raise the rate on this or lower the rate on that! I am not going to be frightened by that sort of argument, not a bit.

The only thing I have in mind that is in the least disturbing to me is the question of what may happen in the Argentine if we use the skimmed milk of our country to make casein. I assume the people in the Argentine then will make skimmed-milk powder, which they will attempt to use abroad. That was in my mind, but, as I discuss the matter with those engaged in the dairy industry, I find they have no disturbance of mind regarding that.

If any man in the Senate is interested in the welfare of the dairy industry of the United States, he will vote for a sufficient tariff on casein. That will help the dairy farmers of this country. Their prosperity will mean much to the cities.

When there is a shortage of milk in Chicago or Springfield because of lack of prosperity of the farmers, and their inability to maintain their herds, then, the Senator from Illinois [Mr. GLENN] will wish he, too, had participated in a "filibuster."

I know from contact with this industry through a period of 15 years that it is necessary that we should give it encouragement. I ask no more than I have given. I have voted for these various farm bills to help the grain farmers. Now, here is an opportunity to help the dairy farmers and their prosperity means much to the prosperity of the other farmers, because when they are engaged exclusively in dairying they are buying their feed, they are buying the products of the grain farmers. It is a matter of concern to every other farmer to have the dairy farmer prosperous. Here is a chance to help the dairy farmer without increasing the cost of any food product, without interfering with any industry which will be materially damaged by it. Here is a chance to hold out a helping hand and to perform a real act of legislative good sense, as I see it.

Mr. President, without all the hubbub raised by my colleagues I would have reached this conclusion some time ago. I have no desire, for myself, to prolong the discussion. I do desire to leave with the Senate this very serious thought: That the dairy industry of New York and the dairy industry of Wisconsin and of Minnesota and of every other State have much at stake here. If Senators are truly interested in the welfare of the farmer, they will join with us who are asking for an increased rate upon casein.

The VICE PRESIDENT. The question is on agreeing to the amendment to the amendment made as in Committee of the Whole.

The amendment to the amendment was rejected.

The VICE PRESIDENT. The question is on concurring in the amendment made as in Committee of the Whole.

The amendment was concurred in.

The VICE PRESIDENT. The clerk will state the next amendment on which a separate vote was reserved.

The LEGISLATIVE CLERK. The next amendment is on page 17, lines 18 and 19, cellulose acetate.

Mr. COPELAND. What was that amendment?

The VICE PRESIDENT. The amendment relating to cellulose acetate.

Mr. COPELAND. Mr. President, the matter I had in mind related to cellophane. I am interested in the preparation used for wrapping bread. That is found in subdivision (c) on page 19, is it not?

Mr. SMOOT. Subdivision (c) covers transparent sheets of cellulose.

Mr. COPELAND. What is the rate now upon that item? It is 25 per cent, is it not?

Mr. SMOOT. Forty-five per cent on the wrapping material.

Mr. COPELAND. The present rate?

Mr. SMOOT. Under a court decision the rate in the present law is 40 cents a pound.

Mr. COPELAND. Forty cents a pound?

Mr. SMOOT. Yes; under a court decision.

Mr. COPELAND. And this rate is 45 per cent ad valorem?

Mr. SMOOT. Yes.

Mr. COPELAND. How does that compare with the present rate?

Mr. SMOOT. It is less than the present rate.

Mr. COPELAND. I will withdraw any question as to this item.

The VICE PRESIDENT. The question is on concurring in the amendment made as in Committee of the Whole.

The amendment was concurred in.

The VICE PRESIDENT. The clerk will report the next amendment, which was reserved for a separate vote.

The LEGISLATIVE CLERK. On page 23, line 20, paragraph 52, the amendment relating to synthetic camphor.

Mr. HARRISON. Mr. President, I have an amendment to this particular proposition to which I do not think there will be any objection. I hope the Senator from Utah will accept it. I believe it is agreeable to those who made the fight for the duty on camphor, and I will ask the clerk to read it.

The VICE PRESIDENT. The clerk will report the amendment.

The LEGISLATIVE CLERK. The Senator from Mississippi offers the following amendment, on page 23, line 22, after the word "pound," to insert the words "if at the end of three years after the enactment of this act, the President finds that during the preceding six months the domestic production by quantity of synthetic camphor did not exceed 25 per cent of the domestic consumption thereof by quantity, or, at the end of four years after the enactment of this act, that during the preceding six months such domestic production did not exceed 30 per cent of such consumption, or, at the end of five years after the enactment of this act, that during the preceding six months such domestic production did not exceed 50 per cent of such consumption, he shall by proclamation so declare, and, after six months thereafter, the rate on synthetic camphor shall be 1 cent per pound. To assist the President in making the investigation required by this provision, the Tariff Commission is empowered to investigate, to such extent as may be necessary, in the manner provided in the case of investigations under section 336 of this act, and shall report to the President the result of its investigation."

Mr. HARRISON. I hope the Senator from Utah will accept the amendment.

Mr. SMOOT. If I catch the meaning of the amendment from the reading, the ultimate rate, providing a certain amount is not manufactured in the United States, would be only a cent a pound.

Mr. HARRISON. The Senator will recall that there has been a 6-cent a pound rate on synthetic camphor. That is the present law.

Mr. SMOOT. That is the present law.

Mr. HARRISON. It was put at that rate to encourage the production of synthetic camphor. It was shown in the discussion, in the speech by the Senator from New Jersey, that the manufacturers were beginning to produce it up in New Jersey, but they had reached a capacity of only 500 pounds daily, I believe it was. We retained the rate at 5 cents a pound, a reduction from 6 cents, the present law, of 1 cent. My amendment seeks to provide an opportunity for the American interests to produce it, but if they do not accept this proposition and produce at least 20 per cent within three years, and 30 per cent within four years, and I think it is 50 per cent within 5 years, the rate shall go back to 1 cent a pound. That will give full opportunity to those people to produce synthetic camphor if they can, and if they can not do so, then it shall go back to the other rate.

Mr. SMOOT. I would like to ask the Senator from New Jersey if he thinks that the industry, established as it is, will grow sufficiently to produce that amount of camphor in the United States.

Mr. KEAN. Of course, the industry has just started. They are producing 500 pounds a day. That would be one-half of the production of camphor that was used in the United States prior to the war, but at the present time the consumption of camphor in the United States is growing by leaps and bounds. What the consumption will be in the course of five years no one can tell. It is difficult to say whether we could grow to that production or not.

Mr. HARRISON. Mr. President, if there is any question about the proposition I am going to withdraw the amendment.

I thought it would be satisfactory to everybody. If it is not, and the Senator from Utah does not want it to go to conference, I am not going to insist upon it.

Mr. SMOOT. I am willing to let it go to conference, and then we can determine more definitely what the prospects of the industry may be. I would be glad to accept it with that understanding.

Mr. BLACK. Mr. President, I am not willing that the amendment shall go to conference in that way if we can get a vote on it. We had this matter up before, and since the question came up before the very fact which I thought would develop has developed in my State and in other Southern States. Those who are engaged in the production of turpentine and naval stores have protested vigorously against the tariff. These protests have come to me and to other Senators from the South. The only ones supposed to benefit, those who are interested in the production of turpentine, the producers of turpentine, are vigorously opposed to the tariff.

I want to submit a motion, if it is proper at this time, the same motion that was made by the Senator from Wisconsin [Mr. LA FOLLETTE] with reference to camphor. I would like to have the amendment stated that was submitted by the Senator from Wisconsin, if it is at the desk.

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

The VICE PRESIDENT. Does the Senator from Alabama yield to the Senator from Wisconsin?

Mr. BLACK. I yield.

Mr. LA FOLLETTE. When this matter first came up in Committee of the Whole it came up in connection with an amendment offered by the Finance Committee to change the House text. The House had provided a rate of 1 cent a pound on crude camphor and 1 cent a pound on synthetic camphor. The committee amendment was defeated, and on the motion of the Senator from New Jersey [Mr. KEAN] the provision which is now in the bill providing for 5 cents a pound on crude and synthetic camphor was adopted.

The VICE PRESIDENT. What is the amendment offered by the Senator from Alabama?

Mr. BLACK. The amendment which I suggest is to insert the words "or synthetic" in line 21, page 23, between the word "natural" and the numeral "1," so as to make it read "natural or synthetic, 1 cent per pound."

Mr. SMOOT. We have had a lot of discussion on it and had a vote upon it, too.

Mr. BLACK. We did have a vote upon it when the bill was in Committee of the Whole, but I understand it was reserved for a vote in the Senate. It must have been reserved or the amendment would not be offered now.

Mr. HARRISON. I reserved the right to offer the amendment.

Mr. SMOOT. The Senator has reserved the right for a vote in the Senate.

Mr. KEAN. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. KEAN. Is any other amendment in order at the present time, except the amendment of the Senator from Mississippi?

Mr. HARRISON. I do not want to make any objection to the amendment of the Senator from Alabama.

The VICE PRESIDENT. The Chair is of the opinion that the amendment is in order.

Mr. HARRISON. Mr. President, may I say, if the Senator from Alabama will permit me, that I have offered the amendment as a basis of compromise. If there is objection to it I am going to withdraw it and let the vote come straight on the proposition.

Mr. SMOOT. That is the vote we have already had.

Mr. HARRISON. Yes. I have felt that the provision which I have proposed is to insert, giving to these people three years in which to produce 20 per cent of the consumptive needs of the country in the way of synthetic camphor, would not affect anybody, but might help the naval-stores industry. May I say to the Senator from Alabama that the same gentlemen saw me who perhaps saw him.

Mr. BLACK. No gentleman has seen me, but the naval-stores people engaged in the business have protested against the tariff.

Mr. HARRISON. The same resolution which came to the Senator from Alabama came to me. The same representatives of the naval-stores industry met at Savannah, Ga., and passed resolutions that the semirefined camphor from Japan ought to be placed on the same footing with synthetic camphor from Germany, and that they were competitive.

I have ascertained the fact that the growing need for synthetic camphor made from southern turpentine is brought about by the manufacture of windshields or the manufacture of pyroxylin or nonshattering glass. The field for that use is wide, and while I am not a prophet I do predict that in a very short time every automobile in the country will be equipped with a nonshattering windshield. The Japanese crude camphor can not be used for that purpose. It is not white enough; it is not clear enough. It is only the synthetic camphor that can be used for the purpose. I would like to see the industry built up in this country so that our manufacturers of pyroxylin can at least have an opportunity to buy it from the home industry if possible.

Those two gentlemen who came here and sent for me and wanted to talk to me about the proposition after the action of the Senate told me about the action of the naval-stores group down at Savannah. I said to them, "Whom do you represent?" They said, "Well, we do not want this rate of 6 cents or 5 cents. It has been 6 cents all the time and our people got along." I said, "Do you represent the German interests? That is what I want to know." They said, "No; we represent the German importers." I said, "You went to Savannah and called the naval-stores people together and made a speech to them and advocated the passage of such a resolution?" They said, "Yes."

So it is the German interests that have congregated a few individuals engaged in the naval stores business or industry down in Savannah——

Mr. GEORGE. Mr. President, I hope the Senator will not go too far.

Mr. HARRISON. I am just stating what these gentlemen admitted, which was that they represented those people.

Mr. GEORGE. I hope the Senator will not go too far, because the naval-stores industry itself, without any intervention from anybody else, has protested to me and verified exactly the position that I took on the floor of the Senate when the matter was under consideration before. I am not objecting to the compromise offer, but I do not think the Senator ought to go too far in his statement.

Mr. HARRISON. I am stating what the conversation was with those gentlemen who approached me on the proposition. I received the resolution of the naval-stores industry.

Mr. GEORGE. Oh, no; the Senator was saying that it was nothing but the German interests. I am suggesting to the Senator that he ought not to make that statement.

Mr. HARRISON. I do not want to give the impression that the German interests would influence the naval-stores industry improperly, but I do say that those two gentlemen who talked to me, following the receipt of the resolution passed by the naval-stores people at Savannah, signed by six gentlemen, I believe, did represent the German interests or the importers of synthetic camphor, and, of course, they are not particularly interested in building up any domestic industry.

I have offered this proposal, hoping that it might be adopted, and that is all I desire to say about it.

Mr. SMOOT. I am perfectly willing to accept the amendment so far as I can and let it go to conference.

Mr. BLACK. Mr. President, after hearing the Senator from Mississippi one would think that the Germans had come over to the United States Senate and camped outside of our doors in an effort to bring about a change in the previous action of the Senate. I have seen no Germans. I have seen no representative of a German. But I have had, from the State of Alabama and from other Southern States, opposition to the tariff on synthetic camphor from the very group whom we were led to believe, from the discussion on the floor of the Senate, were in favor of a tariff on synthetic camphor.

I do not think it is German influence. I think it is Du Pont influence. I think it is the influence of the chemical industry of the country. I think it is the influence of the chemical industry that has attempted, as has been shown by certain other events of recent date, to have too much influence on both political parties.

This is not a question of any importer from Germany. It is a question of whether or not, on the excellent idea that southern turpentine producers will be benefited by a tariff on synthetic camphor, we are going to stand by a tariff on camphor for the benefit of a nebulous company up in New Jersey that never has done anything and may not do anything in the way of the production of camphor and that gives no promise of it at all. That is the situation.

Some years ago they came here and secured a tariff on camphor. We have paid out because of that tariff on camphor, as was shown before, hundreds of thousands of dollars. What did we get in return? We got a promise when the tariff bill came up in 1922 that maybe they would produce camphor in the future. The question came up on the floor of the Senate, and the statement was made that it was for the benefit of the turpentine producers of the South. I stated then that I had

heard from none of them. I did not believe, because I looked up the record, that the turpentine producers of the South were interested in the tariff. But I found afterwards, as have other Senators from the South, that the people engaged in the naval-stores business interested in turpentine are opposed to this particular tariff.

What influence is behind the demand for a tariff? It is not the turpentine producers. I challenge anyone to find a letter or a suggestion from a single turpentine producer in the South in favor of the tariff. It is easy enough to talk about German influence, but it is not the German influence that is here. It is not the turpentine producers of the South. The Senator from Georgia [Mr. GEORGE] represents a State engaged in the naval stores business. I venture the assertion that he has had no request from any turpentine producer to vote for this tariff. The Senators from Florida represent a State that produces turpentine and has a naval-stores business. I venture the assertion that neither one of them has received any request from their constituents to vote for this tariff.

Mr. TRAMMELL. Mr. President——

The VICE PRESIDENT. Does the Senator from Alabama yield to the Senator from Florida?

Mr. BLACK. I yield.

Mr. TRAMMELL. I will say in this connection that I do not recall having received any letters favorable to the tariff, but I have received quite a number of letters in the last two or three weeks—what the inspiration was that brought the letters I do not know—in opposition to the tariff.

I voted previously with my good friend from Mississippi, because I felt he was sincerely trying to represent the interests of our southern producers of turpentine. But the only word that I have received—and it seems to have been a unanimous expression—was that the producers in my State have the idea that it is ill-advised so far as the interests of the naval-stores producers in that section of the country are concerned.

Mr. BLACK. The naval-stores producers are the ones who are interested in turpentine, are they not?

Mr. TRAMMELL. Yes.

Mr. BLACK. That is the situation.

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

The VICE PRESIDENT. Does the Senator from Alabama yield to the Senator from Florida?

Mr. BLACK. I yield to the Senator.

Mr. FLETCHER. In that connection let me say that I supported the previous amendment of the Senator from Mississippi on this question when it was then under consideration. I thought at the time, to be perfectly frank, that I was voting for an amendment that was important to an established domestic industry in this country, and one that was needed. I believe that the demand for synthetic camphor is going to increase; I believe that the United States will require in a comparatively few years from two to three million pounds of camphor, where it is now consuming something like a million pounds.

However, since that vote was taken there has been a meeting of the naval-stores producers in Jacksonville, and they adopted a resolution to the effect that it was a great mistake to vote for this duty, because they said that although there had been an effort made for five or six years, or perhaps since 1922, to build up the domestic camphor industry, there had been no success attending it at all; that there was a plant started in Missouri, I believe, at one time and somewhere else at another time, but that the only remaining effort that is being made is by a plant in New Jersey; and that it is impossible to obtain a pound of synthetic camphor from that plant to-day, although they say they are making some 500 pounds or something like that——

Mr. KEAN. They are making 500 pounds a day.

Mr. FLETCHER. They are making 500 pounds a day. The naval-stores producers claim that the demand for synthetic camphor means a demand for spirits of turpentine, in which, of course, we are very greatly interested. The claim is made that the synthetic-camphor industry now takes about a hundred thousand barrels of turpentine per annum, 50 gallons to the barrel. That, of course, is an important business, and the market is growing and increasing all the while. The naval-stores interests feel that if a duty is imposed, synthetic camphor will be kept out of the country; that the manufacturers abroad who are calling upon the naval-stores producers for turpentine will cease to do that, the market of the turpentine producers will be broken down, and the synthetic-camphor industry at home will not be established for at least a great many years, if at all.

Therefore, they feel that it is important to maintain their market and the demand for their product where the demand exists, namely, in Germany particularly, and that we ought not to place an embargo against the importation of synthetic camphor, because that will close out a very great market for turpentine. That is their position.

If that position be correct, then I voted wrong when I voted previously and ought not to have taken that position at that time. I want a domestic synthetic-camphor industry here, because, as the Senator from Mississippi has said, it is of importance to other industries; but I want particularly a market for turpentine and resin and naval stores. That is a great industry in Florida. Next to Georgia, Florida probably produces a greater quantity of naval stores than does any other State in the Union. So it is an important industry with us, and the industry needs this market for that product. Forty-five per cent of all our production must find a market abroad; it can not be sold in this country, and it looks, if they can not sell it abroad, they will not be able to sell it at home for a good long time to come, and perhaps not at all. It is thought by the naval-stores producers that the levying of a duty on synthetic camphor will close down the foreign market for their product. That is their position.

Mr. SMOOT. Mr. President——

The VICE PRESIDENT. Does the Senator from Alabama yield to the Senator from Utah?

Mr. BLACK. I yield.

Mr. SMOOT. I do not see how they can come to that conclusion. If the camphor were being made in the United States, the domestic industry would take just as much of the naval stores as is taken now by Germany; and if we do not make it here, of course, the turpentine goes to Germany.

Mr. FLETCHER. The amendment offered by the Senator from Mississippi is quite reasonable. It gives an opportunity to develop the camphor industry here.

Mr. SMOOT. That is what I say.

Mr. FLETCHER. I am inclined to think it may be all right, and I am willing to go along with him on that proposition.

Mr. SMOOT. And I am willing to accept it.

Mr. FLETCHER. Although protests have come to me since my last vote on this question which made me feel very much as if I had done the wrong thing in the attitude I then took, I believe if those interested in naval stores knew they could get a market here they would rather have it here, so far as that is concerned. What they are afraid of is that they will not have it.

Mr. SMOOT. If they do not have a market here, then they will have it there; wherever the synthetic-camphor industry is located, it will require the turpentine, whether the commodity is made in Germany or in America.

Mr. FLETCHER. I hardly suppose the rate proposed will keep out German synthetic camphor.

Mr. SMOOT. It can not do that. The rate to-day is 6 cents, and we have reduced it to 5 cents.

Mr. FLETCHER. I am willing to help the industry, if it can be done, and I am willing to go with the Senator from Mississippi on this proposition.

Mr. BLACK. Mr. President, in reply to the statement which has been made, here is the situation in which we find ourselves: The Senator from Mississippi and other Senators were of the opinion when this question came up before that a tariff would benefit the naval-stores industry of the South; they were of the opinion that it would benefit the turpentine industry, and therefore they supported the tariff rate then proposed. Now it develops that those who are engaged in the business do not agree with them. I will call the attention of the Senator from Florida to the fact that there is very little difference between the amendment as it is now offered and the rate in the law as it is written.

Mr. FLETCHER. The rate proposed is even less than that in the present law.

Mr. SMOOT. It is 1 cent less.

Mr. FLETCHER. And the present rate has not kept out synthetic camphor.

Mr. BLACK. One cent is a very small amount, but it makes it very difficult for the synthetic camphor, according to the theory advanced, to compete with the other kind, and to that extent gives a practical monopoly to those who are engaged in selling the other kind of camphor. It is my understanding—I may be wrong, and if I am I can be corrected—that the same influences and the same interests are behind the desire to sell the other kind of camphor that wish to control the tariff on synthetic camphor.

Mr. SMOOT. I think the Senator is mistaken as to that.

Mr. BLACK. Does the Senator know about it?

Mr. KEAN. Mr. President——

The VICE PRESIDENT. Does the Senator from Alabama yield, and if so, to whom?

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

Mr. SMOOT. I want to call the attention of the Senator from Alabama and also the attention of the Senator from Florida to the figures as to imports. As to imports in pounds of synthetic camphor, beginning in 1922, with a duty of 6 cents, the imports were 17,857 pounds; the next year they increased to 488,000 pounds; the next year to 682,000 pounds; the next year to 1,797,000 pounds; the next year to 2,860,000 pounds, and the next year to 2,940,000 pounds, and in 1928 to 2,291,000 pounds. Thus the imports have increased from 17,857 pounds up to 2,291,000 pounds. If we can make that camphor in the United States, it will take just as many gallons of turpentine as are taken by the Germans, while if we do not make it here, and if we can not make it here, the Germans will make it, and it will not make a particle of difference as to the amount of turpentine that is sold; and under the amendment, if camphor can not be produced in this country within a certain number of years, then the rate goes back not to 6 cents but it goes back to 1 cent. I think that is the proper way to handle this situation.

Mr. FLETCHER. I am inclined to think that is fair.

Mr. BLACK. Mr. President, I call attention to the fact that during all these years, with a tariff rate of 6 cents, nothing has been done; camphor has not been produced in this country, and we have placed a tariff burden upon the people in order to foster an enterprise which is yet in the mysterious unknown. Each time the question comes up about a tariff on camphor for some particular and peculiar reason a company in New Jersey promises that it will produce camphor; but——

Mr. KEAN. Mr. President——

The VICE PRESIDENT. Does the Senator from Alabama yield to the Senator from New Jersey?

Mr. BLACK. I yield to the Senator from New Jersey.

Mr. KEAN. It was distinctly stated, Mr. President, during the consideration of former tariff bills that it was a manufacturing company in St. Louis which thought it could make camphor if the duty were imposed. Now, there is a company in Belleville, N. J., that is making 500 pounds of camphor a day.

Mr. BLACK. Mr. President, that company started to produce camphor just about the time the tariff bill began to be considered. During all these years camphor has been imported; they did not produce camphor, but now they have begun; they may last a few more years, and by that time probably another tariff bill will be under consideration.

I have not looked at this amendment carefully, but, as I understand, it provides for a tariff of 5 cents. If we are going to fly in the face of the naval-stores producers, if we are going to take this action over the protest of those whom it is sought to benefit, why should we not reduce it below 5 cents? If it is not for the benefit of the Du Pont Co. manufacturing synthetic camphor, why not start off with more than a 1-cent reduction from the existing 6-cent rate?

Mr. HASTINGS. Mr. President——

The VICE PRESIDENT. Does the Senator from Alabama yield to the Senator from Delaware?

Mr. BLACK. I yield to the Senator.

Mr. HASTINGS. I do not know whether the Senator is correct or not with respect to the Du Pont Co. being interested in the tariff on camphor, but I do happen to know that the Du Pont interests have invested in naval stores in the South about $30,000,000. Accordingly, I can not quite understand, if the naval-stores producers are opposed to it, why the Du Ponts, as they have that much capital invested in naval stores, should be here trying to have a tariff placed on camphor. What I am afraid of is that the Senator from Alabama is wrong as to the naval-stores producers being opposed to it.

Mr. BLACK. I do not know whether I am wrong or not. I know they say they are opposed to it, and there have been resolutions adopted by turpentine producers of my State opposing it.

Mr. GEORGE. Mr. President, the real history of the attempt to make synthetic camphor in the United States is briefly as follows: In 1922 a tariff of 6 cents a pound was imposed on synthetic camphor. At that time the American Chemical Industry asked for the duty, and thought that it could make synthetic camphor commercially. Later the Du Ponts undertook to make synthetic camphor, but abandoned the effort. I will say to the Senator from Delaware that he is correct in his supposition, as I believe that they are not interested in the manufacturing end of it at all.

Subsequently, the Monsanto Co., or the Monsanto organization, with the German patents—bear in mind, now, with the German patents and processes—under a license from the German manufacturers, tried to make synthetic camphor in this country and discontinued it. Now, the Belle Chemical Co., in the State of the Senator from New Jersey, is attempting to make it and is making around 150,000 pounds a year—500 pounds a day.

Mr. President, with the permission of the Senator from Alabama, I desire to state that the synthetic camphor is directly competitive with BB Japanese. Of course, everybody knows that all the natural camphor of any consequence comes from the island of Formosa; that Japan has a natural absolute monopoly upon it. The crude or BB Japanese camphor, as we call it, is directly competitive with synthetic camphor; and it is a fact that in the United States we can not make synthetic camphor in competition with the cheap natural camphor put on the market by Japan unless we would do more than the Senator from New Jersey wants to do—unless we not only put a high duty upon synthetic camphor but put an equally high duty upon natural camphor.

If that were done, of course, synthetic camphor could be made in the United States; but when it is borne in mind that its one competitor is crude natural camphor, and that crude camphor is admitted into the United States at 1 cent per pound, it is absolutely apparent, as is verified by the history of our industries in trying to make it in this country, that it can not be made in competition unless the high duty on synthetic camphor is continued and an equally high duty is also placed upon crude camphor.

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

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

Mr. SMOOT. I want to say that the synthetic camphor is a purer article than the natural camphor.

Mr. GEORGE. Only for some purposes. There is not any need to dispute about the facts in this case, because they are too clear.

Mr. SMOOT. I wanted to call attention to that.

Mr. GEORGE. Yes; the Senator is right.

Mr. SMOOT. Not only that, but the purposes for which the synthetic camphor can be used as against the natural camphor are the very things that are growing. They are the coming things.

Mr. GEORGE. Oh, yes.

Mr. SMOOT. They are the automobile windshields, the white goods of all kinds, and so forth.

Mr. GEORGE. Yes; I am willing to concede that. The Senator from Utah is quite right, but I do not want to mislead the Senate, and I know the Senator from Mississippi does not want to do anything that will work any injustice to the naval-stores industry, because he is as much interested in its welfare as I am, or any other Senator here. If synthetic camphor is to be made in this country, we are practically compelled to recognize the necessity of giving a higher duty on natural camphor; and let me say that the naval-stores people do not object, so far as they are concerned, to the rate of 5 or 6 cents or any other figure on synthetic camphor. What they do insist upon, however, is that a parity shall be established between the rates on crude or natural camphor and synthetic camphor.

I have thought of the problem from the angle of the manufacturer or the possible manufacturer in this country as well as the naval-stores people. I do not see how we can justify a tariff of 5 or 6 cents—say 5 cents—on the crude Japanese camphor, because the absolute monopoly for all time to come practically resides with Japan. We do not produce it in this country; and therefore the only object in putting the tariff upon crude camphor would be to make possible the manufacture of synthetic camphor.

The Senator from Mississippi has proposed this amendment, which carries the duty back to a level with natural camphor at the end of three years unless 25 per cent of the amount of synthetic camphor consumed in the United States is produced here, 30 per cent, I believe, at the end of four years, and 50 per cent at the end of five years. That, of course, would exact the actual duty paid upon the importations of synthetic camphor until the three years had elapsed; but if at that time synthetic camphor could be made commercially, I do not believe it would be against the interests of the naval-stores producers in this country for it to be made, because their customer is the synthetic manufacturer. The manufacturer of synthetic camphor is their market; and if he can be established here, the industry, of course, is in better position than it is now in having to supply the camphor to the German manufacturer.

Mr. SMOOT. In other words, he is sure of the American market.

Mr. GEORGE. Yes; that would be true.

Mr. SMOOT. There would be no competition whatever.

Mr. GEORGE. And while, personally, I believe—I might be wrong in my conclusions—while I think we are going to continue to pay out the amount of the duty for three years and then not have 25 per cent of the production, if the industry is given the benefit of the doubt, since it is now manufacturing 500 pounds a day, I should be willing to take that risk. So far

as I am concerned, the amendment offered by the Senator from Mississippi is satisfactory, and I think it ought to be satisfactory to the industry.

Mr. SMOOT. And I am perfectly willing to accept it.

Mr. GEORGE. I make these suggestions to the Senator from Alabama because I have had the very same matters brought to my attention. When the amendment was offered, let me say to the Senator, it had not occurred to me; I did not know that there was going to be an amendment offered at the time and I had given it no study; but I felt sure that about 60,000 barrels of gum spirits, turpentine, was exported to Germany and used in the manufacture of synthetic camphor, and that the market in Germany for turpentine would be greatly enlarged if the German manufacturers were able to supply more of the demand in the domestic market.

Therefore I felt that we were probably cutting away the market of the naval-stores people in Germany without any reasonable prospect of a domestic industry to take its place.

That is the whole picture, though, I say; and while it is true, of course, that every person interested in synthetic camphor as an importer is connected with the German manufacturers and exporters, because they are the ones who are now making it, nevertheless the demand of American industry for synthetic camphor is growing.

I doubt not that the present consumption of synthetic camphor in the United States is between three and four million pounds. I am inclined to believe it is nearer 4,000,000 pounds at this time than 3,000,000 pounds; so it is quite a big item. The consumption in the United States of Japanese natural camphor, BB grade, is approximately 4,000,000 pounds at the present time; but I do not believe that we would do the naval-stores industry nor the American people—because, after all, they are the ones that are affected—any great injury by allowing the lapse of three years in which the American industry will be permitted to demonstrate whether it can produce as much as 25 per cent of our demands. If it can, then, of course, the industry might be as well entitled to live here and it might be as much to the interest of the naval-stores people for it to exist here as in the case of any other industry and in the case of any other producer of raw material for that industry.

Mr. HEFLIN. Mr. President, do I understand that the Senator from Georgia is willing to accept the proposition of the Senator from Mississippi?

Mr. GEORGE. Yes; I have stated that I was. I express my own belief that at the end of the three years the rate probably will go down to one; but if I am wrong in that the domestic industry will have increased its production; and if so, it will have justified itself.

SEVERAL SENATORS. Vote!

The VICE PRESIDENT. The Chair desires to state that he was in error when he announced that the amendment of the Senator from Alabama was in order. The Chair was under the impression that the Senator from Mississippi had withdrawn his amendment. The vote will come first on the amendment of the Senator from Mississippi. That would not interfere with the Senator from Alabama offering his amendment afterwards.

Mr. BLACK. Mr. President, I should like to ask the Senator from Mississippi if he will not agree to add to his amendment a reduction in the tariff for this period of three years down to 3 cents.

Mr. KEAN. No.

Mr. BLACK. I was asking the Senator from Mississippi, not the Senator from New Jersey. I thought it was his amendment. The situation is that last year we paid $176,000 tariff on synthetic camphor, and it will be that amount each year, or a little over.

Mr. HARRISON. I appreciate——

Mr. KEAN. The people of New Jersey paid most of it.

The VICE PRESIDENT. The Senator from Alabama has not yielded to the Senator from New Jersey.

Mr. HARRISON. I appreciate the feelings of the Senator from Alabama about this matter. He feels exactly as I do. We do not want to tax the American people if we can not build up a home industry. I had the same kind of an amendment that the Senator has; but I feel, in view of all the circumstances, that we can at least give them three years on the matter. They have been going along since 1922 at 6 cents a pound, and during that time our naval-stores industry have supplied the German interest with all the turpentine from which they made synthetic camphor. If we can bring the industry nearer home, we will still supply that particular industry. If we can not, I will say to the Senator, my amendment is so drawn that it must be 20 per cent, I think, or 25 per cent in three years of the consumptive needs of the country.

I have an idea that the consumptive needs of this country in three years are going to be twice as great as they are to-day.

Mr. SMOOT. There is no doubt of it.

Mr. HARRISON. I have not any doubt that the pyroxylin industry is going to grow, and it is a peculiar fact that pyroxylin is made from cotton and from turpentine. I want to see it grow, because I feel, as I said a moment ago, that every automobile is going to have one of these unbreakable windshields in it. If so, the consumptive needs of the country for synthetic camphor in three years may be twice as great or more than twice as great as they are now.

The amendment does not say that the production here must be 25 per cent of the present consumptive needs, but it says that three years from now or four years from now it shall be 30 per cent of the consumptive needs at that time, and if they have not an industry at that time which is purchasing turpentine then the rate shall go back to 1 cent.

I hope the Senator will permit the amendment to go through in that form. I shall get the same "cussing" from the naval-stores industry that the Senator will get; and while I shall defend my course with less ability than the Senator, I feel that that is the best way to do in the circumstances.

Mr. BLACK. Mr. President, I desire to ask a question. As I understand it, the Chair would hold that after this amendment was acted on I could still offer the amendment to reduce the tariff on synthetic camphor to 3 cents.

The VICE PRESIDENT. That is the ruling of the Chair.

Mr. BLACK. I would have no objection to this amendment in the world under those circumstances, because I would prefer to have the amendment this way than to have the rate what it is, 6 cents.

The VICE PRESIDENT. The question is on agreeing to the amendment to the amendment made as in Committee of the Whole.

The amendment to the amendment was agreed to.

Mr. BLACK. Mr. President, I desire to offer the amendment suggested a moment ago.

The VICE PRESIDENT. The Senator proposes the amendment, which the clerk will state.

Mr. BLACK. It is an amendment to substitute the words "3 cents" for "1 cent."

The LEGISLATIVE CLERK. The Senator from Alabama offers the following amendment, in paragraph 52, page 23, line 21, after the word "natural," to strike out "1 cent" and to insert the words "or synthetic, 3 cents," so as to read:

Menthol, 30 cents per pound; camphor, crude, natural or synthetic, 3 cents per pound; refined, 6 cents per pound.

Mr. SMOOT. Mr. President, I am quite sure the 3 cents will not be sufficient. Why not give the industry a chance here, as the Senator from Wisconsin has urged? If it is successful, it will be the best thing that can happen to the naval stores. Nobody can come in competition here. The whole naval stores will be right at the door of the manufacturer.

Mr. BLACK. Mr. President, I do not care to consume any time, but I do want to call attention to the fact that this would reduce the tariff from what it has been—at 6 cents—to 3 cents. Since the time that it was placed at that figure, with the idea of encouraging American industry, it has cost the American public over $2,000,000. That is what it has cost the consumers of camphor. Certainly, if they are going to build up a business, they will build it up on a tariff of 3 cents per pound. There is very little difference between 5 and 3. If they are going to build up this industry, they will build it up on the 3-cent rate.

Personally, I take very little stock in the idea that the American chemical industry is so far behind the chemical industry of the entire world that we must have these stupendous tariffs in order to encourage it. I do not believe that is justified. The great wealth they have acquired in the past few years' operations shows it is not justified. They have built up tremendous monopolies, just as was shown by the Senator from Wisconsin, and if they can not struggle along with a 3-cent tariff rate and relieve the public thus far, then I say the American chemical industry is in a sad way.

The VICE PRESIDENT. The question is on agreeing to the amendment to the amendment.

Mr. BLACK. Mr. President, I ask for the yeas and nays.

Mr. HEFLIN. Mr. President, the $2,000,000 of which my colleague speaks, divided up among 120,000,000 people, is an infinitesimal amount. The proposition of the Senator from Mississippi is an opportunity to assist in the building up of an American industry.

I voted before for this proposition, feeling that I was helping the naval-stores people as well as helping my country to establish an American industry. I still feel that I was helping the

naval-stores people, and I hope they have not been frightened by any German agent over here.

The Senator from Mississippi has pointed out that the course he seeks to pursue would be very beneficial to the cotton producers of the United States. I for one would like to see them aided. They are in great distress. They are selling cotton below the cost of production. I would like to see the naval-stores people helped, as they will be helped, whether they know it or not, by this amendment. I would like to see the cotton producers helped, and they will be helped by the proposition of the Senator from Mississippi.

I would like to see my country establish a synthetic camphor-manufacturing industry so as to make this Nation independent of all the nations of the earth. So I hope this amendment will prevail.

The VICE PRESIDENT. The question is on agreeing to the amendment proposed by the Senator from Alabama [Mr. BLACK] to the amendment made as in Committee of the Whole.

The amendment to the amendment was rejected.

The VICE PRESIDENT. The question is on concurring in the amendment made as in Committee of the Whole as amended.

The amendment as amended was concurred in.

Mr. HOWELL. Mr. President, I shall beg the indulgence of the Senate for unanimous consent for a reconsideration of the vote by which the amendment relating to casein was concurred in. There was no record vote, there was no roll call, and in view of all the circumstances, I trust this request will be granted.

The VICE PRESIDENT. Is there objection?

Mr. SWANSON. Mr. President, was there a yea-and-nay vote in Committee of the Whole on this proposition?

The VICE PRESIDENT. There was.

Mr. SWANSON. It was discussed fully in Committee of the Whole, and I want to make a suggestion to the chairman of the Committee on Finance.

It does seem to me that when we have had a yea-and-nay vote in Committee of the Whole, after ample and full discussion, that ought to be sufficient; and if there is a prospect of the same debate, the same speeches, the same delay in the Senate that was experienced in Committee of the Whole, the Senate ought to have an opportunity to say whether they want the discussion to proceed as fully as it proceeded in Committee of the Whole.

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

Mr. SWANSON. I yield.

Mr. SHEPPARD. There was not a direct vote in Committee of the Whole on the question of the 8-cent duty. A roll-call vote was taken on the motion of the Senator from Wisconsin to substitute 5½ cents, and a great many Senators voted for the 5½-cent rate who are also in favor of the 8-cent rate but were afraid they might lose the 5½-cent rate. For that reason I think there is great merit in the request of the Senator from Nebraska.

Mr. SWANSON. Mr. President, let me state the suggestion I want to make to the chairman of the Committee on Finance.

There is but one way for the Senate to prevent having the same debate, the same roll calls, the same long discussion we had in Committee of the Whole. I think where there has not been a yea-and-nay vote on any amendment, any Senator interested is entitled to ask for one; and I have always voted against a motion to lay on the table where no debate has been had, where the object was to cut off debate and prevent a roll call, and I have taken that action because I have felt that any Senator interested was entitled to a roll call.

I am not going to object to the Senator's request, but I want to make a suggestion to the Senator from Utah, who is in charge of the bill. Separate votes have been reserved on about 100 amendments, and we have disposed of but four in one day.

If we are going to have the same discussion, the same debate, the same contests, the same prolonged effort and zeal manifested for the various industries we have had in Committee of the Whole for the last six months, it will be a month more before these matters are disposed of.

I want the Senator to think over the matter, and to ask unanimous consent to-morrow, when all Senators may be present, that debate be limited on the remaining amendments to 15 minutes, or 10 minutes, or 20 minutes, on a side. If that is not consented to, I think the Senator who is in charge of the bill, responsible for its passage and responsible for the protection of Senators from debate of days and days, such as they have listened to lately—and I have been here listening as carefully as my time would permit—should serve notice that where there has been full debate, if debate threatens to continue for some time, that I would move to lay the amendment on the table and let the Senate pass on the question whether it wanted further debate, and whether it wanted the matter continued from day to day.

I would not do that under any circumstances unless there had been full and free debate in Committee of the Whole, and a roll call, and unless it was impossible to secure an agreement for a limitation of debate.

I shall not object to the request of the Senator from Nebraska. I know he was not present when the vote was taken on the casein amendment, and that he expected to make a speech. I therefore think he is entitled to an opportunity to proceed with that discussion. But I do hope the chairman of the committee will think over the matter seriously and protect the Senate from discussion of three or four days of the same matters which have been discussed in Committee of the Whole for six months.

Mr. COPELAND. Mr. President, I feel very much embarrassed. If I had not made a pledge to the Senator from Indiana, which all heard, that I would not ask for a quorum, I should have called for a quorum, because I knew the Senator from Nebraska wished to speak. I think it is only fair that he should have that opportunity.

Mr. LA FOLLETTE. Mr. President, of course, I am not disposed to object to any request made by a Senator for a reconsideration, but at the same time I would like to ascertain whether it would not be possible to secure a unanimous-consent agreement in connection with the request for a reconsideration, for either a limitation of debate or the setting of a definite time for a vote to-morrow.

Mr. HOWELL. Mr. President, I will amend my unanimous-consent request by asking unanimous consent that the vote shall be reconsidered and that the vote shall be taken at not later than 12 o'clock to-morrow.

The VICE PRESIDENT. Is there objection?

Mr. BLAINE. Reserving the right to object, I can very readily appreciate that one Member of the Senate might take the whole hour in discussion, leaving no opportunity whatever for a reply.

Mr. HOWELL. I assure the Senator I will not take the full time.

Mr. BLAINE. That is no assurance that other Members of the Senate holding the same views entertained by the Senator from Nebraska will not take the time. I am perfectly willing that we should vote at 12 o'clock, if we can divide the time.

Mr. LA FOLLETTE. May not the time be divided, may I suggest to the Senator from Nebraska, one-half hour to be consumed by those in favor of the 8-cent duty, and one-half hour to be allotted to those opposed to it?

Mr. HOWELL. I am perfectly willing to agree to that.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

Mr. SMOOT. Mr. President, a separate vote was reserved by the junior Senator from Utah [Mr. KING] on the amendment relating to olive oil. I have not heard from the Senator as to whether he desires to take up the matter or not.

Mr. McKELLAR. Mr. President, I hope the Senator will let the matter go over.

Mr. JOHNSON. Mr. President, primarily I am interested in this particular item. The argument was carried on with the junior Senator from New York [Mr. WAGNER] in the main. It is true that the junior Senator from Utah made the reservation.

I took the matter up with the junior Senator from New York this evening. He said that he had no desire to have a record vote upon the subject, and then I spoke to the senior Senator from New York [Mr. COPELAND], thinking possibly he might be interested, and he told me the same thing.

Mr. McKELLAR. Mr. President, in the event the junior Senator from Utah [Mr. KING] desires to have it reopened, would there be objection?

Mr. JOHNSON. I would not object to it.

Mr. SMOOT. I certainly would not.

Mr. COPELAND. I want the RECORD to show that I said to the Senator that my colleague was in charge of the olive-oil item.

Mr. JOHNSON. Quite so, and I spoke with the colleague of the Senator before I spoke to him.

The VICE PRESIDENT. The question is on concurring in the amendment made as in Committee of the Whole, which the Secretary will report.

The LEGISLATIVE CLERK. On page 24, line 14, by the amendment made as in Committee of the Whole, the Senate struck out "8½ cents" and inserted "9½ cents," so as to read, in the paragraph on oils:

Olive, weighing with the immediate container less than 40 pounds, 9½ cents per pound.

The amendment was concurred in.

The VICE PRESIDENT. The clerk will state the next amendment on which there was a reservation.

The LEGISLATIVE CLERK. Paragraph 69, ultramarine blues, page 29, lines 16 and 17.

Mr. COPELAND. Mr. President, the rate on this article is 15 per cent, and I move that the amendment be not concurred in, and that the rate be fixed at 15 per cent ad valorem. I think the Senator from West Virginia [Mr. HATFIELD] desires to say something on this subject, and perhaps we had better let it go over on that account.

Mr. SMOOT. Did the Senator say the rate in the present law was 15 per cent?

Mr. COPELAND. Yes. This is ultramarine blues.

Mr. SMOOT. The provision in the present law is as follows:

Blue pigments and all blues containing iron ferrocyanide or iron ferricyanide, in pulp, dry, or ground in or mixed with oil or water, 8 cents per pound; ultramarine blue, dry, in pulp, or ground in or mixed with oil or water, wash and all other blues containing ultramarine, 3 cents per pound.

Mr. COPELAND. Is that the present law? The present law provides 15 per cent, does it not?

Mr. SMOOT. No; I have just read the provision in the present law.

Mr. SHORTRIDGE. Mr. President, a point of order.

The VICE PRESIDENT (rapping for order). Let the Senate be in order.

Mr. SHORTRIDGE. Mr. President, I rise to a point of order.

The VICE PRESIDENT. The Senator will state it.

Mr. SHORTRIDGE. The hour of 10 o'clock has arrived.

The VICE PRESIDENT. That is not an affair of the Chair. It is a question for the Senate. Does the Senator from New York yield to the Senator from Utah?

Mr. COPELAND. I yield.

Mr. SMOOT. I say to the Senator that if he will turn to the present law he will find that it is exactly as I have read it. I do not know whether the Senator heard what I read or not.

Mr. COPELAND. Yes, I did; and the Senator is correct. My desire is that the Senate shall disagree to the amendment made by the Finance Committee, and my reason for that is——

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

The VICE PRESIDENT. Does the Senator from New York yield to the Senator from Ohio?

Mr. COPELAND. I yield.

Mr. FESS. The junior Senator from West Virginia [Mr. HATFIELD] earlier in the debate expressed an interest in this particular amendment.

Mr. COPELAND. I so stated a moment ago, and I think he should be here when the matter is considered.

Mr. LA FOLLETTE. Mr. President——

The VICE PRESIDENT. Does the Senator from New York yield to the Senator from Wisconsin?

Mr. COPELAND. I yield.

Mr. LA FOLLETTE. I wish to serve notice now that while I am not going to object to having this amendment go over, yet if any further request is made to pass over an item it is going to bring about an objection on my part.

Mr. SMOOT. There is no suggestion to pass this matter over.

Mr. FESS. There was no suggestion on my part to pass it over. My suggestion was that it is 10 o'clock——

Mr. LA FOLLETTE. Yes; we know it is.

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

The VICE PRESIDENT. Does the Senator from New York yield to the Senator from Utah?

Mr. COPELAND. I yield.

Mr. SMOOT. Does the Senator want to have a vote upon his amendment after I have called his attention to the present law?

Mr. COPELAND. Yes; because, while I made a mistake regarding the rate, I do not want to have the additional rate which proposes 4 cents a pound if valued at more than 10 cents a pound, and so forth. I wish to have the rate restored to the present basis. That is a matter which I desire to have considered. I feel that I am responsible for the absence of the Senator from West Virginia [Mr. HATFIELD], because he was justified in believing that the debate on casein would continue indefinitely through the evening. As a matter of courtesy to him, I would like to have the question taken up when he is here, although, so far as I am concerned, I am ready to proceed with it now.

Mr. SMOOT. I am quite sure the Senator from West Virginia would certainly not agree to any rate of 15 per cent. In 1928 the profits of this concern on the number of pounds sold, which was 4,140,272, were only $4,751.10. For a whole year under existing law that was the amount of their profits. If there is any other item brought before the Senate with a record of that kind, I do not know it.

Mr. COPELAND. The difficulty about the argument is this—and, by the way, let me remind the Senator from Utah——

The VICE PRESIDENT (rapping for order). Let the Senate be in order.

Mr. COPELAND. Mr. President, I do not blame Senators at all. It is after 10 o'clock, and certainly I have no desire to go on with the matter to-night; but I want the RECORD to show what I am proposing to do, which is to disagree to the Finance Committee amendment and return to the present law, which the Senator from Utah assures me is 3 cents a pound. I am going to point out, when I have an opportunity to do so, that the Senator from Utah is mistaken about the importations, and so forth, because the record which we have makes no distinction between wash blues and other blues.

Mr. SMOOT. I do not want to keep the Senate here any longer, if the Senator is not going to discuss the matter. If the Senator does not desire to have a vote now——

Mr. COPELAND. I desire to wait until the Senator from West Virginia [Mr. HATFIELD] is in the Chamber.

RECESS

Mr. SMOOT. I move that the Senate take a recess, the recess being until 11 o'clock to-morrow morning.

The motion was agreed to; and the Senate (at 10 o'clock and 5 minutes p. m.), under the order previously entered, took a recess until to-morrow, Thursday, March 6, 1930, at 11 o'clock a. m.

NOMINATIONS

Executive nominations received by the Senate March 5 (legislative day of January 6), 1930

UNITED STATES ATTORNEYS

Arthur Arnold, of West Virginia, to be United States attorney, northern district of West Virginia. (He is now serving in this office under an appointment which expired February 15, 1930.)

Frank Lee, of Oklahoma, to be United States attorney, eastern district of Oklahoma. (He is now serving in this office under an appointment which expired December 15, 1929.)

JUDGE OF THE MUNICIPAL COURT, DISTRICT OF COLUMBIA

James A. Cobb, of the District of Columbia, to be a judge of the municipal court, District of Columbia. (He is now serving in this office under an appointment expiring March 17, 1930.)

HOUSE OF REPRESENTATIVES

WEDNESDAY, *March 5, 1930*

The House met at 12 o'clock noon.

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

Fill our souls with Thy Spirit, our blessed Father, that hope, wonderful hope, may live in our breasts. It is the rainbow arch and the doorway of the future up to God. Do Thou pass by our imperfections and forgive our misconceptions, and hold us with our expectant faces against Thy light. O let us look higher than we can climb and bless us with the rapture of absolute confidence in Thy love, and with tearless peace may our minds be true to high purpose and never be hindered by prejudice, bigotry, or inordinate affection. In the name of our Saviour. Amen.

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

MONITORING RADIO STATION

Mr. ELLIOTT. Mr. Speaker, I ask unanimous consent to file a supplemental report from the Committee on Public Buildings and Grounds on the bill (H. R. 9483) to amend the act of February 21, 1929, entitled "An act to authorize the purchase by the Secretary of Commerce of a site, and the construction and equipment of a building thereon, for use as a constant frequency monitoring radio station, and for other purposes."

The SPEAKER. The gentleman from Indiana asks unanimous consent that he may be permitted to file a supplemental report upon the bill H. R. 9483. Is there objection?

Mr. GARNER. Mr. Speaker, we have not yet heard any reason for such supplemental report. What is the reason for it?

Mr. ELLIOTT. The reason is that the original report does not quite comply with the Ramseyer rule.

The SPEAKER. Is there objection?

There was no objection.

TO AMEND SECTION 22 OF THE FEDERAL RESERVE ACT

The SPEAKER. This is Calendar Wednesday, and under the agreement the Committee on Banking and Currency has the call. The Clerk will call the committee.

The Clerk called the Committee on Banking and Currency.

Mr. TILSON. Mr. Speaker, it is desired by a number of Members that we attempt to reach an agreement a little bit different in arrangement from that provided for under the rule that governs proceedings on Calendar Wednesday. I ask unanimous consent that the time for debate upon the bill now under consideration, H. R. 9683, to amend section 22 of the Federal reserve act, be fixed at one hour and a half.

The SPEAKER. The gentleman from Connecticut asks unanimous consent that debate upon the bill now under consideration be extended to one hour and a half. Is there objection?

There was no objection.

Mr. TILSON. Mr. Speaker, it is further desired that at the conclusion of general debate the bill may be considered under the 5-minute rule. A number of amendments are to be offered, and it is desired to open up the debate as much as possible. I make that request that the bill may be considered under the 5-minute rule.

Mr. STEAGALL. And as I understand it, under this agreement the gentleman from Georgia [Mr. BRAND] is to have control of half the time?

Mr. TILSON. As I understand it, the debate is to be controlled, half for the bill and half against the bill.

The SPEAKER. This bill is on the House Calendar, and there can be no other arrangement than that provided by the rule, except by unanimous consent. The gentleman from Pennsylvania [Mr. MCFADDEN] has control of the time.

Mr. WINGO. Mr. Speaker, the agreement between us is that the gentleman from Pennsylvania [Mr. MCFADDEN] shall control one half the time and that the gentleman from Georgia [Mr. BRAND], the author of the bill, shall control the other half of the time, each one to take care of those for and against the bill on their respective sides of the House.

The SPEAKER. That would take the gentleman from Pennsylvania off his feet, but it would be very simple for the gentleman from Pennsylvania to yield half of his time to the gentleman from Georgia.

Mr. MCFADDEN. Mr. Speaker, the time has been extended to one hour and a half under unanimous consent, and I shall yield one-half of my time to the gentleman from Georgia [Mr. BRAND] to use as he sees fit.

Mr. WINGO. Let the author of the bill, Mr. BRAND, control the time on this side.

Mr. MCFADDEN. I yield 45 minutes to the gentleman from Georgia [Mr. BRAND].

Mr. WINGO. And the understanding is that these two gentlemen will take care of those both for and against the bill on the respective sides of the House, the gentleman from Pennsylvania taking care of those for and against the bill on his side and the gentleman from Georgia doing likewise on this side.

Mr. MCFADDEN. That is entirely agreeable.

The SPEAKER. The gentleman from Connecticut further asks unanimous consent that at the conclusion of the debate on the bill the bill shall be read by sections under the 5-minute rule for amendment. Is there objection?

There was no objection.

Mr. WINGO. Now, Mr. Speaker, at this time I ask unanimous consent that the Philippine Commissioner [Mr. GUEVARA] may be permitted to proceed for five minutes out of order, that time not to be taken out of the time on the bill under consideration.

The SPEAKER. The gentleman from Arkansas asks unanimous consent that the Commissioner from the Philippine Islands [Mr. GUEVARA] may be permitted to address the House now for five minutes, the time not to be taken out of the time for debate upon the bill under consideration. Is there objection?

There was no objection.

Mr. GUEVARA. Mr. Speaker and gentlemen of the House, it is a privilege to fulfill the duty of transmitting to the Congress of the United States the resolution passed by the independence congress of the Philippine Islands, held on the 22d of February, 1930, setting forth the reasons for the granting of independence to the Philippine Islands at the earliest possible moment.

The independence congress of the Philippine Islands was called and held for the same purpose, but for different reasons, than the Continental Congress of the thirteen American Colonies. The Filipino people represented by the independence congress want to be independent of the United States, not because they have any grievance which prompts them to follow such a course. The American-Filipino relationship which started with the ratification of the treaty signed at Paris between the United States and Spain, can be properly regarded as full of happy events and achievements, and, if this is the case, it seems that such a relationship must be permanent. However, in the course of time it has been proven that to make such relationship permanent would be detrimental to the best interests of both peoples and countries.

The American colonists began to feel the necessity of being independent of England for many reasons, one of importance being that they were separated from the mother country by 3,000 miles of water. The Philippine Islands is in the same geographical position as the thirteen American Colonies.

It is unnecessary for me to enumerate or to emphasize the political, social, and economic reasons for the independence of the Philippine Islands. It is not my desire now to discuss these questions, and I will therefore confine myself to transmitting to the Congress of the United States the resolution I mentioned at the beginning of my remarks.

I ask, therefore, Mr. Speaker, unanimous consent to print in the RECORD the resolution passed by the independence congress of the Philippine Islands, in the hope that it will help the American people and their constitutional representatives to know and determine the real wishes and aspirations of the Filipino people.

Thank you.

RESOLUTION OF THE FIRST INDEPENDENCE CONGRESS OF THE PHILIPPINES ADOPTED AT MANILA, FEBRUARY 26, 1930, FOR TRANSMITTAL TO THE UNITED STATES

We the members of the First Independence Congress, convened at the city of Manila, Philippine Islands, from February 22 to February 26, 1930, upon the initiative of private citizens and composed of representatives of business and agriculture, directors of civic organizations, leaders in the various professions, publicists, educators, labor, religious and student leaders, municipal presidents, prominent Moro leaders, coworkers of Rizal and Del Pilar in Spain, veterans of the revolutions, elective officials of the provincial governments, high officials of the former Philippine Republic, past and present members of the Philippine Legislature, and Filipino members of the council of state, after deliberating upon the problems of independence, including national defense, finance, and economics, as well as political, social, and educational questions which would be faced by an independent Philippines, hereby make the following declaration:

While fully conscious of the debt of gratitude we owe to America for her benevolent policy in the Philippines, we are convinced that immediate independence is the only solution to the Philippine problem in consonance with the unalterable desires of the Filipino people.

No matter how lightly an alien control may rest on a people, it can not, it will not make that people happy.

The genius and potentialities of the Filipino people can only be developed in an atmosphere of freedom unrestrained by foreign rule.

Differences in race, history, and civilization render difficult, if not impossible, a common life under one flag between the American and Filipino peoples.

The uncertainty of our future political status hampers the economic development of the country.

Our present trade relations with the United States are not conducive to the economic independence of the Philippines, and whatever may be the temporary advantages of such relations, we are willing to forego them for the sake of freedom.

The longer we remain under America the harder will it be for us to be freed from our political and economic dependence upon her.

We are now better prepared for nationhood than many independent states of to-day, and we are ready to assume the risks and responsibilities of independence.

We are not unmindful of the fact that in the final solution and settlement of the Philippine problem, American and foreign interests must be adequately safeguarded.

The establishment of a Philippine Republic to-day would be the logical and just outcome of our long struggles for freedom in keeping with American history and traditions.

Independence will make for close friendship and better understanding between America and the Philippines, while retention fosters distrust and ill feeling.

In our solemn constitutional covenant with America she has promised to grant us independence as soon as a stable government can be established. This condition has long been fulfilled.

Therefore in the name and in behalf of the Filipino people, we solemnly affirm with full realization of the consequences and responsibilities of political independence that our people should be allowed to live an independent life and to establish a government of their own without any further delay and without any condition which makes its advent uncertain. Hence, we respectfully reiterate our petition to the people and Government of the United States to grant the Philippines immediate, complete, and absolute independence.

[Applause.]

Mr. MCFADDEN. Mr. Speaker, this bill, H. R. 9683, pending before the House at this time, proposes a Federal regulation to punish malicious individuals who circulate statements derogatory of national and State member banks, members of the Federal reserve system.

It is a fact that many of the States at the present time have laws covering this, but there are instances where banks do not come within the jurisdiction of State laws. There are many States that do not have laws covering this situation.

This bill is intended to cover slanderous attacks on banks, which sometimes cause loss to the banks and resulting hardships on the people.

I call attention to the report, which sets forth fully the conditions and legal angles of the bill. I expect that the gentleman from Georgia [Mr. BRAND] will explain the bill more in detail.

Mr. ADKINS. Mr. Speaker, will the gentleman yield?

Mr. McFADDEN. Certainly.

Mr. ADKINS. If this bill becomes a law—and a great many people are naturally solicitous as to where they have their savings—suppose I inquire of a man concerning a bank in which I have my savings deposited. He might give his opinion on that, and as a result it might be that the man would have to come into court and defend a lawsuit.

Mr. McFADDEN. The language is:

> Whoever maliciously, with intent to deceive, makes, publishes, utters, repeats, or circulates any false report—

And so forth.

Mr. ADKINS. When there is a run on a bank—and we have had runs on them in our community—it is a bad thing to start these stories. But here is a proposition that you are putting a citizen up against: If he does express an honest opinion, and with no idea except to protect his neighbor, and it is determined that his neighbor got his information from this citizen as to the solvency of the bank, and that resulted in a run on the bank, there is no way by which he could escape a lawsuit, is there?

Mr. HOOPER. I am not a partisan for or against the bill one way or the other, but this contains the element of malice, as I understand, and the intent to deceive. Is it not likely that district attorneys or other officials would go very carefully into the matter before bringing a prosecution?

Mr. ADKINS. I appreciate that. But when a bank has a run on it and damage is done, I do not see how a man can escape a lawsuit for giving an opinion on the bank.

Mr. HOOPER. The burden of proof as to that would have to go through the hands of the prosecuting official.

Mr. ADKINS. He would have to have a lawyer.

Mr. HOOPER. So it is in the event he is charged with a crime.

Mr. RAMSEYER. Mr. Speaker, has the gentleman from Pennsylvania a list of the States that have such laws as he refers to, or can a member of the committee furnish a list of such laws?

Mr. BRAND of Georgia. I can furnish to the gentleman a list of such laws.

Mr. RAMSEYER. I was asking the chairman a question, out of the time of the gentleman from Pennsylvania. He stated that some of the States have laws covering all that this bill proposes to cover as to national banks and member banks. I ask for a list of those cases.

Mr. BRAND of Georgia. I will give it to you.

Mr. RAMSEYER. In your address?

Mr. BRAND of Georgia. Yes.

Mr. RAMSEYER. I will ask another question, so that the gentleman can answer it in his discussion. The report undertakes to state the indorsers of the bill, including the Treasury Department. I would like to have a statement concerning that indorsement, who made it, and the language used, and the same with regard to the indorsements of the Federal Reserve Board and the American Bankers' Association and the Chamber of Commerce of the United States. I would like to see them. That is what I suggest now.

Mr. CHINDBLOM. Mr. Speaker, will the gentleman yield?

Mr. McFADDEN. Yes.

Mr. CHINDBLOM. Referring to the inquiry of the gentleman from Illinois [Mr. ADKINS], the reply was made that there would be no danger of prosecution unless the report in reference to the insolvency of the bank and other matters involved in this bill could be shown to have been made with malice and with an intent to deceive. I call attention, however, to paragraph (h)—and incidentally let me say that the first part of it uses rather unusual language—which reads:

> If two or more persons conspire to violate the above provision—

Namely, provision (g), which sets out the penalty for doing certain things. I think that form of language for creating a felony or conspiracy is very vague and indefinite. But further than that, paragraph (h) says:

> If two or more persons conspire to violate the above provision, or to cause a general withdrawal of deposits from any national bank—

And so on.

Even if malice and intent to deceive may be required to prove a violation of the provisions in paragraph (g), the requirement with reference to malice and intent to deceive is not carried into the next phrase—

> Or to cause a general withdrawal of deposits from any national bank—

because that creates an offense separate from the provisions of paragraph (g), which would not require any proof of malice or intent, under the wording of the paragraph as it stands in the bill.

Mr. HOOPER. Will the gentleman yield?

Mr. CHINDBLOM. Yes.

Mr. HOOPER. I think probably the gentleman is right about subparagraph (h), but it can be cured by inserting language which would use the words "maliciously or with intent to deceive."

Mr. CHINDBLOM. I observe that the committee amendments do not cure it.

Mr. HOOPER. No; and I think the gentleman is right in his statement on that.

Mr. McFADDEN. Will the gentleman from Georgia use some of his time now?

Mr. BRAND of Georgia. I will, with one exception. The gentleman from Iowa asked a question with reference to the Secretary of the Treasury. The chairman of the Committee on Banking and Currency can answer that question more satisfactorily to the gentleman from Iowa than I can. It is for him to answer that.

Mr. McFADDEN. I will answer that later. Will the gentleman from Georgia use his time now?

Mr. BRAND of Georgia. I will when I have an opportunity.

Mr. JOHNSON of Texas. Will the gentleman yield? I desire to propound a parliamentary inquiry.

Mr. McFADDEN. I yield to the gentleman for that purpose.

The SPEAKER. The gentleman from Texas will state his parliamentary inquiry.

Mr. JOHNSON of Texas. There is on the Speaker's desk a petition to bring up what is known as the Rankin bill, under the rule of the House by which, if a majority of the Members sign the petition, the bill will be taken from the committee. One of my colleagues, who is absent on account of illness and who will likely be absent for an indefinite period on account of the condition of his health, desires to know whether or not he can authorize his name to be signed to the petition in his absence. I would like to propound an inquiry to the Speaker as to his rights; that is, whether or not it can be done by a proxy or whether or not he would have to do it in person?

The SPEAKER. Since the gentleman from Texas [Mr. JOHNSON] asked the Chair that question informally yesterday, the Chair has examined the question and feels very clear about how the rule should be construed.

Paragraph 4 of Rule XXVII relating to this subject reads as follows:

> A Member may present to the Clerk a motion in writing to instruct a committee to report within 15 days a public bill or resolution which has been referred to it 30 days prior thereto (but only one motion may be presented for each bill or resolution). The motion shall be placed in the custody of the Clerk, who shall arrange some convenient place for the signature of Members. A signature may be withdrawn by a Member in writing at any time before the motion is entered on the Journal. When a majority of the membership of the House shall have signed the motion it shall be entered on the Journal, printed with the signatures thereto in the CONGRESSIONAL RECORD, and referred to the Calendar of Motions to instruct committees.

It will be observed that the word "sign" is used. No provision whatever is made for any such thing as signing by proxy or by an agency of any sort. While it is true that in some cases Members are authorized to vote while absent, in committee proceedings, the Chair thinks that is purely a matter of courtesy with the committee. It is not a question of the rules of the House at all. There is no rule that the Chair knows of in the House of Representatives for any sort of proxy. No man can transfer his vote or permit another Member to vote for him, as I believe is the rule in the French Chamber of Deputies. A Member must vote in person.

There being no provision in this rule for anything else, the Chair is very clear that no Member can delegate to another the right to sign such a petition as this.

Mr. JOHNSON of Texas. I thank the Speaker very much for the ruling. As far as I could ascertain, there had been no previous ruling upon the particular question, and I thought it was desirable that a precedent be established.

The SPEAKER. There is no precedent as far as the Chair knows. In fact, the Chair can only recall once, several Congresses ago, where a petition was actually filed.

Mr. BRAND of Georgia. Mr. Speaker, for the present I yield myself 15 minutes.

Gentlemen of the House, I want to say in the first place that every Member of the House ought to be interested in this proposed legislation. If you will bear with me, I want to carefully read the bill to you, as it is short, so that every lawyer Member of this House can understand it on reading it, and every Member of the House who is not a lawyer can understand it on its being explained. Omitting the immaterial parts of the bill, it is as follows:

That section 22 of the Federal reserve act be amended by adding at the end thereof the following language:

"(g) Whoever maliciously, or with intent to deceive, makes, publishes, utters, repeats, or circulates any false report concerning any national bank, or any State member bank of the Federal reserve system, which imputes or tends to impute insolvency, or unsound financial condition, or financial embarrassment, or which may tend to cause or provoke, or aid in causing or provoking, a general withdrawal of deposits from such bank, or which may otherwise injure, or tend to injure the business or good will of such bank, shall be deemed guilty of a misdemeanor and shall upon conviction in any court of competent jurisdiction be fined not more than $5,000 or imprisoned for not more than five years, or both.

"(h) If two or more persons conspire to violate the above provision, or to boycott, or to blacklist, or to cause a general withdrawal of deposits from, or to cause a withdrawal of patronage from, or otherwise to injure the business or good will of any national bank, or any State member bank of the Federal reserve system, and one or more of such parties do any act to effect the object of such conspiracy, each of the parties to such conspiracy shall be deemed guilty of a misdemeanor and shall upon conviction in any court of competent jurisdiction be fined not more than $5,000 or imprisoned for not more than five years, or both."

I think I should at this time answer the question, which is a very proper one, submitted by the gentleman from Iowa, viz: Who approves or has recommended the passage of this bill?

As everyone knows, the Comptroller of the Currency has immediate jurisdiction over every national bank and every State bank which is a member of the Federal reserve system. He has recommended this legislation in two different annual reports and this is the last one:

It is again recommended that a law be enacted making it a criminal offense to maliciously or with intent to deceive, make, publish, or circulate any false report concerning any national bank or any other member of the Federal reserve system which imputes insolvency or unsound financial condition, or which may tend to cause a general withdrawal of deposits from such bank or may otherwise injure the business or good will of such bank.

This bill does not go as far as the comptroller recommended.

In the next place, I want to say to the House that I am reliably informed by members on the Banking and Currency Committee supposed to be close to him that this bill meets with the approval of the Secretary of the Treasury. This bill meets with the approval of the United States Chamber of Commerce. I have frequently talked with the Secretary or some official of that body though I did not seek the approval of this institution. I never requested in the first instance any assistance from this body. Some officer connected with the chamber of commerce called over the phone some two or three weeks ago and asked me about this bill.

In the conversation he stated that they had given a great deal of thought and consideration to the proposition, and after doing so that the chamber of commerce had reached the conclusion to favor this legislation.

In regard to the Secretary of the Treasury, I am going to leave the answer to that question to be made by the gentleman from Pennsylvania, the chairman of the committee.

In regard to the American Bankers' Association, I want to call your attention to a letter which was written to me on February 26 by the general counsel of the American Bankers' Association, Mr. Paton.

DEAR MR. BRAND: Your bill (H. R. 9683) to punish libel and slander of National and State bank members of the Federal reserve system has the hearty approval of the American Bankers' Association. Instances are most frequent where malicious persons from a variety of motives circulate malicious stories affecting the standing and solvency of particular banks, which very often have the effect of causing serious injury and loss. The banks certainly need the protection of a Federal statute of this kind which will act as a deterrent to many malicious individuals, who, in the absence of a punitive statute, can freely circulate unfounded and injurious statements without fear of punishment.

So we have the Comptroller of the Currency approving this bill. I think we can safely rely upon its meeting with the approval of the Secretary of the Treasury. It meets with the approval of the United States Chamber of Commerce and the hearty approval of the American Bankers' Association, which association has been considering it since 1907.

I want to let you know what this association did in 1907 in dealing with this subject. This is found on page 36 of their proceedings of 1925. I quote:

An act to punish derogatory statements affecting banks or trust companies

Be it enacted, etc., That any person who shall wilfully and maliciously make, circulate, or transmit to another or others any statement, rumor, or suggestion, written, printed, or by word of mouth, which is directly or by inference derogatory to the financial condition or affects the solvency or financial standing of any bank, savings bank, banking institution, or trust company doing business in this State, or who shall counsel, aid, procure, or induce another to start, transmit, or circulate any such statement or rumor, shall be guilty of a (felony or misdemeanor), and upon conviction thereof shall be punished by a fine of not more than $5,000 or by imprisonment for a term of not more than five years, or both.

This draft of the proposed legislation is substantially like the provisions contained in this bill, though the pending bill is not as strong or drastic as that adopted by the association. Besides this draft provides that a violation of the same is a felony, whereas the pending bill declares the offense a misdemeanor. In the document which I hold in my hand they go on and discuss the question in this way:

To meet the evil of bank slander to which banks are peculiarly subject, and for which, but for a statute of this kind, there is no adequate redress. Cases occur with considerable frequency where a disgruntled borrower who has been refused a loan or a customer who has some fancied grievance against his bank, maliciously circulates statements or rumors affecting its solvency.

At this point I want to put in the RECORD a list of the States which have similar State laws and those which do not, being a compilation made by the American Bankers' Association in the year 1925:

I. STATES WITHOUT LAW

District of Columbia, Maine, Iowa.

Massachusetts (see General Laws (1921), c. 266, sec. 92, p. 2719): Publication of statement having a tendency to give a greater or less apparent value to securities and assets of corporations, firms, etc., than they possess; $5,000, 10 years.

Minnesota (see 1923, c. 7, p. 9: Malicious furnishing of untrue statement concerning any person or corporation to newspaper constitutes misdemeanor, punishable under General Statute (1913), section 8482, by maximum fine of $100, or maximum imprisonment of three months.

Mississippi.

Montana (see Revised Codes (1921), sec. 11436): Same in substance as Massachusetts statute above; $10,000, 10 years. Section 10999. Securing publication in periodical, etc., of any false or libelous statement concerning any person or corporation.

Nebraska, New Hampshire, North Dakota, South Dakota, Tennessee, Texas, Vermont.

Virginia (see 1922, c. 353, p. 591): Furnishing false statement to publisher.

II. STATES HAVING RECOMMENDED DRAFT

(Where institution is not specified in Lists II, III, and IV, banks, savings banks, and trust companies are included, expressly or by necessary implication.)

Michigan: Compiled laws (1915), section 8043, $5,000, 5 years.

North Carolina: 1921, chapter 4, section 82, page 103. Reenactment with slight changes of consolidated statutes (1919), sec. 4231.) "Any bank," including by statutory definition (sec. 1, p. 76) any receiver of money on deposit as a business; punishable under consolidated statutes (1919), section 4173, with imprisonment from 4 months to 10 years, or "fine," without stating amount.

III. STATES HAVING RECOMMENDED DRAFT IN MODIFIED FORM

Alabama: Code (1923), section 3415. ("Bank," which term may very well include a trust company under sec. 6388. Only changes "false, libelous, or slanderous" inserted before "statement," in line 2; "misdemeanor," maximum punishment under sec. 5277, $500, 6 months, or both.)

Alaska: 1913, chapter 41, page 69. "False;" misdemeanor, punishable under compiled laws (1913), section 2072, at not more than $500 or not more than 1 year.

Arizona: 1921, chapter 99, page 187. "Untrue in fact"; "any bank doing business in this State," probably including trust companies; see 1922, special session, chapter 31, section 1, page 124; $1,000, one year.

Arkansas: Digest Statutes (1921), section 736. Same in substance as recommended draft; $500, 3 to 12 months.

California: Penal Code, section 563b. "Untrue in facts"; "any bank"; probably included a savings bank or a trust company; see bank act, section 2; $1,000, one year.

Connecticut: General Statutes (1918), section 6309. "False"; $500, one year.

Delaware: 1915, chapter 107 (sec. 2115c), page 322. "False"; $2,000, two years.

Florida: Revised General Statutes (1920), section 5093. "False"; any banking institution doing business in State; $500, one year.

Idaho: 1921, chapter 164, page 360. "False"; $5,000, six months.

Illinois: Revised Statutes (1921), chapter 38, section 405, page 659. Truth a defense; "intent to affect solvency or financial standing" element; $500, one year.

Indiana: State (Sup., 1921), section 2258b. "False"; $1,000, one year.

Kentucky: Statutes (1922), section 598a. "False"; $200–$1,000, 20–100 days.

Maryland: Code (1911), article 11, section 77, page 259. "Untrue in fact"; $1,000, three years.

Missouri: Revised Statutes (1919), section 3366. "Untrue in fact"; intent to injure element; $1,000, one year.

New Jersey: Compiled Statutes (1910), page 1809, section 212d. "Untrue in fact"; misdemeanor; punishable under sections 218–219, page 1812; $1,000, three years.

New Mexico: 1923, chapter 75, page 117. "Directly or by inference" omitted. "Intent to injure" required. Felony, "punishable by a fine not less than $500, or by imprisonment for not less than one year, or by both such fine and imprisonment."

New York: Penal Law, section 303. "Knowingly"; "untrue in fact"; $1,000, one year. See section 1353. Furnishing libelous information generally to publisher.

Ohio: General Code (1921), section 13383 (1). "False or untrue"; $1,000, two years.

Oregon: 1921, chapter 24, page 36. "Circulate and transmit"; "false"; $250–$500, one month.

Pennsylvania: Statutes (1920), section 7931. "Untrue in fact"; "intent to injure"; $5,000, five years.

Rhode Island: General Laws (1923), section 4058. "Untrue in fact"; $500, one year.

Utah: 1921, chapter 24 (sec. 1017x5), page 88. "Knowingly"; "untrue in fact"; "any bank" which does not with certainty include trust companies; $1,000, one year.

Washington: Remington's Compiled Statutes (1922), sections 2432–1; Pierce's Code (1919), section 8964. "False"; gross misdemeanor; punishable under statute (1922), section 2267; Code (1919), section 8702; $1,000, one year. See Remington's Compiled Statutes (1922), section 2431; Pierce's Code (1919), section 8960. Furnishing libelous information concerning "corporation" to newspaper, magazine, etc.; misdemeanor, $250 or 90 days under statute (1922), section 2266; code (1919), section 8701. See also statute (1922), section 2424; code (1919), section 8953. Malicious publication other than oral tending to injure corporation in business. One thousand dollars, one year under statute (1922), section 2267; code (1919), section 8702.

West Virginia: Code (1923), chapter 54, section 81d, page 1213. "False or untrue statement"; besides covering the subject of the recommended measure includes the making, circulating, etc., of false statements "with intent to depress the value of the stocks, bonds, or securities of any such banking corporation," and the use of "any fraudulent means" with such intent; $300, 60 days.

Wisconsin: Statute (1923), section 4569m. "False"; $1,000, one year.

Wyoming: Compiled Statutes (1920), section 5209. "False"; $100–$1,000, one year.

IV. STATES HAVING DIFFERENT LAW

Colorado: Compiled Laws (1921), sections 6975–6976. "Any bank in this State," which probably includes trust companies; see section 2653. "False"; covers substance of first part of recommended measure only; $500, six months. See section 6811. Conspiracy to have receiver appointed for solvent bank or trust company, whereby any conspirator shall receive any compensation through the receivership; five years, $1,000.

Georgia: Park's Annotated Code (Supp. 1922), sections 2281ff–2281gg. (Park's Banking Law (1920), secs. 224–225.) "False," otherwise adequate; punishable under section 2281ll [Banking Law sec. 230] and Penal Code (1914), section 1065; $1,000, 6 months, 12 months chain gang, one or more of such punishments.

Kansas: Revised Code (1923), section 21–2452. Covers same ground as recommended draft; statement must be made "without probable cause" and with intent to injure; adds provision as to starting "run" on bank or other financial institution; $500, 3 months.

Louisiana: Statutes (1920), page 140 (Act 250 of 1914). "Any bank" organized under the laws of the State or of the United States; covers substance of first part of measure only; amount of punishment uncertain.

Nevada: Revised Laws (1912), section 661. "Banking institution," including by statutory definition (sec. 690) all persons, firms, and corporations "carrying on a banking or trust company business"; "false"; otherwise apparently adequate; $500, 6 months.

Oklahoma: Compiled Statutes (1921), section 4185. Oklahoma "banking associations," excluding national banks; trust companies not expressly included; covers substance of first part of measure only; $100–$1,000, 1–5 years.

South Carolina: 1922, chapter 444, page 773. "Any bank in South Carolina"; intent to injure"; "false"; otherwise covers substance of first part of measure; $100–$500, 1 year.

Now, I want to call to the attention of Members of the House and particularly to the attention of the gentleman from Iowa [Mr. RAMSEYER] the following facts: That this proposition was before the Senate committee when the McFadden banking bill was up for consideration. This committee approved and indorsed the provisions as contained in the bill which I have introduced. Subsequently, when the McFadden bill came over to the House and was being considered by the Banking and Currency Committee of the House it likewise approved this legislation, made a favorable report on the same, and recommended its passage. They not only embodied in that bill the two provisions which I have in this bill, but they included several others with which practically all of us disagreed.

Mr. RAMSEYER. Will the gentleman yield?

Mr. BRAND of Georgia. Yes.

Mr. RAMSEYER. In that bill you not only tried to make misrepresentation a criminal offense, but you tried to make other offenses against the property of national banks criminal under the Federal laws, and, if I remember correctly, right here in this House that provision was stricken from the bill.

Mr. BRAND of Georgia. It was stricken out, and I will say to the gentleman, in answer to his statement, that I never did insist upon the provision to which the gentleman refers being a part of my bill. But in the general onslaught made against all the provisions of the bill, which were inserted in the McFadden bill in the Senate, the two amendments which I then introduced in the House went down with the others.

Mr. RAMSEYER. The gentleman cites the American Bankers' Association as approving the provisions of the bill. Is it not true that the American Bankers' Association is still insisting not only upon this bill but on making other offenses against the property of national banks, like robbery, and so forth, Federal offenses and that this House has refused to do?

Mr. BRAND of Georgia. The gentleman is taking up my time in asking immaterial questions. That question is not here now.

Mr. RAMSEYER. But the attitude of the American Bankers' Association is here and we are entitled to know their whole attitude.

Mr. BRAND of Georgia. I do not know whether they are doing that or not, but I know they have approved this bill and they have been approving such a bill since 1907.

Now, what is the bill? I may say to you right here that I never thought of a bill of this character until one of the greatest banks in Georgia failed. I want the Members particularly to hear this. It was a national bank with two or three million dollars of deposits, and that is a great bank for Georgia, though a small one in many portions of the country north of the Mason and Dixon line.

On April 10, 1925, this particular bank was functioning and operating and reducing its indebtedness all the time. I arrived in Athens after the adjournment of Congress and soon made my arrangements to go to Florida. On the 10th of April I went by Atlanta and I stopped in to see one of the officials of the Federal reserve bank and asked him about this bank's standing at that time with the Federal reserve bank.

Remember, this was on the 10th of April, 1925. He replied: "Judge, we are going to advance that bank at least $1,000,000, if they want it, to carry on its business for this year."

I went to Florida and had an attack of asthma soon after my arrival, by reason of which fact I returned to Atlanta for treatment. On the 14th day of April my two sons-in-law came to the hospital and told me that this bank had failed. Within four days after one of the main officers of the Federal reserve bank, who is now an officer of the bank, told me the bank was going to carry this institution on to the extent of $1,000,000, if necessary, the Georgia bank closed its doors; due, in my judgment from personal information and information obtained from others, to malicious and false utterances.

The SPEAKER pro tempore (Mr. MAPES). The gentleman from Georgia has consumed 15 minutes.

Mr. BRAND of Georgia. I yield myself 15 minutes more, Mr. Speaker.

Mr. GREEN. Will the gentleman yield?

Mr. BRAND of Georgia. I regret that I can not yield now.

The person to whom I refer by telephone, telegraph, or letter got in touch with a New York banker, who in turn got in touch

with the Federal reserve bank in Atlanta, and the Georgia National Bank went to pieces, causing men, women, and children of both races to lose the savings of a lifetime.

The law we have in Georgia will not cover that sort of case, because the man who made connection with the New York bank lived in Georgia. One quite notable instance for the necessity of a Federal statute is when a person utters and circulates malicious and false statements in one State concerning the financial condition of a national bank in another State.

I want those who are not particularly informed about the question to know that slander or oral defamation is not a crime at common law, and a person uttering derogatory and untrue statements affecting the solvency of a bank can not be punished criminally in the absence of a statute making such offense a crime.

In addition to this, I state to you at present there is no Federal law to punish malicious statements derogatory of a national bank.

What will the Government have to prove before a conviction can be had under this bill if enacted? First, the prosecuting attorney has to prove that the man named in the indictment is the man who uttered the alleged false and malicious words; in the next place, he has to prove that the alleged defendant issued false reports about the bank; in the next place, he has got to prove not only that he uttered them and that they were false but has to prove that the statements uttered by the defendant as alleged in the indictment impute or tend to impute financial embarrassment, and that the same tend to cause a general withdrawal of deposits.

In addition to all the things which the Government has to prove, the prosecuting attorney must prove that the utterances were maliciously made and made with intent to deceive, and to go further and prove all these essential elements of the crime beyond a reasonable doubt.

Now, how in the name of common sense, gentlemen, can any constituent of my friend the gentleman from Iowa, who is opposing this bill, or any other Member of this Congress, object to such a bill with so many safeguards wrapped around it when the utterance made causes the failure of a bank? If all these things can be proven against a person beyond a reasonable doubt, the author of such utterances ought to be in the penitentiary if a bank fails as a result of his malicious and false utterances.

Mr. SEARS. Will the gentleman yield for a question there?

Mr. BRAND of Georgia. Yes.

Mr. SEARS. Does that also mean that the words must be intended to affect the standing financially of that bank?

Mr. BRAND of Georgia. Exactly. The question naturally arises, Who will be benefited by this proposed legislation?

It is intended to help three classes of people: First, the depositors; second, the stockholders; and, third, the borrowers, all of whom, and particularly the depositors and stockholders, should receive at the hands of Congress assistance and relief when the opportunity is afforded.

In a written statement recently made before the Banking and Currency Committee of the House a few days ago Mr. Pole, the Comptroller of the Currency, says:

> There is no more distressing sight than a group of citizens, men and women, clamoring before the closed doors of a bank bewailing the loss of their savings. These losses fall upon the best and most substantial citizens in the community and many of them never recover their previous financial condition. Multiply this local event by nearly 6,000 and scatter it throughout the great agricultural States of the Union and the magnitude of its effect reaches astounding proportions.
>
> It is estimated that 7,264,957 depositors have contributed to the great total of more than $1,700,000,000 of deposits in failed banks during the past nine years and that no less than 114,000 shareholders have suffered losses through these suspensions.
>
> A similar adverse effect is had upon the borrowers of a bank which fails. When a receiver is appointed his duty is to wind up the affairs of the bank and to enforce liquidation. Many of the borrowers may have been doing business with the bank for years and may have been upon intimate terms with the officers of the bank. This is especially true of the so-called character loans, where the bank takes an interest in a person who has good character and good prospects but weak in collateral and who is accommodated each year or from time to time covering a considerable period. The character and reputation of such person may be unknown to other banks; therefore, the credit standing of this class of borrower for the time being is destroyed.

Mr. Speaker, I reserve the balance of my time.

Mr. McFADDEN. Mr. Speaker, I yield 30 minutes to the gentleman from Iowa [Mr. RAMSEYER].

Mr. WILLIAMSON. Mr. Speaker, I make the point of order that no quorum is present.

The SPEAKER pro tempore. The Chair will count. [After counting.] Seventy-four Members present; not a quorum.

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

A call of the House was ordered. The Doorkeeper closed the doors, the Sergeant at Arms was directed to notify absentees, the Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 13]

Abernethy	Cramton	Lampert	Sloan
Arnold	Crowther	Langley	Smith, W. Va.
Auf der Heide	Cullen	Larsen	Snell
Bacharach	Curry	Lehlbach	Spearing
Bachmann	Dallinger	Ludlow	Sproul, Ill.
Beck	Dempsey	McClintic, Okla.	Stafford
Bell	Doyle	McCormick, Ill.	Stedman
Black	Fenn	McDuffie	Stevenson
Bland	Frear	Manlove	Strong, Pa.
Bloom	Fulmer	Martin	Sullivan, N. Y.
Bolton	Glynn	Montague	Sullivan, Pa.
Bowman	Graham	Montet	Summers, Wash.
Boylan	Hale	Norton	Taber
Brigham	Hoffman	O'Connor, N. Y.	Taylor, Colo.
Britten	Hogg	Oliver, N. Y.	Thurston
Browne	Hudson	Patman	Treadway
Buchanan	Hudspeth	Pou	Turpin
Buckbee	Igoe	Pratt, Harcourt J.	Underhill
Byrns	James	Pritchard	Underwood
Canfield	Jenkins	Purnell	White
Carley	Johnson, Ill.	Quale	Wolverton, W. Va.
Celler	Johnson, Wash.	Rainey, Henry T.	Wood
Chase	Kendall, Ky.	Reece	Woodrum
Colton	Kendall, Pa.	Romjue	Wurzbach
Cooke	Kerr	Shott	Zihlman
Coyle	Korell	Simms	
Craddock	Kunz	Sirovich	

The SPEAKER pro tempore. Three hundred and twenty-three Members have answered to their names; a quorum is present.

Mr. McFADDEN. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

Mr. RAMSEYER. Mr. Speaker, ladies and gentlemen of the House, we have here another bill to create another Federal criminal offense. We had such a bill here before the House a few weeks ago. I opposed that bill, and at that time stated that we ought not to create additional criminal offenses unless the need therefor was great.

The bill comes from the Banking and Currency Committee, and undertakes to make misrepresentation against national banks, which constitutes slander, as we understand it in law, a criminal offense. There is no such Federal offense now, and, so far as my research has gone, in most of the States there is no such an offense. In fact, slander now is not punishable as a crime; not even imputing to a woman unchastity can be punished as a crime in my State. In my State, and I take it, it is the same way in most of the States, any one slandered or misrepresented has his or her action at law for damages, where they have to prove the misrepresentation, and also the damage done.

In my State we have both State and national banks. That is the situation in all the States. The State laws, so far as the protection of the property and the good name of a bank is concerned, apply to the national banks as well as to State banks. On general principles I oppose the transferring of the functions which can and ought to be exercised by the States from the State governments to the Federal Government.

Of course we could only transfer it to the Federal Government in so far as the offense of slander against national banks is concerned. In the towns where most of you live you have both State and national banks. If this bill goes into effect, where a person says something that is derogatory to both State and national banks, the State bank has its remedy at law in the State courts for damages, which it has to prove up, while the national bank would not only have its remedy at law in the State courts for damages, but would have the additional protection of a Federal criminal statute, and might send the person so offending to the Federal penitentiary.

Mr. BRAND of Georgia. Mr. Speaker, will the gentleman yield?

Mr. RAMSEYER. Wait a minute.

Not only that, but the defendant would not be tried amongst neighbors who could judge the situation, as is the case in the State courts, but he would be hauled off to another part of the State into a Federal court to stand trial in a community where he is not known. I now yield to the gentleman from Georgia.

Mr. BRAND of Georgia. I think the gentleman made a mistake when he said that an offender of this proposed law would be sent to a penitentiary. Under this bill the offense is not made a felony, but distinctly declares it be only a misdemeanor.

Mr. RAMSEYER. But the bill still has it five years in the penitentiary. A committee amendment proposes to reduce the

penalty to one year, but the House has to act on that. I am not quibbling over whether you make the offense five years in the penitentiary where the surroundings are sanitary, or one year in the workhouse where the surroundings are insanitary.

Mr. BRAND of Georgia. It does make a difference when the gentleman misstates the penalty provision of the bill.

Mr. RAMSEYER. The bill still says five years. It is true that that is stricken out by a committee amendment, but it is up to the House to say whether it shall be five years or one year. But that makes no difference.

Mr. LEA of California. Mr. Speaker, will the gentleman yield?

Mr. RAMSEYER. For a brief question.

Mr. LEA of California. If this bill should be enacted into law, will it permit a double prosecution? Will it permit a prosecution by the State and also by the Federal Government?

Mr. RAMSEYER. There is no question about that in the States where slander against banks, whether National or State, is made a criminal offense. The gentleman from Georgia [Mr. BRAND] named a number of States that have laws on the subject, but he did not tell us what the laws are or what the punishment is in any of the States.

Mr. BRAND of Georgia. Oh, I think the gentleman should be fair.

Mr. RAMSEYER. The gentleman named the States that he claimed had such laws.

Mr. BRAND of Georgia. In fairness to me, I think the gentleman ought not to make such a statement. The gentleman has a great many Members to hear him who did not hear me, because a roll call was made just prior to the delivery of the gentleman's speech. That was a pretty shrewd trick.

Mr. RAMSEYER. Oh, the gentleman is now slandering me. [Laughter.]

Mr. BRAND of Georgia. I do not mean the gentleman. I mean the gentleman from South Dakota [Mr. WILLIAMSON] requested a roll call, which call was made purposely for the gentleman from Iowa.

Mr. RAMSEYER. I had nothing to do with the quorum call.

Mr. BRAND of Georgia. Then I withdraw that, so far as he is concerned, but every person present knows that the roll call was made to force Members to come here and listen to his speech.

Mr. RAMSEYER. And I am not going to undertake to send the gentleman from Georgia to the workhouse for uttering the slander, either. [Laughter.]

Mr. BRAND of Georgia. Manifestly not, because the utterance referred to is not false.

Mr. STEAGALL. Will not the gentleman now move for an amendment to the bill to cover the last offense?

Mr. RAMSEYER. I yield to the gentleman from Georgia [Mr. BRAND].

Mr. BRAND of Georgia. The gentleman stated that I gave the names of the States which had a law like this and those which did not, without stating what the penalty is or the State. That is not fair to me, because I did not have the opportunity for want of time. I have them here, and I am going to put them in the RECORD.

Mr. RAMSEYER. That is fine. Georgia is one of those States, is it not?

Mr. BRAND of Georgia. Yes.

Mr. RAMSEYER. Very well. Then the national banks and the State banks under the Georgia law are protected against slander by the folks down there.

Mr. BRAND of Georgia. The law of the State of Georgia is not like this bill, and there is not a bill passed by any State in the Union similar to the proposed law we are now considering.

Mr. RAMSEYER. Undoubtedly that is true, and we are asked in this bill to go into a field of criminal legislation the like of which has never been explored before, not even by the State of Georgia. The point is, if banks need protection, whether State or national, why should they not get that protection from the State governments? The State governments are quite capable of taking care of the banks, and the people of the States are just as much interested in the security and safety of the national banks as they are of the State banks. This Government has existed for 141 years, and this is the first time that we are seriously undertaking to make slander of a bank a criminal offense. My State has been in existence since 1846. We have no law there of this kind whatever, and I think Virginia is in the same category, making it a criminal offense to misrepresent a bank, an individual, a corporation, a partnership, or of even a woman.

Where the States feel the need of such laws, why should not the States enact such laws, and take care of their offenders and not pile this upon the Federal courts which are already overloaded with offenses? In fact, we have been multiplying Federal offenses in this Congress during the last 20 years faster than we have been able to take care of the offenders.

Mr. BRAND of Georgia. The gentleman has in mind now the prohibition law?

Mr. RAMSEYER. I have not.

Mr. BRAND of Georgia. Then I beg the gentleman's pardon.

Mr. RAMSEYER. I have reference to at least a dozen different laws.

Mr. BRAND of Georgia. Has the gentleman had any bank failures in his State?

Mr. RAMSEYER. We have had in Iowa probably as many bank failures as any State in the Union since the war.

Mr. BRAND of Georgia. What caused them?

Mr. RAMSEYER. Oh, it was not slander. It was just because the banks had loaned more money to the people than the people could ever pay back. Of the several hundred bank failures in Iowa I do not know of a single bank that went under because somebody went out and said something malicious about it, with the intent to deceive—not a one.

Some of them were closed by Federal officials or on the advice of Federal officials. At least a few national banks in Iowa that I could name, banks that afterwards paid out 100 per cent to their depositors, should never have been closed. We have had some State banks in the same situation.

Mr. DYER. Mr. Speaker, will the gentleman yield?

Mr. RAMSEYER. Yes.

Mr. DYER. In addition to what the gentleman says, that in the last few years Congress has been running wild to create Federal offenses which the States themselves should take care of, I want to call attention to the fact that this bill, coming as it does from the Committee on Banking and Currency, is not a bill falling under the jurisdiction of that committee, in my opinion, and I would like to have the gentleman's opinion whether that committee has any jurisdiction whatever of the bill which it has brought in.

Mr. RAMSEYER. I wish the gentleman would take that up privately with the Committee on Banking and Currency.

Mr. DYER. There is nothing in the rules that would give it jurisdiction.

Mr. RAMSEYER. The gentleman from Georgia [Mr. BRAND] stressed a good deal the fact that a national bank in his State failed, and he attributes that failure to somebody's writing a letter, and because somebody wrote a letter the bank was closed and the depositors lost a great deal. I am not concerned whether the bank closed because of slander or not, but if it closed and had all its assets good and liquid no depositor would have lost money. The losses to the depositors there, if there were any, were not because somebody said something untrue about the bank. If the paper in that bank was all right, even though somebody caused a run on it, the depositors would have gotten 100 cents on the dollar.

In speaking of the experience of a Georgia bank, the gentleman from Georgia made this statement:

> Such a man—

Referring to the man who wrote the letter—

> should be in the penitentiary if his utterances caused the bank to fail.

Let us look at this bill. Every one of you ought to have a copy of this bill in your hands and look it over, and I hope you will stay here until you hear both sides of the controversy. Under this bill if I go out and say something about a national bank, assuming that I am malicious about it and intend to deceive, I am guilty even though no damage results. Now you know and I know that everything the gentleman from Georgia said about the intention to deceive does not necessarily result in damages. Every man who ever ran for office knows that. If you have a suit for slander, except on words actionable, per se, before you get any damages you must prove damage. You can not go before a jury and introduce evidence of false statements and let it go at that. You must bring in evidence showing how your feelings were affected, how your credit was affected, or how your standing in the community was affected; and unless you prove damage you can not recover. But under the terms of this bill if I say something false about a national bank, and assuming that it is with malice in my heart and that I know better, and all that, it is a very easy thing, if you want to send a man to the penitentiary, to get evidence of his malice and intent to deceive. I may be punished, not for injury resulting to the national bank, but for merely saying something false about the bank. I am criminally liable even though no damage results to the national bank. Under this bill, if it passes, you can indict a man for misrepresenting a bank, and even though the evidence is undisputed that it has never caused a penny of damage to the national bank, you can

send him to the penitentiary or to the workhouse for the full length of the penalty provided here. That is true. There is not a member of the Banking and Currency Committee that can dispute that.

Mr. BRAND of Georgia. Mr. Speaker, will the gentleman yield?

Mr. RAMSEYER. If I do, I may have to have a little more time. In a civil suit for slander——

Mr. BRAND of Georgia. In a civil suit?

Mr. RAMSEYER. Yes. In a civil suit for slander, except for words actionable per se, you have to prove damage, do you not?

Mr. BRAND of Georgia. Of course.

Mr. RAMSEYER. In this bill all you have to prove is that the words spoken are false and malicious. You do not have to prove that the bank was damaged to the extent of one penny.

Mr. BRAND of Georgia. I have already analyzed the provisions of this bill, at which time I stated what the Government would have to prove by evidence before a jury would be authorized to convict.

Mr. RAMSEYER. You are not merely taking care of the bank that fails but you are sending a man to the penitentiary for making a false statement. If you were to send every man to the penitentiary who has ever made a false statement, how many men would be out of the penitentiary now? [Laughter.]

Mr. BRAND of Georgia. Mr. Speaker, will the gentleman yield?

Mr. RAMSEYER. No; I can not yield for the present.

Let me call your attention to another thing, Members of the House, and that is that time and time again I have noticed—I am not saying it with reference to this instance—committees of this House have been made the victims of legislative representatives of organizations.

Every organization of any consequence in the country sends a legislative representative to Washington to get legislation, and when such representative attends the annual meeting of his organization he has to tell the members that he did something, and if he can not report progress somebody else is hired, or else his salary is reduced. I have been approached by legislative representatives on a certain bill, and I have told them I was against it, but they said they did not expect to pass the bill but if I would allow it to come out of the committee they would be reelected; otherwise others would be elected to fill their places.

I do not know whether the American Bankers' Association has a legislative representative or not, but if it has he wants this bill to pass so he can report something accomplished.

Let me ask the chairman of the Committee on Banking and Currency if there were ever any hearings held on this bill in this Congress.

Mr. McFADDEN. Yes.

Mr. RAMSEYER. On this bill?

Mr. McFADDEN. The committee considered it very carefully.

Mr. RAMSEYER. I asked whether hearings were held on the bill?

Mr. McFADDEN. No; not at this session, but at the previous session, two years ago.

Mr. RAMSEYER. I called the clerk of the gentleman's committee a few days ago and was informed there were no hearings on this bill.

Mr. McFADDEN. The gentleman is correct, but two years ago the matter was thoroughly discussed in the committee.

Mr. RAMSEYER. The new members of the gentleman's committee never had the benefit of hearings.

Mr. McFADDEN. Nobody asked for any hearings in connection with it.

Mr. RAMSEYER. I object to reporting out bills from a committee in this ex parte way.

There is another thing that I want to call to your attention, and it may account for the fact that this bill is being pressed at this time. Everybody knows that in the last 10 years there has been a tremendous concentration in the control of wealth. We have it in the railroads; we have it in the public utilities; we have it in the chain stores.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. McFADDEN. I yield five minutes more to the gentleman from Iowa.

The SPEAKER pro tempore. The gentleman is recognized for five additional minutes.

Mr. RAMSEYER. In the last few years we have another manifestation, and that is in the bancorporations. We are feeling that concentration in the control of banks out in the Middle West. There are several large bancorporations in Minneapolis that are reaching out into Iowa and other States in absolute violation of the spirit of the branch banking law.

My attention was called the other day to a paper containing bank advertisements from a village of 1,500 in Minnesota. They have two banks there, both with assets of about $500,000. One is a national bank, the other is the Farmers and Merchants Bank. The national bank recently was taken over by the bancorporation, and they advertised in this paper, on page 3, the wonders of the bancorporation. The Farmers' Bank, on the last page, has a whole-page advertisement, in the issue of January 10, and among other things they appeal for support. Here are some statements of the Farmers' Bank:

> Because the men who compose its board of directors are men whose personal interests are a part of the community, men who have no conflicting emotions in the matter of building up this community, men who want this community to continue to grow and prosper above all else.

The bancorporation would probably claim those statements false and malicious.

I can not read it all to you. Then on the last page of the issue of January 17 the Farmers' Bank, in an advertisement directed at the national bank, a member of the bancorporation, says:

> When you bank your money, the bank with whom you do business should reinvest your money in the building up of the community in which you live.

It might be claimed that the insinuation there is that the other bank is sending its money out of the community. Then further:

> Its stockholders are men whose personal interests are a part of the community, men who have no conflicting emotions in the matter of building up this community—

And so forth.

Now, I do not know what the laws of Minnesota are, but if under those laws this constitutes slander of the bancorporation, the officers of the Farmers' Bank are taken into the State court of that county and are tried among their neighbors. If they have no law in Minnesota making slander criminal, then after this bill becomes law, the chain bank of this village can go to Minneapolis, the headquarters of the bancorporation, and have these men who run the State bank indicted in the Federal court and tried there away from their neighbors, and all the time the Farmers' State Bank can not prosecute the officers of the national bank for similar charges which may be false and malicious.

Now this big octopus, the new Money Trust, is coming on the scene at this very opportune time. This is a life-and-death struggle between the independent banks and the bancorporations. If the independent banks are saying these things in the newspaper about the bancorporations I apprehend they say a great deal worse things around on the street about the branch or chain of the bancorporations. Now you propose to give the bancorporations this club. The bancorporations, which are spreading all over the country, are going to have this law to hit the independent banks in the jaw every time they open their mouths against any bancorporation. [Applause.]

I had intended to go into the law of slander, but it is not necessary. I have given you in a general way my views on the bill. I do not know who constructed the bill. I know the gentleman from Georgia [Mr. BRAND] is a very able lawyer and judge.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. RAMSEYER. Please read the bill, gentlemen, before you vote. [Applause.]

Mr. McFADDEN. I yield to the gentleman from North Carolina [Mr. ABERNETHY].

Mr. ABERNETHY. Mr. Speaker, I want to give the reason for my absence from the roll call which has just been had. I went to the Senate on public business, and left word that notice should be sent to me, but the employees of the House failed to notify me. Therefore I did not answer my name when the roll was called.

Mr. McFADDEN. Mr. Speaker, I want to make clear to the membership of the House that this bill is in no wise involved in the group, branch, or chain bank system. It is the result of a situation grown up in this country with national banks and State member banks that they nor the Federal reserve has been able to cope with. Neither has the protective committee of the various State and National bankers' associations that has particular charge of the protection of banks in the several States against such offenses been able to cope with it.

The Comptroller of the Currency has sent up a brief in connection with this matter which says:

It is intended to provide a means to punish the malicious individual who goes about the country and circulates false reports concerning a particular national bank or State member bank of the Federal reserve system. There are a number of instance of this nature which are reported from time to time, and while legislation has in some measure been passed in a number of the States, the State law will not reach into another State, so that a man who may be in California and maliciously publishes or circulates information derogatory, for instance, to a bank in St. Louis can not be reached, for the State law of Missouri would not have any effect in California, nor can any law effective in California assume jurisdiction. Many cases of this nature have been reported.

The gentleman from Iowa referred to the situation in his State, and I want to read a letter from a national banker of the State of Iowa. He says:

There is no question but what the Federal authorities already have information as to the gangs that are preying upon the banks of the country, but the apprehension and prosecution is left entirely to State authorities. What I would like to see done would be to have the Federal Government take up the apprehension and prosecution in Federal court of all crimes committed against members of the Federal reserve system, and I believe in justice, this additional protection is due to the member banks of the system inasmuch as a large franchise tax is paid each year to the Federal Government, and the taking on of this additional service would be at a comparatively small additional expense.

I understand that this provision was originally in the McFadden bill when enacted a few years ago but was stricken out on account of the opposition of some of the States not in our section of the country who opposed it on account of the "invasion of State rights."

What we are interested in is protection without any technicalities, and I believe that you will agree that the State authorities have been unable to cope with this growing wave of crime. One of the reasons being that the perpetrators of these crimes operate from one State into another, making it more difficult for State authorities to follow them.

Mr. RAMSEYER. Will the gentleman yield?

Mr. McFADDEN. Yes.

Mr. RAMSEYER. Who is the gentleman, the author of the letter?

Mr. McFADDEN. He is the president of the Citizens First National Bank, of Storm Lake, Iowa.

Mr. RAMSEYER. Is he a member of the bancorporation?

Mr. McFADDEN. I can not say myself, but the Member who represents his district informs me that this bank is not a member of this chain of banks.

Mr. RAMSEYER. The gentleman says that the State has been unable to cope with this?

Mr. McFADDEN. I do not yield to the gentleman further.

Let me quote further from the opinion of the Comptroller of the Currency:

An actual case will illustrate to the House the type of case this bill is endeavoring to reach.

In one of our Southern States a man maliciously made telephone calls to various depositors of a bank, asking them whether or not they had a deposit in this particular bank and advised such depositors that if they had they should immediately withdraw their deposits, as the bank would fail. Not content with this, he employed what are known as fortune tellers to give out the same type of information to those who came in contact with them. The president and officers of this bank went to a great deal of trouble and expense in order to offset this campaign, and while it did this bank no great injury and resulted in only a small amount of deposits being withdrawn, had the people generally not had the confidence in this particular bank, it would undoubtedly have resulted in a run with adverse effect on other banks in the community. There was no State law in this case to reach those engaged in this low business, and there has been no Federal law to reach them. Had there been a State law the offender could easily have placed himself outside of its reach.

The SPEAKER pro tempore. The time of the gentleman from Pennsylvania has expired. All time has expired, and the Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That section 22 of the Federal reserve act be amended by adding at the end thereof the following language:

"(g) Whoever maliciously, or with intent to deceive, makes, publishes, utters, repeats, or circulates any false report concerning any national bank, or any State member bank of the Federal reserve system, which imputes or tends to impute insolvency, or unsound financial condition, or financial embarrassment, or which may tend to cause or provoke, or aid in causing or provoking, a general withdrawal of deposits from such bank, or which may otherwise injure or tend to injure the business or good will of such bank shall be deemed guilty of a misdemeanor, and shall upon conviction in any court of competent jurisdiction be fined not more than $5,000 or imprisoned for not more than five years, or both.

"(h) If two or more persons conspire to violate the above provision, or to boycott, or to blacklist, or to cause a general withdrawal of deposits from, or to cause a withdrawal of patronage from, or otherwise to injure the business or good will of any national bank, or any State member bank of the Federal reserve system, and one or more of such parties do any act to effect the object of such conspiracy, each of the parties to such conspiracy shall be deemed guilty of a misdemeanor and shall upon conviction in any court of competent jurisdiction be fined not more than $5,000 or imprisoned for not more than five years, or both."

With the following committee amendment:

Page 1, line 5, strike out the word "or."

The SPEAKER pro tempore. The question is on agreeing to the committee amendment.

Mr. RAMSEYER. Mr. Speaker, may I have the attention of the committee? Do I understand that the striking out of the word "or" will have the same effect as striking out "or" and inserting "and," so that it would be the same as?—

Who ever maliciously and with intent to deceive.

What is it that you have to prove? Is it merely malice or intent to deceive, or is it both?

Mr. McFADDEN. Both.

Mr. RAMSEYER. Then, why not put in the word "and"?

Mr. McFADDEN. "Or" would not make it both.

Mr. RAMSEYER. I know; but you are striking out "or" and you are making no connection there.

Mr. Speaker, just a word about this letter from the banker in Iowa from which the gentleman from Pennsylvania read. I do not know that particular banker. He is from another part of the State. I practiced law for the length of time that the gentleman from Georgia [Mr. BRAND] told you I had in his opening speech. During all of my experience at the bar there was in my judicial district but one case tried for criminal libel. During all my experience at the bar—and I had opportunity quite frequently to take slander cases—I tried only one slander case, and that was a civil case in which I appeared for the defendant. What this banker from Iowa tries to convey here is that they have a terrible situation out in Iowa. I have lived in Iowa since I was 12 years old, and I have not to this day heard of any loose talk causing a run on a bank in Iowa. During that time we had trouble in Iowa with several hundred bank failures since the war; the banks, with a few exceptions, that failed were simply insolvent and had to close. It was not because of talk against the banks that caused them to close.

In all my experience as an attorney in Iowa I do not remember a single case of a suit for slander against some one for defaming a bank. What this particular banker from Iowa is seeking to do here is what so many organizations seek to do. Lacking the influence in their own local communities and in their own States to have such laws enacted by the legislatures of the States which they think are desirable, and which the great mass of the people do not want, they take this opportunity to use their influence on Congress at long range, Congress that knows nothing about them, with the belief that they will have more influence on Congress—and, sad to say, they usually have—than they have with their own local authorities and State legislatures. If there were a crying need for this kind of law in Iowa—and I venture to state that is true of every State in the Union—committees of citizens would go before the State legislatures and implore them to enact such a law. I have never heard of even a bill being introduced in the Legislature of the State of Iowa to make slander of anybody or corporation, including banks, a criminal offense. You are now picking out national banks from other Federal organizations and seeking to give them special treatment, so that nobody shall talk about them. People are not in the habit of going out and talking just to injure. True, occasionally there is such a one, but there is not any need, and no need has been shown, except from the Comptroller of the Currency and these bank organizations, for a law of this kind, and all these people want, of course, is to get more power into their hands.

The SPEAKER pro tempore. The time of the gentleman from Iowa has expired.

Mr. QUIN. Mr. Speaker, I rise in opposition to the committee amendment. Would the gentleman from Iowa answer this question? I want to know how far this bill goes. Suppose I inform a friend of mine that this national bank over here is in trouble and that he better get his money out. Would I be liable to be fined in such circumstances?

Mr. RAMSEYER. That would depend on circumstances. If they could prove that you may have had it in for somebody, or that you were interested in another financial institution, perhaps they could find you guilty. Of course, just the mere words in the form in which the gentleman puts them would not con-

stitute the offense; but when you have a criminal statute, and somebody wants to get a fellow, under this bill you will have to prove malice, but you do that by circumstances, and you have also to prove deceit. You may have been honest at the time you made the statement, but the other fellow comes and says that it is a lie, and then, of course, it would be up to the jury to find from the gentleman's statement and all the circumstances in the case whether the statement he made, even though honestly and innocently made, in the minds of the jury in the Federal court was tainted with malice and deceit; and if they find that it was tainted with malice and deceit, even though the statement did not do anybody a penny's harm, under this bill the gentleman would go to the workhouse.

The SPEAKER pro tempore. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The SPEAKER pro tempore. The Clerk will report the next committee amendment.

The Clerk read as follows:

Page 1, line 10, strike out the words "may tend" and insert in lieu thereof "tends."

Mr. RAMSEYER. Why is the amendment? What is the difference between "may tend" and "tends"? In a statement I made a week ago I called attention to the peculiar wording of this bill. For instance, in line 6, these words are used—

Makes, publishes, utters, repeats, or circulates.

Suppose I do make a statement that comes within this, and that I go out and repeat that statement. Under this bill would I be guilty of two offenses?

Mr. BRAND of Georgia. Oh, no.

Mr. RAMSEYER. Why, then, use the word "repeats"?

Mr. BRAND of Georgia. It is false statements which the bill deals with, and if repeated to different persons it becomes more obnoxious and goes to illustrate the intent with which the statements are made.

Mr. McFADDEN. The bill provides, beginning with line 5 on page 1:

Whoever maliciously, with intent to deceive, makes, publishes, utters, repeats, or circulates any false report—

And so forth.

Mr. RAMSEYER. It is made an offense to repeat it. Then in line 10—

Which imputes or tends to impute insolvency.

What is the difference between a statement that imputes insolvency and a statement that tends to impute insolvency?

Mr. SEIBERLING. I have offered an amendment to strike that language out.

Mr. RAMSEYER. Of course, this bill had already been chopped all up from the way it was when first introduced, and the House likely will chop it up some more. It all goes to show how illy considered this legislation has been and how important it is that it should be defeated.

Mr. BRAND of Georgia. I think it is but fair to state that the gentleman [Mr. SEIBERLING] is a member of the committee and offered the amendment before the committee to strike out the words "may tend" and insert the word "tends." I consented to it, though I can not see that the amendment either helps or hurts the bill. The language of this bill is the same as the bill or amendment proposed by the Finance Committee of the Senate in 1925 and by the Committee on Banking and Currency of the House when these committees were considering the McFadden bill, the amendments being based upon the draft of a bill prepared by the American Banking Association in 1907. I have no personal interest whatever in this bill, but I am interested in the stockholders, depositors, and borrowers of my State and the country at large. It does not affect me one way or the other, whether it passes or not.

Mr. RAMSEYER. That is all; Mr. Speaker, I just wished to call attention to these things. I am not trying to correct the language. But any lawyer that wants to read something that ought to appeal to him very strongly as uncertain and ambiguous ought to read very carefully this bill and try in his own mind to place a construction on the different words, and then speculate in his own mind as to just how the courts would construe those words when the time comes for the courts to construe them.

Mr. ABERNETHY. Mr. Speaker, I move to strike out the last two words.

The SPEAKER pro tempore. The gentleman from North Carolina is recognized.

Mr. ABERNETHY. Mr. Speaker, I usually follow this great committee, and it is with a great deal of reluctance that I now have anything to say against this bill. But the situation in the United States to-day is a very precarious one, particularly with reference to our national banking system and our Federal reserve system. In most of the States, and in North Carolina particularly, our large banks are getting out of the national banking system and the Federal reserve system and going into the State system. We have had a number of bank failures in North Carolina recently. I am advised by the comptroller's office that there are something like 450 national banks in the United States under receiverships.

I am advised further, by reading the report of the comptroller, that we are likely to have before the end of the year probably many more bank failures. We are in a precarious situation as I see it. The President of the United States has appointed a commission to point out the way to try to unclog, so to speak, the dockets of our Federal courts. It strikes me that the great Committee on Banking and Currency, instead of going into this field and bringing in this kind of legislation, can do something constructive to stop this great run upon the national banking system and the Federal reserve system in various States. I do not believe we can help the situation by creating more crimes by statute to clog the dockets of the Federal courts.

In my community, for instance, we recently had a bank failure. In my mind's eye I can see at least 15 or 20 good citizens of my town who would have been subject to indictment if this bill had been a law when this bank failed. While I have great respect for the Federal courts, God have mercy on a man that goes into the Federal court without a good lawyer and financially able to defend himself. [Applause.]

Mr. CROSS. Will the gentleman yield?

Mr. ABERNETHY. I will be glad to.

Mr. CROSS. Do you not think that this very thing would tend to make people suspicious, and would do more harm than good to the banks? In other words, if I were asked about a certain bank, I would say, "Of course, I can not talk," but I shake my head and walk away. It would breed suspicion against the bank.

Mr. ABERNETHY. The gentleman is right.

Mr. JOHNSON of Texas. Will the gentleman yield?

Mr. ABERNETHY. I will be glad to.

Mr. JOHNSON of Texas. I am opposed to the creation of new Federal offenses where State laws can supply the need. The only excuse that I have heard given for this bill is that under State regulations a man may slander a bank situated in another State and be immune from prosecution. If that is the situation that is sought to be corrected, then the bill ought to be amended to apply to such offenses only. If you leave it as it is, there will be a duplication of offenses. For instance, if the State law makes it an offense, and the Federal law also makes it an offense, a party will be subject to prosecution in both the State and the Federal courts; if the bill is intended to correct the situation which they say it is, that is, to prevent individuals in one State from slandering a bank in another State, then the bill should be so limited, and then there will be no duplication.

Mr. ABERNETHY. It strikes me that instead of making more crimes for our people to defend themselves against, we ought to engage ourselves in doing what we can to relieve some of this unemployment now abroad in the land. We should not be making more crimes to call for more taxes, for more courts.

Mr. KETCHAM. Will the gentleman yield a moment?

Mr. ABERNETHY. I will be glad to.

Mr. KETCHAM. Just a moment ago the gentleman said he was absent at roll call on a very important mission. Was he engaged upon a labor of love in that connection, to advance legislation that might help the situation?

Mr. ABERNETHY. I was engaged in a labor of love, but further I can not say. [Applause.]

Mr. McFADDEN. Will the gentleman yield?

Mr. ABERNETHY. Gladly.

Mr. McFADDEN. I would like to know whether the gentleman succeeded?

Mr. ABERNETHY. The rules of this House do not permit me to speak about the other body.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. ABERNETHY. Mr. Speaker, I ask unanimous consent to proceed for two minutes more.

The SPEAKER pro tempore. The gentleman from North Carolina asks unanimous consent to proceed for two additional minutes. Is there objection?

There was no objection.

Mr. ABERNETHY. Ladies and gentlemen of the House, I dislike to take issue with such distinguished leaders as the chairman of this committee and the Democratic members of this committee, but it strikes me, and I believe it strikes the average Member of the House, that this is a bad time to make

any more crimes to clog up the Federal courts. I believe we could very well afford to defer this matter. It may be that when this great committee brings in its revision of our Federal banking laws and the revision of laws with reference to our great Federal reserve system, we might then do something to prevent a person from slandering a bank.

The situation is a little different in my State than in the State of Iowa, to which the gentleman referred. We make it a crime to slander an innocent and virtuous woman. That is as far as we go, and we ought not to go any further. I trust we will not pass this bill.

Mr. DENISON. Mr. Speaker, I move to strike out the last two words.

I only want to take up a moment of the time of the House.

One of the fundamental principles regarding criminal statutes is that the offense must be definite and certain. I think if the committee will examine this bill carefully they will conclude that the offense stated here is not of that definiteness and certainty that will sustain it if it is ever questioned in the courts.

Let me illustrate. As I understand it, in order to convict a person who is charged with making a false or malicious statement to the effect that a bank is unsound financially, under this statute, if a person is indicted the burden would rest upon the people to prove, first, that the statement to the effect that the bank was unsound financially was made maliciously; and, second, that the statement was false.

The burden rests upon the people in the first instance to prove that the statement was false. It is not a matter of defense as is usually the case in similar statutes. The burden rests in the first instance on the district attorney to prove that the statement is false, and how is he going to do it? That is what I ask.

Here, for instance, is a man who says that a certain bank is in an unsound condition. He is indicted for that statement. The case comes to trial, and the district attorney must prove that the statement is false in order to convict him, and the only way he can prove the statement is false is to come into court and prove that the bank is in sound condition.

How is he going to prove that? Is he going into a criminal court and prove to the jury that the bank is sound? He can not ask for men's opinions; he will have to bring the assets of the bank into court and prove that the bank has sound assets in excess of its liabilities. It seems to me that this is so indefinite and uncertain and so difficult to prove that the whole purpose of the bill is nullified.

Mr. RANKIN. Will the gentleman yield?

Mr. DENISON. Yes.

Mr. RANKIN. Suppose you brought in the cashier, who was pilfering from the bank, and he produces a sworn statement as to the condition of the bank. That would be accepted?

Mr. DENISON. No; that would not be proof that the bank was solvent.

Mr. McSWAIN. That would not be the best evidence. The best evidence would be the actual assets of the bank.

Mr. DENISON. In order to convict the person you must make proof that the bank was sound financially, and I say that that is so difficult and indefinite that it will, in my judgment, destroy the very purpose of the legislation and render it unconstitutional.

Mr. MOORE of Virginia. Let me suggest that if proof is made that the bank is sound, the bank has not suffered any loss by the statement.

Mr. LOZIER. Will the gentleman yield?

Mr. DENISON. I yield.

Mr. LOZIER. When the assets are brought in and exhibited to the jury and the witnesses examined as to the solvency of the bank that makes an issue of fact upon which the jury will ultimately pass, and there would be a dispute as to the question of fact, whether or not these assets that have been offered in evidence were sufficient to constitute a sound banking institution.

Mr. DENISON. Why, very often the bank examiner can not tell whether a bank is solvent or not. It requires almost a liquidation before you can tell whether the bank is solvent. How are you going to establish the fact that the assets are good or bad? The district attorney would have to bring all the assets before the jury and show that the bank is sound financially before you can convict under the bill.

Mr. Chairman, I think that the nature of the expense created by this bill is so indefinite and uncertain that no court would hold it constitutional. But even if it were a valid enactment, since the burden is placed upon the Government to prove that the alleged slanderous statement is false, the Government would be under the burden in each case of showing to the jury the assets and liabilities of the bank, which no bank would willingly submit to and which would make it practically impossible to convict. I think this bill ought to be defeated or recommitted to the committee for further study.

The SPEAKER pro tempore. The pro forma amendment will be withdrawn, and the question is on the committee amendment.

The committee amendment was agreed to.

The SPEAKER pro tempore. The Clerk will report the next committee amendment.

The Clerk read as follows:

Page 2, line 1, after the word "bank," strike out the words "or which may otherwise injure, or tend to injure, the business or good will of such bank."

The committee amendment was agreed to.

The SPEAKER pro tempore. The Clerk will report the next committee amendment.

The Clerk read as follows:

Page 2, line 5, strike out the sign and figures "$5,000" and insert sign and figures "$1,000."

The committee amendment was agreed to.

The SPEAKER pro tempore. The Clerk will report the next committee amendment.

The Clerk read as follows:

Page 2, line 6, strike out the words "five years" and insert "one year."

The committee amendment was agreed to.

The SPEAKER pro tempore. The Clerk will report the next committee amendment.

The Clerk read as follows:

Page 2, line 8, after the word "provision," strike out the words "or to boycott, or to blacklist."

The committee amendment was agreed to.

The SPEAKER pro tempore. The Clerk will report the next committee amendment.

The Clerk read as follows:

Page 2, line 9, after the word "from," strike out the words "or to cause a withdrawal of patronage from, or otherwise to injure the business or good will of."

The committee amendment was agreed to.

The SPEAKER pro tempore. The Clerk will report the next committee amendment.

The Clerk read as follows:

Page 2, line 16, strike out the sign and figures "$5,000" and insert "$1,000."

The committee amendment was agreed to.

The SPEAKER pro tempore. The Clerk will report the next committee amendment.

The Clerk read as follows:

Page 2, line 17, strike out the words "five years" and insert "one year."

The committee amendment was agreed to.

Mr. SEIBERLING. Mr. Speaker, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. SEIBERLING: Page 1, line 8, after the word "system," strike out the balance of line 8 and all of lines 9 and 10 down to and including the word "provoking" in line 11 and insert in lieu thereof the words "which causes."

The SPEAKER pro tempore. The question is on the amendment offered by the gentleman from Iowa.

Mr. STAFFORD. Mr. Speaker, may we have the paragraph read with the substitute incorporated?

The SPEAKER pro tempore. The gentleman from Wisconsin asks unanimous consent that the paragraph may be read with the committee amendment and the proposed amendment. Is there objection?

There was no objection, and the Clerk read as follows:

Whoever maliciously with intent to deceive, makes, publishes, utters, repeats, or circulates any false report concerning any national bank or any State member of the Federal reserve system, which causes a general withdrawal of deposits from such bank, etc.

Mr. BRAND of Georgia. Mr. Speaker, I desire to ask the chairman of the committee a question. Is he willing to accept this amendment?

Mr. McFADDEN. Yes.

Mr. BRAND of Georgia. So am I.

Mr. O'CONNOR of Oklahoma. Mr. Speaker, I did not intend to participate in this discussion, but it seems to me the situation is this: The gentleman from Iowa [Mr. RAMSEYER] has taken about half the time, and he says that nothing of this kind has

ever happened in his State. Is he afraid that it is going to happen and thus get some of his people into trouble? Then the gentleman from Mississippi [Mr. RANKIN], who always speaks eloquently, did not get any nearer to the present-day situation than 20 years. He had a funeral scene and made an address to the jury. Here is the situation. Whether you like it or not, there is a lot of empty-headed gossip by people about things they do not know anything about, which does a lot of harm. This Congress should make it a violation of law to lie about the solvency of a bank, and it should not object to stating it specifically in detail in the law. Another gentleman says that he thinks this is unconstitutional. So we have the bill opposed for three reasons. The first is that what it penalizes does not apply at all. Another is that it is unconstitutional, and the third is that somebody died in Mississippi 20 years ago who, had he recovered, would be subject to prosecution if this bill was the law at that time. I submit to you that the banking interests of this country—and I am not a banker—have a right to not have their institutions ruined by malicious slander. We have heard a good deal of talk about banks. When you hurt a bank it is not only the bank that you hurt but you hurt the people the bank serves, you hurt the stockholders, the depositors, and the community. I hope this is just the beginning of making offenses out of a lot of malicious, slanderous talk, and I will be glad to see the day when the constitutional immunity which is afforded in certain legislative bodies—and I am not thinking just of this one—will be removed so that anybody with respectability and standing may not be slandered and subject to abuse on the floor of a legislative body by some nobody from nowhere who does not know anything, as has been done recently in the city of Washington to some highly reputable citizens who came here, as they had a right to do, to present their case in a matter in which they are interested. I think this bill should be agreed to.

The SPEAKER pro tempore. The question is on the amendment offered by the gentleman from Ohio.

The amendment was agreed to.

Mr. LETTS. Mr. Speaker, I offer the following amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Page 2, line 13, strike out "to" and insert "which."

The SPEAKER pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. LETTS. Also the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. LETTS: Page 2, line 13, strike out the word "effect" and insert the word "effects."

The SPEAKER pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. HOWARD. Mr. Speaker, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. HOWARD: Add a new section, as follows:

"Any bank official who maliciously, with intent to deceive, makes, publishes, utters, repeats, and circulates any false reports concerning any individual which imputes or tends to impute insolvency or unsound financial condition or financial embarrassment to such individual shall be deemed guilty of a misdemeanor, and shall, upon conviction in any court of competent jurisdiction, be fined not more than $1,000 or imprisoned for not more than one year, or both."

[Applause and laughter.]

Mr. HOWARD. Mr. Speaker, I sincerely hope that my colleagues will adopt this amendment.

Mr. McFADDEN. Mr. Speaker, I reserve the point of order. [Cries of "Too late!"]

Mr. HOWARD. Oh, I done been talkin' all this time.

Mr. Speaker, I trust my colleagues will be as quick to discover the side of justice as they have been to discover the facetious side, and I believe they will if they will follow me and let me tell them one little instance, and one only.

In a western town there was only one little bank. There were, of course, several business houses there. A man conducting the largest business had some trouble with the bank and his credit was impaired by that particular bank. So what could he do for money to carry on his business but go to a neighboring town? But the telephone was there before he got there, and the bankers in the other town were informed that they should loan no money to this man, because he was practically insolvent.

What was his remedy? He never had any in that locality. It happened that his wife's folks, living in a distant State, had some money, and he got out of his trouble all right. But suppose he had not had that kind of a wife?

This amendment is an absolutely necessary thing. No man goes further than I in favor of legislation to forbid and to punish the act of any man who imputes insolvency to a sound bank, for, in fact, my wife happens to own some bank stock, and I am strongly for her. I think, Mr. Speaker, that this little incident that I have related—and there must be many like it the country over—will lead all of us to accept this amendment. I myself accept it gladly. [Applause.]

Mr. SLOAN rose.

The SPEAKER pro tempore. For what purpose does the gentleman from Nebraska rise?

Mr. SLOAN. I rise to strike out one of the surviving words of this bill. I do not oppose my colleague's amendment.

The SPEAKER pro tempore. The gentleman from Nebraska moves to strike out the last word.

Mr. SLOAN. Mr. Speaker, it is for the purpose of making an inquiry that I rise. Nebraska has no such thing as criminal slander. It has a criminal libel statute, of course, where the evil report is in writing, print, or engraving. I understand from inquiry and a cursory examination that in many of the States of the Union their statutes are in a similar condition, so that the passage of this bill would leave the verbal utterance or verbal slander of a banking corporation as the only subject for criminal slander in my State. If that is generally the case, the Members from those States should not select a bank corporation as the one unit to be protected from the malicious spoken word, leaving all our citizens confined to civil remedy for the evil-spoken word. Banks in their good names should be, like Cæsar's wife, "above suspicion," and in strength a Gibraltar against assault by tongue of ill report or the frenzy of the frantic. [Applause.]

The SPEAKER pro tempore. The question is on agreeing to the amendment offered by the gentleman from Nebraska.

The amendment was agreed to.

Mr. McFADDEN and Mr. CHINDBLOM rose.

Mr. CHINDBLOM. Mr. Speaker, I offer an amendment.

The SPEAKER pro tempore. The Clerk will report the amendment offered by the gentleman from Illinois.

Mr. McFADDEN. Mr. Speaker, I ask for recognition.

Mr. CHINDBLOM. It is too late.

The SPEAKER pro tempore. The Clerk will report the amendment offered by the gentleman from Illinois.

The Clerk read as follows:

Amendment offered by Mr. CHINDBLOM: Page 2, line 8, after the word "provision," strike out the balance of the line and all of lines 9, 10, 11 to and including the word "system" on line 12.

Mr. WINGO. Mr. Speaker, I make a point of order. The House has already acted on that identical language. This changes the amendment that has already been adopted.

Mr. CHINDBLOM. Mr. Speaker, I would like to ask the gentleman from Arkansas at what point the House acted upon that amendment?

Mr. WINGO. At what part of the bill or what point of the procedure?

Mr. CHINDBLOM. Yes.

Mr. WINGO. It is on line 8, page 2.

Mr. CHINDBLOM. Referring to the words—

Or to cause a withdrawal of patronage from or otherwise to injure the business or good will of any national bank, or any State member bank of the Federal reserve system—

I am not including the committee amendment that already struck out that language from the section.

Mr. WINGO. The gentleman's language would change the effect of the language already adopted by the House.

Mr. CHINDBLOM. No; it does not.

Mr. WINGO. What would be the effect of the amendment?

Mr. CHINDBLOM. I would like to know at what time the House has acted on this?

Mr. WINGO. The House is now in position to vote on the bill. It would destroy the bill.

Mr. BRAND of Georgia. I would like to know what this amendment is? I know what the last one was.

The SPEAKER pro tempore. The amendment includes language not included in the other amendment and is clearly in order. If not, it is in the discretion of the House to reject it or adopt it as it sees fit.

Mr. CHINDBLOM. Mr. Speaker, I ask for recognition.

The SPEAKER pro tempore. The gentleman from Illinois is recognized.

Mr. CHINDBLOM. Early in the discussion of the bill under general debate I called attention to this language, and in all seriousness I beg the Members of the House to observe the difference in this language and the language which precedes it with reference to the commission of an offense under paragraph (g).

Paragraph (h) first provides that—

If two or more persons conspire to violate the above provision.

The above provision is paragraph (g), and that provision restricts conduct which is punishable as a crime to conduct which is done maliciously, with design to deceive. That qualification applies only to the first part of the conspiracy section, which is paragraph (h), but when you come to the further language—

If two or more persons conspire * * * to cause a general withdrawal of deposits from any national bank, or any State member bank of the Federal reserve system—

You have no limitation and no qualification. Such conduct does not have to be malicious, with intent to deceive. So that under this language, no matter what the intent, be it good, bad, or indifferent, a person having committed it would be punishable for a conspiracy.

Generally speaking, Mr. Speaker, I think statutes punishing conspiracies should be very carefully drawn. At best a conspiracy statute is a dragnet for the purpose of prosecuting and punishing those who can not be found to be directly involved in the commission of an offense. I submit in all sincerity and candor that here it is proposed to punish for conspiracy a man who in some way might be concerned in conduct which results in the general withdrawal of deposits from a national bank or a State member bank of the Federal reserve system, whether it was done with malicious intent or intent to deceive or not.

Mr. MORTON D. HULL. If the directors of one bank, A were seeking to get deposits that were in bank B into their own bank, they might be guilty under this provision?

Mr. CHINDBLOM. Clearly. There is no question about it.

Mr. MORTON D. HULL. Just the persuasion of getting deposits into their own bank would make them guilty of conspiracy?

Mr. CHINDBLOM. As the language reads here, I submit there is nothing further necessary to create a crime in the latter of the two cases, where persons conspire to cause a general withdrawal of deposits from a national bank or a State member bank of the Federal reserve system, than the mere act of causing the withdrawal of funds.

The SPEAKER pro tempore. The question is on the amendment offered by the gentleman from Illinois.

The amendment was agreed to.

Mr. McFADDEN. I move the previous question, Mr. Speaker, on the bill and all amendments thereto to final passage.

The SPEAKER pro tempore. The gentleman from Pennsylvania moves the previous question on the bill and all amendments to final passage.

Mr. BRAND of Georgia. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman from Georgia will state his parliamentary inquiry.

Mr. BRAND of Georgia. I would like to inquire whether or not I can at this time move to refer or to recommit this bill to the Committee on Banking and Currency?

The SPEAKER pro tempore. That comes on the final passage of the bill, before the question is put on the final passage.

The question is on ordering the previous question.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

Mr. CRISP. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman from Georgia will state his parliamentary inquiry.

Mr. CRISP. A motion to refer is in order, and is it not in order to vote on a motion to refer before we vote on the question of engrossment and third reading of the bill? If the bill is to be recommitted to the Committee on Banking and Currency there is no necessity for it being engrossed and read a third time.

The SPEAKER pro tempore. The previous question has been ordered on the bill and amendments to final passage.

Mr. CRISP. That is true; but, the previous question having been ordered, it is not debatable; but it is clearly in order for the House instead of voting to pass the bill to vote to postpone it or to recommit it.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. CRISP. I yield.

Mr. CHINDBLOM. Mr. Speaker, may I suggest that the motion which has just been put is upon ordering the third reading and engrossment of the bill. It does not presume that the bill has been engrossed. If any gentleman should demand the reading of the engrossed copy, that would stop the proceedings. So far we have simply ordered, if the motion is passed, that the bill be engrossed and read a third time; and after the third reading a motion to recommit to the committee is in order.

Mr. CRISP. Answering my friend, of course, it is immaterial, except that we do want orderly, common-sense procedure. Parliamentary law is nothing but common sense. Now, what is the common sense of this proposition? If the House desires to refer this bill back to the committee, why vote on ordering it engrossed and read a third time, which is simply a vehicle for consuming the time of the House? On that vote, if they desired to do so, one-fifth could order the yeas and nays and take up the time of the House in ordering the bill engrossed and read a third time, and then follow it immediately with a demand for the reading of the engrossed bill, which might delay further consideration until next day. If the House desires to refer the bill to the Committee on Banking and Currency and the vote is had now on that motion, the whole matter is ended and time saved. That is common sense, and in my judgment, under the rules of the House, a motion to refer is a privileged motion. It is a motion to be voted upon before you vote whether you are going to advance a bill under some further procedure looking to its passage. The motion is debatable except for the previous question, and the previous question having been ordered, in my judgment it is not debatable, but the motion is in order now.

The SPEAKER pro tempore (Mr. MAPES). The Chair is ready to rule. It seems to the Chair that the practice is well established, the previous question on the bill to final passage having been adopted, the motion to recommit is not in order until after the vote on the engrossment and third reading of the bill and before the final passage of the bill.

Mr. CRISP. Mr. Speaker, I do not want to be tiresome, but in the rules of the House there are two motions, one to refer, and that motion was in the House long before you had your motion to recommit. There is also, which amounts to the same thing, a motion to recommit with or without instructions, and while I have not looked at the rule book for some time I think I can, if given a moment's time, find the rule which says that the motion to recommit or refer is in order either before or after the previous question is ordered.

The SPEAKER pro tempore. The Chair will ask the gentleman from Georgia if it is not true that the previous question shuts off the right to make a motion to refer until after the motion on the engrossment and third reading of the bill is disposed of? The motion to refer might have been in order before the previous question was ordered on the bill to final passage; but the previous question having been ordered it seems clear to the Chair that a motion to refer is not now in order until after the vote on the engrossment and third reading.

Mr. CRISP. I will say to the Speaker that unquestionably the previous question cuts off any further debate and it cuts off any amendment to the bill. The effect of the previous question having been ordered is that the House shall proceed, without any further debate and without any further amendment to the bill, to vote upon it, but there is another preferential rule, not debatable at this stage, to wit, to recommit, and it does seem to me it is in order to move to recommit, and if the House desires to recommit that disposes of the matter without taking the time to vote on the other question.

The SPEAKER pro tempore. The Chair has great respect for the opinion of the gentleman from Georgia, as has the House, but the Chair does not understand the rule in the way that the gentleman from Georgia has contended.

The rule, as the Chair understands it, is, as stated in the Manual—section 790—as follows:

The motion to commit may be made pending the demand for the previous question on the passage, whether a bill or resolution be under consideration (V, 5576); but when the demand covers all stages of the bill to the final passage the motion to commit is made only after the third reading, and is not in order pending the demand or before the engrossment or third reading (V, 5578–5581).

The question is on the engrossment and third reading of the bill.

The previous question was ordered on the bill to final passage, so that it seems clear to the Chair that the motion to recommit is not in order until after the motion on the engrossment and third reading is disposed of.

The bill was ordered to be engrossed and read a third time, and was read the third time.

Mr. BRAND of Georgia. Mr. Speaker, I desire to make a motion to recommit, and in doing so I ask unanimous consent to speak for five minutes.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. BRAND of Georgia. I am opposed to this monstrosity of a bill in its present shape.

Mr. CHINDBLOM. Mr. Speaker, may I suggest that the previous question has not been ordered on the motion to recommit?

The SPEAKER pro tempore. The gentleman from Georgia asks unanimous consent to proceed for five minutes. Is there objection?

There was no objection.

Mr. BRAND of Georgia. Mr. Speaker and ladies and gentlemen of the House, I want to make a short statement in conclusion of the debate upon the pending bill.

My sole object in introducing this bill was to protect stockholders and borrowers, and particularly depositors of national banks and State banks members of the Federal reserve system.

The House having adopted the amendment introduced by the gentleman from Nebraska [Mr. HOWARD], which I regard as a monstrosity as a legislative proposition, I do not propose to vote for the bill with this thing in it. If the House wants to send this bill to the Senate with this amendment, it can do so, but I shall not be a party to it.

It is my purpose, however, to make a motion to recommit the bill to the Banking and Currency Committee for further consideration.

The SPEAKER pro tempore. The time of the gentleman from Georgia has expired.

The question is on the motion to recommit the bill to the Committee on Banking and Currency.

The question was taken, and the motion to recommit was agreed to.

PROMOTION IN THE ARMY

Mr. McSWAIN. Mr. Speaker, I ask unanimous consent to extend my remarks on the bill (H. R. 10169) relating to the reformation of the promotion list of the Army by printing my own interview published in the Army and Navy Journal of March 8.

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

There was no objection.

Mr. McSWAIN. Mr. Speaker, I am extending my remarks on H. R. 10169 for the purpose of explaining the reasons for the introduction and support of this bill.

Of course, I have introduced another bill looking to the accomplishment of a measure of justice to many emergency officers who were taken into the Regular Army when the officer personnel of the Regular Army was practically doubled on July 1, 1920. My new bill introduced February 21, 1930, is H. R. 10169. My delay in introducing this bill does not indicate any lack of interest in the subject or any weakening of my conviction that a grievous injustice was done to the major portion of the emergency officers. I delayed to introduce the bill merely because it could make no progress in the present situation of Congress. It is true that the Senate passed a general promotion bill in December, but we who are in Congress understand how things like that happen. I was not in the Senate Chamber at the time, and would not venture to say how many Members were on the floor. But the Members of the House of Representatives do not let things go through that way. They could jam the tariff bill through under a special rule and prevent any amendments, because that was a pet administration measure. But a controversial matter of this kind would mean a prolonged and bitter fight in the House.

There was no necessity for my introducing the bill even now, because it can not be considered for weeks and perhaps months. The able and beloved and energetic chairman of our committee, the Hon. FRANK W. JAMES, of Michigan, the man who has the absolute and unquestioning confidence of all members of the Committee on Military Affairs, both Republican and Democratic, and, in fact, of all Members in the House of Representatives, is ill and in Walter Reed Hospital. Reports are that it may be several weeks before he is able to return to his usual and strenuous duties. We are all hoping and praying that this time he may have a complete recovery. But during his illness and absence we would not consider important and hotly contested legislation of this kind. We are considering private bills, local and noncontroversial matters, and are holding hearings regarding several pending bills relating to Muscle Shoals.

But when our chairman, Mr. JAMES, is back at the head of the table and the condition of the House Calendar justifies our bringing in additional legislation we will take up this bill and other bills relating to the same, and first fight the matter out in the committee, and will then have to fight it out on the floor.

I was reared and educated to the belief that "nothing is finally settled until it is settled right." I have heard no one discuss the matter of the way the promotion list was formed in 1920 by somebody in the War Department but admits that the method and principle of arrangement was wrong and very unfortunate. I should except those officers in the Army who are the beneficiaries of the outrage that was committed. I think all of them, with a single exception, regard it as a work of sublime wisdom. That single exception, unless he has changed his mind, ought to be photographed and his photograph framed and placed alongside that of George Washington as the modern example of a broad-minded, honest, and disinterested citizen.

The high-ranking officers in the Army who have been interrogated in my presence on this subject admit that it was a serious, a demoralizing, and unfortunate arrangement, working serious injustice to older emergency officers, who had had prewar education at private expense, had received pre-war military training at State expense in the National Guard, and were personal participants, holding responsible commissions during the entire period of the World War. These high-ranking officers lay the blame on Congress for this situation, claiming that the list had to be formed as it was formed in order to obey the will of Congress.

On the other hand, Members of Congress, with two or three very conspicuous exceptions, who were then upon the committee having the legislation in charge, say that they never intended the legislation to be construed as it was construed by the War Department, and were shocked and surprised when they found that very young men, having had practically no experience in the business or professional world, most of them holding commissions as second lieutenants, but being technically in the Regular Army because their commissions were provisional, should be placed on the promotion list above emergency officers with an average age of at least 10 years more, who were well educated, had been engaged in business or pursuing professions for about 10 years before entering the World War, and had held commissions during the period of the war ranging from colonel down to captain. So these young provisional second lieutenants will become majors before men 10 years older and who ranked them during the war from two to five grades. Hundreds of these provisional second lieutenants were jumped on July 1, 1920, to the grade of captain and now outrank men who during the war commanded regiments and battalions and companies, and commanded these regiments, battalions, and companies under war conditions and in combat.

I know that these provisional second lieutenants now claim that they chose the Regular Army, and that by reason of making their choice they were entitled to special consideration. They may fool themselves into believing that, but they can not fool me, who knew the conditions under which they were offered commissions and under which they accepted them. During the first officers' training camp, Fort Oglethorpe, Ga., I knew many young men that accepted commissions as provisional second lieutenants during the period of the camp without waiting for the result of the 90-day training period. These young men were generally unmarried and not engaged in any essential industry, and were, therefore, in the class A draft group. That means that it was an easier thing to grab a certainty in the form of a provisional commission as second lieutenant rather than continue in a state of uncertainty as to whether or not they would be recommended for any commission by the camp instructors, and would if not commissioned be certain to be called out under the draft. I was among them and heard them talk, and the matter of entering the Regular Army as a "life calling" was as remote from their minds as it was then from the minds of the emergency officers who later applied for commissions. Therefore in reality and in essence these provisional second lieutenants were "emergency" officers. It was the emergency that brought on the legislation itself. It was the emergency that justified the War Department in offering the commissions. It was the emergency that induced them to apply for and to accept the commissions. It was the selective service law which created the "emergency" for these unmarried young men. Most of them were in a dire emergency. They had been reading about the hell of horrors of front-line trenches and no-man's land.

To stand on guard half knee-deep in frozen mud was the lot of a private soldier. Second lieutenants might get killed in a charge over the top, and thousands of them were killed while bravely charging, but when not on the charge they had a chance

at comfort and convenience. They had private soldiers to wait on them and cook for them. When the private soldier was sleeping in the French barn, or in a deserted French pigpen, the second lieutenant was sleeping in a French feather bed. While the private was standing on guard ankle-deep in cold water, the second lieutenant was in a warm and dry dugout. So, looking at the thing fairly and squarely, aside from retrospective technicalities and post bellum considerations based on self-interest, these provisional second lieutenants were even more truly "emergency" officers than were these older officers who were made captains, majors, lieutenant colonels, and colonels, nearly all of whom were married men, and many of them engaged in essential industries, and were not immediately subject to the draft, and entered the Army as a matter of patriotism, and took command of these same provisional second lieutenants who are now commanding them. Such an unreasonable reversal of situation would be ludicrous and ridiculous if it were not so serious to these older officers.

It is serious for these older officers, not merely because of the matter of pay and possibility of promotion, but in the matter of proper pride and justifiable self-respect. Many of these officers now have grown children and are compelled to live in some shabby house on the shabby side of the post, when one of these provisional second lieutenants now ranking as captain, or even major, lives in a nice house in the best section of the post, and his little children, most of them too young to enter school, are either in the kindergarten or being pushed around in a baby carriage. How can the older officer explain to his grown sons and daughters this preposterous and absurd state of affairs?

These grown sons and daughters look up the Army Register and observe that their fathers graduated from good colleges and military schools and commanded National Guard organizations before the World War, and the same register shows that most of these provisional second lieutenants were just out of college, some of them having never graduated, and some of them having only finished high school and never had any military training or experience of a responsible and commissioned nature, with authority of command, prior to the World War, and yet by some strange and unexplainable twist in human affairs the bottom rail gets on top and the junior commands the senior and the inexperienced has authority over the widely experienced, and the man who knows the ways of the business and professional world is subject to the dictates of a youngster who knows nothing of the world of affairs.

I understand that there are two or three or maybe more Members of Congress who claim that Congress "intended" to do this very thing. But I have been unable to find any place either in the report of the committee or in any explanation made to either the House or the Senate, where these gentlemen who now claim that what was done was "intended" to be done, ever told Congress what would happen. If they told Congress, I have not found it. If they told Congress, surely Congress did not understand their explanation. If Congress understood it and went into that legislation with eyes open and understanding minds, then Congress should be severely condemned.

But whether the mistake was made by Congress knowingly or unwittingly or whether it was made by the War Department by misinterpretation, and, if so, whether that misinterpretation was conscious and purposeful or unintentional and accidental, is perfectly immaterial to me. If I make a mistake to-day and to-morrow learn that I have made a mistake, I immediately set about to rectify it.

If Congress made the mistake, it should rectify it. If the War Department made the mistake, Congress also should rectify it. Congress is the judge of whether or not a mistake was made by anybody. Congress has the power to decide when and what correction it will make of this egregious mistake. That mistake has resulted in unspeakable injustice. The best thing for the Army and the best thing for the Nation and for the consideration of national defense generally is to correct that injustice. That is the purpose of my bill, and if this injustice is not corrected I will know the reason why. I intend to see that the present Congress votes after understanding the issue this time. The Congress of 1919 perhaps did not understand the issue. I doubt that the Committee on Military Affairs as a whole understood what would happen to its language when the War Department began to construe it.

But when my bill comes up for consideration I intend to make the issue sharp and clear to the mind of every Member. If a Member votes to sustain the status quo and to perpetuate these provisional second lieutenants in their ascendancy over these older and more experienced emergency officers, then he shall know, if my written and spoken words can convey my meaning to his mind, that he is voting for the absurd and unfair state of affairs that I have pictured. If that Member can justify that vote back in his district when he meets the friends and relatives of these older and more experienced emergency officers, then that Member will be fortunate. But I believe that it will be easier for that Member to justify his vote on the ground by which I justify my vote, to wit, justice and common sense and fair play. Of course, some of these second lieutenants have relatives in my district. Of course, I must incur their enmity and hostility. That is the responsibility of every legislator.

He can not please everybody and he must choose in this issue between the friends and relatives of these second lieutenants who are the beneficiaries of this monstrous and demoralizing arrangement of the promotion list, and the friends and relatives of the older and more widely experienced officers, but who are suffering from the unjust, unfair, unreasonable, and unnecessary arrangement of the promotion list. As between these two groups, I feel that justice and a sense of fair play and decent and humane consideration of the feelings of the wives and grown daughters and sons of these older emergency officers require me to take the stand I have taken in this issue.

For years after the war I could hardly believe that this absurdly unreasonable and ridiculously unjust thing had been done. A few of my friends complained, but I could not realize what had happened. Finally, when the promotion list itself was shown me and I saw the names of officers that I knew, with some of these provisional second lieutenants whom I knew on the promotion list over 3,000 files above emergency officers that I knew to be at least 10 years older and to have just as much natural ability and just as much or more education, and to have had at least 10 years of actual experience in competitive affairs and to have commanded in war regiments, battalions, and companies—when I saw this with my own eyes I could hardly believe my eyes and it took days for me to realize just the full and fatal consequences of such arrangement.

So it is idle now to talk about who is responsible for what is commonly called "the crime of 1920." The important fact is that the unjust and outrageous thing was done. The only thing to consider now is, Shall we correct it? I believe it should be corrected, even if 10 years have passed. The longer this condition remains, the more conspicuous and outrageous will be the consequences. In a few years these older emergency officers, who must remain captains as long as they remain in the Army, will be at drill and on parade, and about various military duties and their white hair will contrast with the raven locks of the youngsters who will be majors and lieutenant colonels, proudly sitting on their horses while the gray-haired captain marches by. When we enter the social life of the post and contrast the ages of the families, and contrast their living quarters, and contrast their incomes, then the outrage will be more conspicuous.

If any friends of these provisional second lieutenants suggest as a remedy for this strange situation that the older emergency officers should resign and thus save themselves and their families from this embarrassment, I answer that the country called these older emergency officers away from their wives and children in 1917, not by draft but by the offer of commissions. These emergency officers volunteered and bravely and joyfully fought their country's battles. When the country, in the interest of national defense, decided to double the officer personnel in 1920, these emergency officers were invited to apply for commissions, and their services were gladly accepted. There were not enough of these provisional second lieutenants to supply the Army with all the additional officers it needed. When now, by a strange twist either in the formation of language or in the construction of language, the tables have been so turned that the lowest ranking Regular Army officer outranks the highest ranking emergency officer, then it is unpatriotic and un-American for anybody to suggest that the way to correct a wrong which somebody committed is for the sufferer from that wrong, for the person who got the hot end of the poker, to get out of the way and throw up his claims and to let the beneficiary of that wrong remain in undisturbed possession of swift and undeserved and even unexpected promotion. I have heard this argument by some of the beneficiaries of "the crime of 1920," but I have not heard any disinterested and unbiased persons make that argument. I hope that the beneficiaries themselves will not have the unmitigated brazenry to make this argument any more. They in their self-asserted wisdom should conjecture and proclaim some other solution of the problem. I do not expect them to offer any surrender of their quickly and easily acquired laurels. But perhaps they can suggest some reasonable and workable and half-just method of correcting the injustice. I respectfully invite them, through their few friends in Congress, to offer some such solution. If no such solution comes through any such source, then we must assume that they have no solution and their attitude is one of "let him take who has the power, and let him keep who can." If that be their attitude, I think when this matter comes to a fair and square vote, after the Members of Congress understand, as they shall, what the issue is, then we shall have the

power to take and to recover for these older emergency officers who volunteered without the persuasion of a draft law to help fight in the greatest war of history.

HERDING OF REINDEER IN ALASKA

Mr. SUTHERLAND. Mr. Speaker, I ask unanimous consent to extend my remarks by the insertion of a letter from the Indians of northern Alaska setting forth certain grievances in connection with the herding of their reindeer.

The SPEAKER. The gentleman from Alaska asks unanimous consent to extend his remarks by printing a letter from certain Indians of northern Alaska. Is there objection?

Mr. WINGO. Mr. Speaker, reserving the right to object, I shall not object to this request, but I shall object to any further proceedings until we get through with the next bill that is to be considered.

The SPEAKER. Is there objection?

There was no objection.

The letter is as follows:

ALASKAN ESKIMOS COMPLAIN TO DELEGATE IN CONGRESS

[IGLOO, ALASKA, *January 21.*]

Mr. D. A. SUTHERLAND,
Washington, D. C.

DEAR SIR: In regards of reindeer, we are the natives (Eskimos) who are the owners of the reindeer are writing to you and explain how we, the natives, are.

The Gov't put reindeer in Alaska so that the natives can become citizens and self-supporting.

Sheldon Jackson was sent up to Alaska to find out the condition and educate them.

The Gov't did not give reindeer to the natives, not one live deer.

The natives had to work for them or pay cash for them at the rate of $20 to $25 a female with a fawn.

When the reindeer first got here in Alaska the natives worked hard for them to get their reindeer.

Those who herded to get their reindeer first worked for five years for their grub and clothes, and five years more for grub and clothes and with twenty-five female deer which the Gov't loaned them to be returned at the second five years.

Later on was to pay two female deer a year each for five years, and then later on Mr. Lopp, who was a chief supt. of the reindeer in Alaska saw that the natives would never become self-supporting on so small a pay, so he raised it to six deer for the first year, eight for the second year, ten for the third year, and ten for the fourth year, with all the supplies furnished the first year, two-thirds the second year, one-third the third year, and none the fourth year.

From since then they increase fast, and maybe the white people think that the natives got their deer free for nothing, but we worked hard to earn them, day and night, in winter, in stormy weather we had to take care of them even if we are lost on our way.

And finally the natives got their own reindeer, and the meat they use for food, and the skins for their clothing, and they support their families by using them and nowadays the games are scarce, and the reindeer are taken in place of the games.

The natives do not raise wheat, potatoes, or any kind of products that the white people raised in the States, but the natives had to hunt to live by the animals and fish.

If the animals and fish are very scarce, the reindeer are the only thing the natives will have. For that reason, we, the natives, are interested in the reindeer industry, and that's why we want to handle our own reindeer, and we don't want no white man to handle it.

When W. C. Shields was superintendent of the reindeer industry, the reindeer works was going on a good business, and everything seems to be on good business.

He was very interested in reindeer industry. He tried to get every native to get his own reindeer, and every reindeer owner likes him.

Ever since he died during the "flu," the reindeer industry starts to raise trouble, after that we can't get no other superintendent so good as he is.

Under Supt. Shields the Govt. teachers has been good a teachers.

Best teacher of all we had at Igloo was Mr. Harry D. Reese, under Supt. Shields. He was in good care of the reindeer reports all through his term, and after those two men left the reindeer industry had start to change into trouble.

Now, it seems to us that these present Govt. men are helping the Lomen Reindeer Company. Lomen Company are trying to take the reindeer and grazing grounds from the natives without permission. For this we don't want the Lomen Company and white people to give and handle our reindeer and grazing grounds.

Lomen Company even drive a herd from natives grazing grounds to their own grazing grounds, even from the herd they don't belong to them.

That is the kind of treatment we natives got from the Lomen Co. ever since they got the reindeer of their own.

They are trying to make some money out of our reindeer and making trouble for us. We are telling you all truth about this.

Why did the Gov't let Lappe and missions sell female deer to Lomen Company, or other white men, and not let natives sell female deer to white men?

We could sell female and get good money for them one time, and now our females, as well as males, are being killed by Gov't men, and we don't get one cent from them, and must ask the chief herder or schoolteacher how much money we have make from the deer, but we can never find out.

Why did Gov't let white men own female deer? When Palmer and his boss told Gov't it don't hurt natives, but help them if white men own deer, why don't Gov't ask natives something about those things?

We will tell Gov't no good for natives, and now we find out we was right.

Since Palmer want to mark fawns by percentage, and Lomen people make laws at Juneau, Alaska, that deer belongs to the owner of his mark, and then Lomen Co. go all over the natives' grounds, drive all deer, and mark all unmark deer to Lomen Co., Lomen can get money to pay boys all round-up and mark their fawn, but natives can't, so lots of unmark natives' deer. Lomen mark all. Natives' herds near Lomen herd loses lots of deer this way.

If white man want reindeer in Alaska, why don't they come up here and work on deer like Eskimos when they was only a few deer here?

Only they want deer now after we make them increase so much; now they want Gov't to take our deer away from us, and because it is no good for the natives for white men to own deer, we natives like to have some good Gov't man tell Gov't to take deer from white man and let only natives have female deer.

White man taken now our fish, furs, whale, games, and gold, and now they want our reindeer, and maybe some day they want our life. Please try help us what you can.

THOS. OCTUK,	PETER OCTUCK,
WM. OQUILLUK,	KOPAK,
FRED MOSQUITO,	JIM EYUK,
FRED TOPKOK,	JOHNNIE KUGGRUK,
KEELICK,	DICK KUGGRUK,

Committee.

MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Latta, one of his secretaries.

AMENDMENT OF THE FEDERAL RESERVE ACT

Mr. McFADDEN. Mr. Speaker, I call up the bill (H. R. 9046) to amend the fourth paragraph of section 13 of the Federal reserve act, as amended.

The SPEAKER. The gentleman from Pennsylvania calls up a bill, which the Clerk will report.

The Clerk read as follows:

Be it enacted, etc., That the fourth paragraph of section 13 of the Federal reserve act, as amended (U. S. C., title 12, sec. 345), be further amended to read as follows:

"The aggregate of notes, drafts, and bills upon which any person, copartnership, association, or corporation is liable as maker, acceptor, indorser, drawer, or guarantor, rediscounted for any member bank, shall at no time exceed the amount for which such person, copartnership, association, or corporation may lawfully become liable to a national banking association under the terms of section 5200 of the Revised Statutes, as amended: *Provided, however,* That nothing in this paragraph shall be construed to change the character or class of paper now eligible for rediscount by Federal reserve banks."

Mr. McFADDEN. Mr. Speaker, this is a bill which should not cause any controversy whatsoever. It simply extends to State member banks of the Federal reserve system the same right that is now enjoyed by the national banks in regard to the rediscount of individual or single borrowers' notes, giving them the same rights as are extended under section 5200 of the national bank act to national banks.

Mr. WINGO. Will the gentleman yield?

Mr. McFADDEN. I yield.

Mr. WINGO. Is not this a correct statement of the situation? The last time we amended section 5200 of the national bank act, which section covers what is known as the 10 per cent limitation, we failed to also amend paragraph 4 of section 13 of the Federal reserve act, which covers the same question.

Mr. McFADDEN. The gentleman is correct.

Mr. WINGO. And if this bill is passed, it will carry out what Congress intended the last time it revised section 5200.

Mr. McFADDEN. Yes.

Mr. WINGO. The purpose of the bill is explained in the following letter from the general counsel of the Federal Reserve Board:

FEDERAL RESERVE BOARD,
Washington, February 5, 1930.

Hon. OTIS WINGO,
House of Representatives, Washington, D. C.

DEAR MR. CONGRESSMAN: In accordance with your recent request over the telephone, I am writing this letter to explain the purpose of H. R. 9046, which proposes to amend the fourth paragraph of section 13 of the Federal reserve act.

Concisely stated, the purpose of this bill is to permit a member bank to rediscount with a Federal reserve bank as much paper of a single borrower as a national bank is permitted to acquire from a single borrower under the provisions of section 5200 of the Revised Statutes, and no more. It is not intended to change the character or class of paper eligible for rediscount but pertains only to the amount of paper of a single borrower which may be rediscounted.

Under the eight exceptions to section 5200, national banks are now permitted to make loans to single borrowers in rather liberal amounts, exceeding 10 per cent of their capital and surplus on certain classes of paper, but under section 13 of the Federal reserve act they are not permitted to rediscount for the Federal reserve bank paper of a single borrower in amounts exceeding 10 per cent of their capital and surplus, with the one exception that this restriction does not apply to the discount of bills of exchange drawn in good faith against actually existing values; and it causes much confusion and dissatisfaction when the Federal reserve banks decline to rediscount as much paper of a single borrower as national banks are permitted to acquire under the provisions of section 5200. Officers of member banks can not understand why a line of credit which they are expressly permitted to extend to a single borrower under section 5200 is considered excessive when the same paper is offered to the Federal reserve bank. The reason is quite technical, and it is difficult to explain it satisfactorily to officers of member banks, who are inclined to regard it as a needless technicality. It increases the feeling that rediscounting with Federal reserve banks involves much "red tape" and technicalities, and I have no doubt that this feeling is one of the reasons why many country banks prefer to deal with city correspondents instead of Federal reserve banks.

In order that you may have a better understanding of the effect which will be brought about if this legislation is enacted, I shall outline briefly the recent history of section 5200 of the Revised Statutes, and the relation of section 13 of the Federal reserve act thereto.

Prior to the enactment of the McFadden Act (February 25, 1927), section 5200 of the Revised Statutes placed a limitation of 10 per cent of a national bank's capital and surplus on the total liabilities to any such bank of any one person, company, firm, or corporation; but this limitation was subject to a number of specific exceptions. Section 13 of the Federal reserve act provided then, as it does now, that the amount of notes, drafts, and bills bearing the signature or indorsement of any one borrower rediscounted by a Federal reserve bank for any one bank should not exceed 10 per cent of the capital and surplus of the bank, except that this limitation does not apply to the discount of bills of exchange drawn in good faith against actually existing values. Both the Federal Reserve Board in construing this provision of section 13 and the Comptroller of the Currency in construing the provisions of section 5200 had interpreted the law as applying only to direct liabilities such as those of maker or acceptor and not to indirect liabilities such as those of drawer, indorser, or guarantor.

The McFadden Act greatly increased the difference between these two sections, because it left section 13 as it was, but amended section 5200. It increased the difference between these sections in these two important respects: (1) It greatly liberalized and broadened the eight exceptions to the 10 per cent limitation of section 5200, but did not add to or broaden the single exception to the 10 per cent limitation of section 13; and (2) it made indirect liabilities as drawer, indorser, or guarantor subject to the limitations of section 5200, but left the limitations of section 13 applicable only to the direct liabilities as maker or acceptor.

To indicate explicitly what are the exceptions now contained in section 5200, as amended by the McFadden Act, I inclose herewith a circular issued by the Comptroller of the Currency showing the provisions of the law and on the reverse side a table of the amounts loanable to one person by a national bank.

As a result of this situation the chief differences now existing between the limitations on the paper of one person which a Federal reserve bank may discount for a member bank and on the loans to one person by a national bank are (1) in the case of loans by national banks the basic limitation of 10 per cent is subject to a number of liberal exceptions, whereas the basic limitation as to rediscounts is subject to only one exception; and (2) the limitation on loans of a national bank applies to indirect liabilities as well as to direct liabilities, but the limitation on rediscounts for one person, under the interpretation of the Federal Reserve Board which has been in existence for years, applies only to direct liabilities—those of maker and acceptor.

As indicated above, the purpose of the proposed bill (H. R. 9046) is to make the limitations contained in section 13 of the Federal reserve act on the paper of one person which may be rediscounted by a Federal reserve bank conform as closely as possible to the limitations on loans to one person by national banks under section 5200 of the Revised Statutes. If H. R. 9046 should be enacted, the limitation on rediscounts for one person would be subject to all of those exceptions which are now contained in section 5200 of the Revised Statutes with reference to loans to one person by national banks, and would be applicable not only to liabilities incurred directly as maker or acceptor but also to those incurred indirectly as drawer, indorser, or guarantor.

One of the practical results of the proposed amendment may be illustrated as follows:

A national bank may now loan to a single borrower an amount equal to 25 per cent of its capital and surplus on paper, secured by shipping documents or chattel mortgages covering livestock, but may rediscount with a Federal reserve bank the notes of such borrower only in an amount equal to 10 per cent of the capital stock and surplus of such national bank. If the law were amended, the Federal reserve bank might take the entire 25 per cent.

Under the now existing provision of section 13, some question might be raised as to whether the limitation prescribed applies both to the rediscount of paper under the authority of section 13 and under the authority of section 13a, or only to the rediscount of paper under section 13. The enactment of the proposed bill would clarify this ambiguity so as to make the limitation applicable broadly to any paper, including that acquired under section 13a as well as that acquired under section 13.

You will note also that the bill provides that it is not to be construed "to change the character or class of paper now eligible for rediscount by Federal reserve banks." There was at one time in the McFadden bill a provision similar to that contained in the bill under discussion and objection was made on the ground that it was intended to change the character of paper eligible for rediscount, and this provision was finally stricken out of the McFadden bill because of opposition aroused by this unwarranted contention. There is nothing in the bill upon which to base the opinion that the character or class of paper eligible for rediscount is in any way to be affected; but, in order to anticipate any similar objection to this bill, this provision that the character or class of paper eligible for rediscount is not to be affected has been included.

I trust the above explanation of this complicated and technical subject will be clear enough to give you the information about the bill which you desire If not, please do not hesitate to call upon me again.

With kindest personal regards, I am respectfully yours,

WALTER WYATT,
General Counsel.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. MCFADDEN, a motion to reconsider the vote by which the bill was passed was laid on the table.

APPOINTMENT OF AN ENVOY EXTRAORDINARY AND MINISTER PLENIPOTENTIARY TO THE UNION OF SOUTH AFRICA (H. DOC. NO. 312)

The SPEAKER laid before the House the following message from the President, which was read, and, with the accompanying papers, referred to the Committee on Foreign Affairs and ordered printed.

To the Congress of the United States:

I commend to the favorable consideration of the Congress the inclosed report from the Secretary of State, recommending the enactment of legislation authorizing the appointment of an envoy extraordinary and minister plenipotentiary to the Union of South Africa and fixing the salary of the said officer at not less than $10,000 per annum.

HERBERT HOOVER.

THE WHITE HOUSE, *March 5, 1930.*

SIXTH PAN AMERICAN CHILD CONGRESS AT LIMA, PERU (H. DOC. NO 311)

The SPEAKER laid before the House the following message from the President, which was read, and, with the accompanying papers, referred to the Committee on Foreign Affairs and ordered printed.

To the Congress of the United States:

I commend to the favorable consideration of the Congress the inclosed report from the Acting Secretary of State, to the end that legislation may be enacted to authorize an appropriation of the sum of $13,000 for the expenses of participation by the United States in the Sixth Pan American Child Congress, to be held at Lima, Peru, July, 1930.

HERBERT HOOVER.

THE WHITE HOUSE, *March 5, 1930.*

LEAVE OF ABSENCE

By unanimous consent leave of absence was granted to—

Mr. JOHNSON of Illinois (at the request of Mr. HOLADAY), for three days, on account of illness.

Mr. CHASE (at the request of Mr. BEERS), indefinitely, on account of illness.

Mr. BELL, for two weeks, on account of important business.

MAMMOTH CAVE NATIONAL PARK

Mr. THATCHER. Mr. Speaker, I ask unanimous consent to address the House for five minutes.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. THATCHER. Mr. Speaker and Members of the House, I merely wish to announce to the House, for the benefit especially of those who are interested in the subject of national parks, that recently there was passed by the Legislature of the State of Kentucky an act authorizing the appropriation of State funds to the extent of $1,500,000, which act has been signed by the governor and is now a law. This will complete the sum—between $2,500,000 and $3,000,000—necessary to buy all the lands, including the original Mammoth Cave property and the various other great cave systems in that region, necessary for the establishment of the Mammoth Cave National Park in accordance with the act of Congress of May 25, 1926. We will have a fund of about $800,000 made up of private contributions and also the donation of caves and cave properties and lands of the value of about $350,000 or $400,000. Thus the success of this great national-park enterprise is fully assured.

The House will recall that under the authority of Congress a committee was appointed by the Secretary of the Interior, headed by our colleague the distinguished gentleman from Pennsylvania [Mr. TEMPLE]. This committee, known as the Southern Appalachian National Park Commission, made a survey of the Mammoth Cave National Park area, the Shenandoah Valley National Park area, and the Great Smoky Mountains National Park area, and all three of these areas were recommended as national parks. Congress thereupon passed the necessary enabling acts, and the three projects have nearly reached the point of fruition; and within a reasonable time in the future, under expenditures made, not at the hands of the Government but by private means and by State aid, all of these great domains will be added as units of our national-park system, and we shall have established and maintained in this country east of the Mississippi River an adequate system of national parks. When these areas are conveyed to the United States—and the conveyances shall be made without cost to the United States—the Federal Government, through the Interior Department and the National Park Service, will accept them and improve and maintain them as national parks.

On the 11th of last month, under invitation to do so, it was my very great pleasure to appear before the joint session of the General Assembly of Kentucky, while the indicated State measure was under consideration, and to deliver an address in favor of its enactment.

Mr. Speaker, I ask leave to be permitted to incorporate as an extension or portion of my remarks on this subject quotations from the report of the Southern Appalachian National Park Commission; the report of the Committee on Public Lands, the committee that reported this bill to the House; and also to incorporate a short letter written by President Hoover, then Secretary of Commerce, on the subject of the Mammoth Cave National Park.

Mr. Speaker, under leave given me, therefore, I quote the report of the House Committee on Public Lands (with certain portions omitted) favoring the enactment of the Mammoth Cave National Park bill—of which measure I had the honor to be the author—which report embodies therein the report of the Southern Appalachian National Park Commission already referred to.

The Committee on the Public Lands, to whom was referred the bill (H. R. 12020) to provide for the establishment of the Mammoth Cavé National Park in the State of Kentucky, and for other purposes, having considered the same, report it favorably to the House with the recommendation that it do pass without amendment.

The text of the bill is as follows:

"H. R. 12020, Sixty-ninth Congress, first session

"A bill to provide for the establishment of the Mammoth Cave National Park in the State of Kentucky, and for other purposes

"*Be it enacted, etc.*, That when title to lands within the area hereinafter referred to shall have been vested in the United States in fee simple, there shall be, and there is hereby, established, dedicated, and set apart as a public park for the benefit and enjoyment of the people, the tract of land in the Mammoth Cave region in the State of Kentucky, being approximately 70,618 acres, recommended as a national park by the Southern Appalachian National Park Commission to the Secretary of the Interior, in its report of April 8, 1926, and made under authority of the act of February 21, 1925; which area, or any part or parts thereof as may be accepted on behalf of the United States in accordance with the provisions hereof, shall be known as the Mammoth Cave National Park: *Provided*, That the United States shall not purchase by appropriation of public moneys any land within the aforesaid area, but such lands shall be secured by the United States only by public or private donation.

"SEC. 2. The Secretary of the Interior is hereby authorized, in his discretion, to accept, as hereinafter provided, on behalf of the United States, title to the lands referred to in the previous section hereof, and to be purchased with the funds which may be subscribed by or through the Mammoth Cave National Park Association of Kentucky, and with other contributions for the purchase of lands in the Mammoth Cave National Park area: *Provided*, That any of said lands may be donated directly to the United States and conveyed to it, cost free, by fee simple title, in cases where such donations may be made without the necessity of purchase.

"SEC. 3. The administration, protection, and development of the aforesaid park shall be exercised under the direction of the Secretary of the Interior by the National Park Service, subject to the provisions of the act of August 25, 1916, entitled 'An act to establish a National Park Service, and for other purposes,' as amended: *Provided*, That the provisions of the act approved June 10, 1920, known as the Federal water power act, shall not apply to this park: *And provided further*, That the minimum area to be administered and protected by the National Park Service shall be, for the said Mammoth Cave National Park, 20,000 acres, including all of the caves: *Provided further*, That no general development of said area shall be undertaken until a major portion of the remainder in such area shall have been accepted by said Secretary.

"SEC. 4. The Secretary of the Interior may, for the purpose of carrying out the provisions of this act, employ the commission authorized by the act approved February 21, 1925."

With the exception of Lafayette National Park, a small area on the coast of Maine, there are no national parks east of the Mississippi; yet the greater portion of our American population is to be found in this great region, and unless there may be provided for those who live in this region such parks, easily accessible, the great majority of our people will never have the opportunity of visiting a national park. With the single exception noted, all of our national parks lie west of the Mississippi and practically all of them west of the eastern base of the Rocky Mountains.

For the same general reasons, therefore, that this committee is reporting favorably H. R. 11287, providing for the establishment of the Shenandoah National Park, in the State of Virginia, and the Great Smoky Mountains National Park, in the States of North Carolina and Tennessee, this favorable report on H. R. 12020 is made. Under the act of February 21, 1925, there was appointed by the Secretary of the Interior the Southern Appalachian National Park Commission, made up as follows: Representative H. W. Temple, of Pennsylvania, chairman; Maj. W. A. Welch, chief engineer and general manager of the Palisades Interstate Park of New York and New Jersey; Mr. Harlan P. Kelsey, former president of the Appalachian Mountain Club, of Boston; Mr. William C. Gregg, of the National Arts Club, of New York; and Col. Glenn S. Smith, acting chief topographic engineer of the United States Geological Survey and representative of the Interior Department on the commission. The commission, in accordance with the act referred to, made a survey of the three national-park projects named in the act, viz, Shenandoah, Great Smoky Mountains, and Mammoth Cave, and as a result declared its emphatic approval of the three projects, conditioned that the lands involved in each project should be conveyed to the United States free of cost. The commission, on April 8, 1926, made its formal report to the Secretary of the Interior, and the Secretary on April 14, 1926, transmitted this report to the Congress. (See H. Doc. 311, 69th Cong., 1st sess.) Reference is here made to this report, and particularly to that portion thereof which relates to the Mammoth Cave project, and which recommends it for national-park purposes. The following is quoted from that report:

APRIL 8, 1926.

Hon. HUBERT WORK,
Secretary of the Interior.

MY DEAR MR. SECRETARY: The members of the Southern Appalachian National Park Commission, appointed in accordance with the act of February 21, 1925 (Public, No. 437—68th Cong.), have complied with the requirements of the act and with your instructions, and desire to report as follows:

We suggest that reference be made to the report of your special committee submitted December 12, 1924, which gave the reasons for definitely recommending the Shenandoah National Park area and the Smoky Mountains National Park area as worthy of being acquired as national parks. In conformity with the requirements of the above-cited act of Congress, members of the commission have during the past year made a more careful study and investigation of these and other areas and have found much additional evidence of the eminent worthiness of these two areas for acquisition as national parks. Your commission has also made a careful examination of the Mammoth Cave region of Kentucky, and believes sufficient reasons exist to warrant its accept-

ance as a national park if requirements are met as outlined in this report. Below are briefly outlined some of these reasons.

Mammoth Cave is the best known and probably the largest of a remarkable group of limestone caverns, 20 or more of which have been opened up and explored to a greater or less extent. Included in this group are Colossal Cavern, Great Onyx Cave, new entrance to Mammoth Cave, Salts Cave, Procter Cave, Long Avenue Cave, Great Crystal Cave, Cave of the Hundred Domes, Diamond Cave, Mammoth Onyx Cave, Dixon Cave, and others, all of which contain beautiful and wonderful formations. There is good evidence that many more caverns yet to be discovered exist in this immediate territory, and it seems likely that most, if not all, of this entire group of caverns eventually will be found to be connected by passageways forming a great underground labyrinth of remarkable geological and recreational interest perhaps unparalleled elsewhere. The territory which embraces this network of caverns consists of about 15,000 acres, or an area approximately 4 miles wide and 6 miles long. Another geological feature of much interest is found in the thousands of curious sink holes of varying sizes through which much of the drainage is carried to underground streams, there being few surface brooks or creeks.

The Mammoth Cave area is situated in one of the most rugged portions of the great Mississippi Valley and contains areas of apparently original forests which, though comparatively small in extent, are of prime value from an ecological and scientific standpoint and should be preserved for all time in its virgin state for study and enjoyment. Much of the proposed area is now clothed in forest, through which flows the beautiful and navigable Green River and its branch, the Nolin River.

All this offers exceptional opportunity for developing a great national recreational park of outstanding service in the very heart of our Nation's densest population and at a time when the need is increasingly urgent and most inadequately provided for.

Your commission has carefully investigated the above-recommended areas with a view of selecting on the ground the most suitable boundaries or limits of purchase area for the proposed parks. Your commission, through the cooperation of the Army Air Service, obtained airplane photographs of the Shenandoah and Smoky Mountains park areas, and these photographs proved to be a great help in determining suitable boundaries.

In accordance with your instructions, the associations and organizations in the States in which these national-park areas are located were informed that the lands within the areas must be presented to the United States Government in fee simple before such areas could become national parks. On May 27, 1925, identical letters were addressed by the commission to the leading groups in these States, suggesting that they definitely organize to carry out the requirements of the commission and stating further that "to facilitate this work the commission considers it necessary that an organization state-wide in scope be incorporated to act for the citizens and organizations of such State for the purpose of centralizing their efforts; * * * and in order that it may be custodian of moneys, lands, and options for the purchase of lands within the proposed park areas to be held in trust for park purposes." In compliance with the suggestions of the commission the following organizations were incorporated: In Virginia the Shenandoah National Park Association (Inc.), in Tennessee the Great Smoky Mountains Conservation Association, in North Carolina the Great Smoky Mountains (Inc.), and in Kentucky the Mammoth Cave National Park Association. These organizations have been engaged in obtaining donations, both of money and land, and options, with the following results:

The Shenandoah National Park Association (Inc.) reported April 3, 1926, that the total amount raised in donations is $1,249,154, and a minimum net sum of $1,200,000 for the purchase of the proposed Shenandoah National Park. The Great Smoky Mountains Conservation Association and the Great Smoky Mountains (Inc.) reported April 1, 1926, that Tennessee and North Carolina have raised jointly the total sum of $1,066,693.91. The Mammoth Cave National Park Association reported April 1, 1926, two donations of property aggregating 3,629.13 acres, of which 1,324.10 acres are to be covered by fee-simple title and 2,305.03 acres by cave rights. Included in this area are the caves exhibited by the Colossal Cavern and by the New Entrance Co., but not including Mammoth Cave.

* * * * * * *

As the Great Smoky Mountains Conservation Association (Tennessee) and the Great Smoky Mountains (Inc.) (North Carolina), jointly, and the Shenandoah National Park Association (Inc.) have complied with the requirements submitted to them by your commission, we therefore recommend that the two areas designated as above indicated be made national parks and administered as such when 250,000 acres in each of them have been transferred in fee simple to the United States. We also recommend that the Mammoth Cave National Park be established when the Mammoth Cave National Park Association can transfer to the United States in fee simple one-third of the proposed area (approximately 20,000 acres), including all the caves, and can assure you that steps will be taken to obtain additional and sufficient funds to purchase substantially all the lands within the designated boundaries.

Boundaries: The boundaries recommended in this report, being largely natural and easily determined, are such as to include all the area that the commission hopes will ultimately be acquired as national parks, it being well understood that there may be holdings within the recommended areas near these boundaries which may on further inspection be found impractical or not economical to include.

* * * * * * *

(c) Description of approximate boundaries of the Mammoth Cave National Park area—all in Kentucky.

Beginning at a point on the Brownsville Pike at Liberty, Ky., as shown on the standard topographic map of the Geological Survey known as the Mammoth Cave sheet, thence following said Brownsville Pike to Pig; thence leaving said pike and following highways in a northerly direction to a point about one-fourth mile west of Turnhole Ferry on Green River; thence westerly, following highways via Sitent Grove School and Arthur to a point on the Brownsville Pike near Brownsville, as shown on the standard topographic map of the Geological Survey known as the Brownsville sheet; thence northerly, following roadways via Indian Hill to Indian Creek Landing on Green River; thence crossing Green River and continuing in a northerly direction, following highways and roads via Poplar Springs School, Sweeden, and Woodside, as shown on the standard topographic map of the Geological Survey known as the Leitchfield sheet, to a point on Nolin River opposite Whistle Mountain; thence following Nolin River to Ky Rock; thence northerly, following roadways to Washington Meredith Ford on Nolin River, as shown on the standard topographic map of the Geological Survey known as the Cub Run sheet; thence crossing Nolin River easterly, following roads and highways via Cove Hollow School, Straw, Sanders Store, Cox Store, Denison, and Big Woods School, to a point on highway about one-half mile south of Dry Run School; thence in a southerly direction, following Dry Run to a point where it joins Green River; thence following Green River about one-half mile to a small island; thence leaving Green River southerly, following roads and highways via Lick Log School and Iron Springs School to Highland Springs; thence westerly, following the highway via Chaumont and Cedar Hill School to the beginning. This area contains approximately 70,618 acres.

Respectfully submitted.

H. W. TEMPLE, *Chairman.*
WILLIAM C. GREGG, *Vice Chairman.*
GLENN S. SMITH, *Secretary.*
W. A. WELCH, *Member.*
HARLAN P. KELSEY, *Member.*

The bill now under consideration (H. R. 12020) is drafted in strict accordance with the recommendations of the aforesaid commission. Section 1 provides that when the lands of the Mammoth Cave region of Kentucky, recommended as a national park area by the commission, and comprising approximately 70,618 acres, shall have been vested in the United States, in fee simple, the same shall be—

"established, dedicated, and set apart as a public park for the benefit and enjoyment of the people; * * * which area, or any part or parts thereof as may be accepted on behalf of the United States in accordance with the provisions hereof, shall be known as the Mammoth Cave National Park: *Provided*, That the United States shall not purchase by appropriation of public moneys any land within the aforesaid area, but such lands shall be secured by the United States only by public or private donation."

Section 2 authorizes the Secretary of the Interior in his discretion to accept, as in the measure provided, title to the aforesaid lands, and to be purchased with the funds which may be subscribed by or through the Mammoth Cave National Park Association of Kentucky, and with other contributions provided for the like purpose, coupled with a proviso that any of such lands may be donated directly to the United States, and conveyed to it, cost free, by fee-simple title, in cases where such donations may be made without the necessity of purchase. As lands have already been offered direct by the owners to the United States, for the purposes of this proposed national park, the language of this proviso is deemed appropriate.

Section 3 provides for the administration, protection, and development of the proposed Mammoth Cave National Park under the direction of the Secretary of the Interior, by the National Park Service, subject to the provisions of the acts of Congress governing the National Park Service and related matters. There is included in section 3, also, a proviso that "the minimum area to be administered and protected by the National Park Service shall be, for the said Mammoth Cave National Park, 20,000 acres, including all the caves"; and with the further proviso that "no general development of said area shall be undertaken until a major portion of the remainder in such area shall have been accepted by said Secretary." These provisions are written into the bill to meet the requirements and recommendations laid down by the aforesaid commission.

Section 4 authorizes the Secretary of the Interior for the purpose of carrying out the provisions of this act, to employ the aforesaid commission.

Hearings on this bill were held by this committee on May 11, 1926, at which Representative THATCHER of Kentucky, author of the bill,

and others, including Representatives MOORE and VINSON, of Kentucky, and Mr. Robert J. Ball, director and representative of the Mammoth Cave National Park Association, appeared and were heard in behalf of the measure. Also, members of the Southern Appalachian National Park Commission, and representatives of the Department of the Interior were present at the hearing. While no money contributions have yet been made for the benefit of this project, it is true that there have been offered in donation, by the owners, for national park purposes, 1,324.10 acres in fee, and 2,305.03 acres in cave rights—in all, 3,629.13 acres—in the national park boundary recommended by the aforesaid commission; and in these lands thus to be donated are the two great cavern units known as Colossal Cavern and new entrance to Mammoth Cave. The estimated value of the lands and cave rights thus tendered is something like a half million dollars.

* * * * * * *

* * * It is to be noted that in his letter to Hon. N. J. Sinnott, chairman of this committee, written on June 5, 1924, in regard to a measure then pending authorizing the appropriation of money for the purpose of purchasing the Mammoth Cave area for national-park purposes, the Secretary of the Interior (then and now Hon. Hubert Work) declared that "the Mammoth Cave is one of the most widely known natural features of America," and that "unquestionably the Mammoth Cave is worthy of national-park status."

Also, in his annual reports of 1918, 1919, and 1920 the Director of the National Park Service, Mr. Stephen T. Mather, indicated his approval of the Mammoth Cave National Park project, and in his report of 1920 went so far as to suggest the propriety of there being made Federal appropriations for the purpose of purchasing the needed area therefor. We quote therefrom the following excerpts:

"Many efforts have been made in the past to secure the Mammoth Cave of Kentucky, with sufficient adjoining area, including the recently discovered Onyx Cave, to permit of its full development for a national park, but thus far these efforts have been fruitless. Nature's most magnificent, and certainly the largest limestone cavern, with approximately 40 miles (now 150 miles) of wonderfully formed underground passages and chambers, is not only known to every school child in the land, but is already the mecca of travelers the world over.

"The land itself, covering the cave and contiguous areas, contains thousands of acres of the splendid virgin growth of the deciduous forest growth of the East. Its location at the head of navigation of the Green River contributes another particularly fascinating detail of the richness of that region. Its accessibility not only to our large centers of population but through ease of approach by motor, rail, and boat would insure it a popularity in the East that is so common to the major parks of the West. That part of the United States lying east of the Mississippi River contains only one national park, Lafayette National Park, in Maine, which, by the way, is constituted solely of lands contributed by public-spirited citizens. More national parks are needed in the East, and the inclusion of the Mammoth Cave region would add one of the most remarkable of "distinguished examples of typical forms of world architecture" to the proud national-park family. More than that, by virtue of its favorable location, it would at once perform its important function as a breathing spot available to every man, woman, and child of our large industrial centers at a minimum expenditure of money. (P. 84 of report.)

* * * * * * *

"Once proponents of the project secured hearings on a bill (H. R. 1666, establishing the Mammoth Cave National Park; hearing held May 3, 1912, before the Committee on Military Affairs, House of Representatives, 62d Cong.) for its purchase. More recently the project has secured fresh impetus, and many of its friends, including local organizations, are rallying to the support of a similar measure. On May 26, 1919, Representative R. Y. Thomas, of Kentucky, an ardent advocate of the project, who has introduced a number of bills in Congress of similar purport, introduced H. R. 3110, but no action has been taken. The property is in private hands, administered under the terms of a famous will which directs that upon the death of the last-named heir under the will the property is to be sold at public auction. It is understood that the advanced age of the two surviving devisees under the will makes it practically certain that before long the property will be put up at auction and sold to the highest bidder.

"The famous Mammoth Cave may then go into speculative private hands and be forever lost for development as a national park for the benefit of the people of the country. It may be doubted whether Congress will see fit to appropriate the money needed to acquire the necessary lands. All national parks, with the exception of the Lafayette National Park, have thus far been carved out of the public domain. But certainly the fame of this great natural exhibit should constitute the greatest appeal for an exception to the rule. It is to be hoped that if Congress can not see its way clear to appropriate the funds necessary to acquire the areas needed, public-spirited parties will acquire it at the auction and donate it to the Government for the benefit of posterity. It ought to become the Nation's property. (Pp. 84–85 of report.)

SUMMARY

To sum up briefly it may be said that the system of caves and caverns in the Mammoth Cave region of Kentucky is, it is believed, the greatest and most extensive in all the world. Mammoth Cave, itself, for more than a century has been known throughout every civilized land, and is already "sold" to the people of every civilized nation. As a national park this region will attract great numbers of visitors, and will, undoubtedly, prove to be one of the most popular of all our national parks. It should also prove to be one of the best revenue yielding of all our national parks, situated as it is very near the center of American population, and accessible, as it is, every day of the year, by steamboat, motor car, and railroad. The great underground world there can be visited every day in the year, and every hour of the 24. The temperature in the caves is the same throughout the 12 months, and even the winter season will bring there large number of visitors because of this fact.

The area called for in the bill will insure a great receational ground, most advantageously located, where, in spring, summer, and fall thousands of our people may find—in addition to the pleasure and interest derived from an inspection of the caves and their many features of interest—the most delightful outdoor recreation in boating and fishing on Green and Nolin Rivers, lovely, navigable streams flowing for miles through the proposed park, and in traversing the picturesque and rugged hills and valleys and great forests of the region included in the proposed park area.

It is believed that the revenues which will be derived through concessions, incidental fees, and the like, will be more than sufficient to pay the costs of the operation and improvement of this national park, and that in this respect it will be unique. Under present unsatisfactory conditions of operation, and without adequate hotel facilities, between fifty and one hundred thousand persons annually visit these caves, and the revenue derived by the private owners is very large. The number of visitors and the resulting income will be multiplied many times if all these great cave units—15 or 20, of which only 3 or 4 are now being operated—are coordinated and operated as one great system, with adequate hotel and camp facilities provided, as will be the case under national-park management.

There is no conflict or rivalry between the Shenandoah, the Great Smoky Mountains, and the Mammoth Cave National Park projects. They are separated by sufficient distances to avoid any conflict or rivalry, and each will serve a great section of our most populous regions, and each is distinctive in its appeal. Also, each will serve the country at large, and if the Mammoth Cave National Park is established it will be the only national park in the United States which will have flowing through it a navigable river on which large steamboats ply throughout the year.

In a separate report we have given our approval to a measure having for its purpose the creation of the other two national parks referred to, and we now give like approval to the present measure, having for its purpose the creation of the Mammoth Cave National Park. Surely if the required lands may be donated to the United States Government for national park purposes they should be accepted and this marvelous system of cave and caverns, together with its attractive contiguous areas, converted into a national park and forever preserved for the benefit of the American people.

Also, under leave given me therefor, I include as a portion of my remarks the letter addressed to me by Hon. Herbert Hoover, then Secretary of Commerce, now President of the United States, on December 8, 1927, which is here given because of the strong statements it contains in behalf of the establishment of the Mammoth Cave National Park. We were then engaged in a campaign for funds with which to buy the required properties, and the letter was very helpful.

THE SECRETARY OF COMMERCE,
Washington, December 8, 1927.

Hon. M. H. THATCHER,
National Chairman Mammoth Cave
National Park Association, Washington, D. C.

MY DEAR MR. THATCHER: Referring to the campaign now in progress to raise, by popular subscription, the funds required for the purchase of the necessary cave properties and lands in Kentucky for the establishment of the Mammoth Cave National Park, agreeably to act of Congress, I am very glad to give my whole-hearted indorsement of this highly meritorious enterprise.

The establishment and operation of this national park will not only be of incalculable value to Kentucky in a material way, through the tremendous tourist traffic it will attract, but of more importance, a great scientific and recreational area will be adequately opened to the Nation at large and every part of the country. And our country with its fast-growing population must now preserve its great recreation grounds or they will be lost or impossible to secure. The fame of the Mammoth Cave region is world-wide. It is already known at home and abroad and, lying, as it does, east of the Mississippi with all-the-year accessibility and being very near the center of our American population, the

Mammoth Cave National Park, when established, will undoubtedly prove to be one of the most popular of all our national-park units.

I wish for you and your associates engaged in this campaign the fullest measure of success.

Yours faithfully,

HERBERT HOOVER.

The proponents of the Mammoth Cave National Park project are very much gratified over the outcome. They believe that this national park, being accessible every day of the year and every hour of the day, will prove, as a practical matter, the most popular of all our national parks. These proponents are deeply grateful to all those within and without the State of Kentucky, both public officials and citizens, for the respective contributions in whatever form—funds, property, or service—made to bring about the success of this movement. Thanks are due to the Legislature and Governor of Kentucky; to the Mammoth Cave National Park Association and its officers, directors, and members, and to the Kentucky National Park Commission; to the members of the Southern Appalachian National Park Commission, headed by Representative TEMPLE; to the two committees of Congress which favorably reported the enabling act; to the House and Senate for the enactment of that measure; and to President Coolidge for approving it. Also especial thanks are due Representatives ABERNETHY and LETTS, members and former Representative Sinnott (now deceased), then chairman, of the Public Lands Committee of the House, for the very active, effective work they did in behalf of the indicated legislation; and to former Senator Ernst, of Kentucky, who, in the Senate, introduced the duplicate of the House bill. Thanks are also due to Mr. Hoover for the splendid assistance he rendered the cause during his tenure as Secretary of Commerce; and there must also be acknowledged with sincerest appreciation the services being rendered by the Interior Department, and particularly by the National Park Service, headed by Mr. Horace M. Albright, its capable director, in cooperating and aiding in carrying into effect the act of Congress providing for the establishment of this national park.

Mr. EVANS of California. Will the gentleman yield?

Mr. THATCHER. Yes.

Mr. EVANS of California. Does this purchase, or this contemplated purchase, include the Mammoth Cave proper?

Mr. THATCHER. It includes the Mammoth Cave proper and all the major cave units in that section. We have already purchased a two-thirds interest in the original Mammoth Cave property, and the other third interest is under condemnation for national-park purposes.

Mr. EVANS of California. Including the Collins Cave?

Mr. THATCHER. Yes; the Floyd Collins Cave, the Great Onyx Cave, New Entrance to Mammoth Cave, Salts Cave, Cave of the Hundred Domes, Diamond Cave, Procter Cave, Great Crystal Cave, Colossal Cavern, Mammoth Onyx Cave, Dixon Cave, and the various other caves. About 70,618 acres are involved in the boundaries as recommended by the commission of which I spoke, and as contemplated by the act of Congress.

Mr. EVANS of California. If the gentleman will permit another question, how far is this property located from the Lincoln home?

Mr. THATCHER. Oh, not over 35 or 40 miles. The Lincoln farm, where Abraham Lincoln was born, is in Larue County, Ky., northeast of Mammoth Cave. Also Mammoth Cave is about 75 miles from the birthplace of Jefferson Davis, which is also in Kentucky, in Todd County, to the southwest of the Mammoth Cave region.

Mr. EVANS of California. The old Lincoln home is now a national park or a private park?

Mr. THATCHER. It is, perhaps, a military park, though in the legislation of Congress on the subject it is designated as the Abraham Lincoln National Park or Reservation. It is under the supervision of the Secretary of War and, recently, Congress authorized an appropriation of $100,000 for the improvement of the farm, of which sum $80,000 has been appropriated and is being expended.

Mr. EVANS of California. The Lincoln property belongs to the United States Government?

Mr. THATCHER. Yes. [Applause.]

EXTENSION OF REMARKS

Mr. McFADDEN. Mr. Speaker, I have been requested to submit a unanimous-consent request. I ask unanimous consent that all members of the Banking and Currency Committee may have five legislative days within which to revise and extend their remarks on the two bills considered to-day.

The SPEAKER. The gentleman from Pennsylvania asks unanimous consent that all members of the Banking and Currency Committee may have five legislative days within which to revise and extend their remarks in the RECORD on the bills referred to. Is there objection?

There was no objection.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 3135. An act granting the consent of Congress to Helena S. Raskob to construct a dam across Robins Cove, a tributary of Chester River, Queen Annes County, Md.; to the Committee on Interstate and Foreign Commerce.

ADJOURNMENT

Mr. McFADDEN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 45 minutes p. m.) the House adjourned until to-morrow, Thursday, March 6, 1930, at 12 o'clock noon.

COMMITTEE HEARINGS

Mr. TILSON submitted the following tentative list of committee hearings scheduled for Thursday, March 6, 1930, as reported to the floor leader by clerks of the several committees:

COMMITTEE ON APPROPRIATIONS

(10.30 a. m.)

Navy Department appropriation bill.

COMMITTEE ON MILITARY AFFAIRS

(10 a. m.)

To consider various bills concerning the award of medals and decorations.

COMMITTEE ON LABOR

(10 a. m.)

To require contractors and subcontractors engaged on public works of the United States to give certain preferences in the employment of labor (H. R. 3393).

To regulate the rates of wages to be paid to laborers and mechanics employed by contractors and subcontractors on public works of the United States and of the District of Columbia (H. R. 9232).

COMMITTEE ON THE JUDICIARY

(10 a. m.)

Proposing an amendment to the Constitution of the United States (H. J. Res. 114, H. J. Res. 11, H. J. Res. 38).

Proposing an amendment to the eighteenth amendment of the Constitution (H. J. Res. 99).

Proposing an amendment to the Constitution of the United States providing for a referendum on the eighteenth amendment thereof (H. J. Res. 219).

Proposing an amendment to the eighteenth amendment of the Constitution of the United States (H. J. Res. 246).

COMMITTEE ON BANKING AND CURRENCY

(10.30 a. m.)

To consider branch, chain, and group banking as provided in House Resolution 141.

COMMITTEE ON AGRICULTURE

(10 a. m.)

To define fruit jams, fruit preserves, fruit jellies, and apple butter, to provide standards therefor, and to amend the food and drugs act of June 30, 1906, as amended (H. R. 9760).

COMMITTEE ON NAVAL AFFAIRS

(10.30 a. m.)

To consider private bills.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

(10.30 a. m.—caucus room)

To amend the law relative to the citizenship and naturalization of married women (H. R. 10208).

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

356. A letter from the Secretary of War, transmitting report from the Chief of Engineers on preliminary examination and survey of Twitch Cove to Ewell, Md., and Tangier Sound to Chesapeake Bay via Ewell, Md. (H. Doc. No. 313); to the Committee on Rivers and Harbors and ordered to be printed, with illustrations.

357. A letter from the Secretary of War, transmitting report from the Chief of Engineers on preliminary examination and survey of James River, Va. (H. Doc. No. 314); to the Committee on Rivers and Harbors and ordered to be printed, with illustrations.

358. A letter from the national president of the American War Mothers, transmitting report of the American War Mothers for the years 1927–1929; to the Committee on World War Veterans' Legislation.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. McSWAIN: Committee on Military Affairs. H. R. 4124. A bill to honor the memory of the heroes of the fight against yellow fever; with amendment (Rept. No. 841). Referred to the Committee of the Whole House on the state of the Union.

Mr. McCLINTIC of Oklahoma: Committee on Naval Affairs. H. R. 1222. A bill to establish a hydrographic office at Honolulu, Territory of Hawaii; without amendment (Rept. No. 850). Referred to the Committee of the Whole House on the state of the Union.

Mr. UNDERHILL: Joint Commission on Airports. A report recommending acquisition of certain properties adjacent to the District of Columbia for development as airports (Rept. No. 852). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. IRWIN: Committee on Claims. H. R. 328. A bill for the relief of Parke, Davis & Co.; without amendment (Rept. No. 842). Referred to the Committee of the Whole House.

Mr. CHRISTGAU: Committee on Claims. H. R. 692. A bill for the relief of Ella E. Horner; without amendment (Rept. No. 843). Referred to the Committee of the Whole House.

Mr. IRWIN: Committee on Claims. H. R. 1964. A bill for the relief of S. A. Jones; without amendment (Rept. No. 844). Referred to the Committee of the Whole House.

Mr. IRWIN: Committee on Claims. H. R. 2776. A bill for the relief of Dr. Charles F. Dewitz; without amendment (Rept. No. 845). Referred to the Committee of the Whole House.

Mr. JOHNSTON of Missouri: Committee on Claims. H. R. 2810. A bill for the relief of Katherine Anderson; with amendment (Rept. No. 846). Referred to the Committee of the Whole House.

Mr. IRWIN: Committee on Claims. H. R. 2849. A bill for the relief of the Lowell Oakland Co.; without amendment (Rept. No. 847). Referred to the Committee of the Whole House.

Mr. IRWIN: Committee on Claims. H. R. 2887. A bill for the relief of Mildred L. Williams; without amendment (Rept. No. 848). Referred to the Committee of the Whole House.

Mr. VINSON of Georgia: Committee on Naval Affairs. H. R. 1160. A bill for the relief of Henry P. Biehl; with amendment (Rept. No. 849). Referred to the Committee of the Whole House.

Mr. BURDICK: Committee on Naval Affairs. H. R. 9975. A bill for the relief of John C. Warren, alias John Stevens; with amendment (Rept. No. 851). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 3923) for the relief of dependents of innocent persons killed through attempts to enforce the prohibition law; Committee on Claims discharged, and referred to the Committee on the Judiciary.

A bill (H. R. 4018) for the relief of dependents of officers of the Federal Government engaged in the enforcement of the national prohibition law; Committee on Claims discharged, and referred to the Committee on the Judiciary.

A bill (H. R. 9249) granting an increase of pension to John Albert Fritz; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. DYER: A bill (H. R. 10524) to admit to the United States certain wives of American citizens; to the Committee on Immigration and Naturalization.

By Mr. HAWLEY: A bill (H. R. 10525) to acquire for park purposes the Heurich-Smith tract at Columbia Road and Nineteenth Street; to the Committee on Public Buildings and Grounds.

By Mr. HULL of Tennessee: A bill (H. R. 10526) to extend the times for commencing and completing the construction of certain bridges in the State of Tennessee; to the Committee on Interstate and Foreign Commerce.

By Mr. WOLFENDEN: A bill (H. R. 10527) to authorize the erection of an addition to the existing Veterans' Bureau hospital plant No. 111, Coatesville, Pa., and to authorize the appropriation therefor; to the Committee on World War Veterans' Legislation.

By Mr. ZIHLMAN: A bill (H. R. 10528) to amend the act regulating the height of buildings in the District of Columbia, approved June 1, 1910; to the Committee on the District of Columbia.

By Mr. JOHNSON of Washington: A bill (H. R. 10529) to provide for the establishment of a light vessel at Grays Harbor, in the State of Washington; to the Committee on Interstate and Foreign Commerce.

By Mr. KENDALL of Pennsylvania: A bill (H. R. 10530) to amend section 4 of the act entiled "An act reclassifying the salaries of postmasters and employees of the Postal Service, readjusting their salaries and compensation on an equitable basis, increasing postal rates to provide for such readjustment, and for other purposes," approved February 28, 1925; to the Committee on the Post Office and Post Roads.

By Mrs. OWEN: A bill (H. R. 10531) to authorize the establishment of a Coast Guard life-saving station on the coast of Florida at or in the vicinity of Canaveral Point; to the Committee on Interstate and Foreign Commerce.

By Mr. FISH: A resolution (H. Res. 180) providing for an investigation into the activities of communists in the United States; to the Committee on Rules.

By Mr. HALL of Indiana: Joint resolution (H. J. Res. 259) for the appointment of Frank Tukey, of Indiana, as a member of the Board of Managers of the National Home for Disabled Volunteer Soldiers; to the Committee on Military Affairs.

By Mr. SIROVICH: Joint resolution (H. J. Res. 260) requesting the President to call a conference of the civilized nations of the world at Washington for the purpose of solving the problem of narcotic drug addiction, and setting forth a method of dealing with said problem; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 3 of Rule XXII, memorials were presented and referred as follows:

By Mr. ALDRICH: Memorial of the General Assembly of the State of Rhode Island, urging the use of Westerly granite in the construction of Federal building, and particularly in the post-office building to be erected at Pawtucket and Woonsocket, R. I.; to the Committee on Public Buildings and Grounds.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BRITTEN: A bill (H. R. 10532) for the relief of Frank M. Grover; to the Committee on Naval Affairs.

By Mr. COLTON: A bill (H. R. 10533) to authorize Hon. Frank X. A. Eble to accept a certain decoration and diploma tendered him by the Republic of Poland; to the Committee on Foreign Affairs.

By Mr. CULKIN: A bill (H. R. 10534) granting an increase of pension to Ida M. Goodfellow; to the Committee on Invalid Pensions.

By Mr. GIBSON: A bill (H. R. 10535) for the relief of Lieut. Col. Harry O. Smith; to the Committee on Claims.

Also, a bill (H. R. 10536) for the relief of Ira L. Reeves; to the Committee on Military Affairs.

By Mr. HALE: A bill (H. R. 10537) granting a pension to Connell Perkins; to the Committee on Pensions.

Also, a bill (H. R. 10538) granting a pension to Romeo S. Montminy; to the Committee on Pensions.

By Mr. HULL of Tennessee: A bill (H. R. 10539) for the relief of Thomas C. Stewart; to the Committee on Claims.

By Mr. IRWIN: A bill (H. R. 10540) for the relief of Frank M. Grover; to the Committee on Claims.

By Mr. JEFFERS: A bill (H. R. 10541) granting an increase of pension to Bertha H. McArthur; to the Committee on Pensions.

By Mr. JOHNSTON of Missouri: A bill (H. R. 10542) for the relief of John A. Arnold; to the Committee on Claims.

By Mr. LANKFORD of Virginia: A bill (H. R. 10543) for the relief of Henry Bess; to the Committee on Military Affairs.

Also, a bill (H. R. 10544) for the relief of Lester T. Gayle, jr.; to the Committee on Military Affairs.

By Mr. McLAUGHLIN: A bill (H. R. 10545) for the relief of John S. Abbott; to the Committee on Military Affairs.

By Mr. MURPHY: A bill (H. R. 10546) granting an increase of pension to Lois A. Bentz; to the Committee on Invalid Pensions.

By Mr. SPROUL of Kansas: A bill (H. R. 10547) for the relief of Maggie Gardiner Scott; to the Committee on Military Affairs.

Also, a bill (H. R. 10548) for the relief of Martha J. Davis; to the Committee on Military Affairs.

Also, a bill (H. R. 10549) granting a pension to Kenneth B. Hull; to the Committee on Pensions.

By Mr. SWANSON: A bill (H. R. 10550) granting a pension to Anna S. Johnson; to the Committee on Invalid Pensions.

By Mr. SWING: A bill (H. R. 10551) granting a pension to William Henry Gray; to the Committee on Pensions.

By Mr. SANDERS of New York: A bill (H. R. 10552) granting an increase of pension to Rose D. Peck; to the Committee on Invalid Pensions.

By Mr. WOOD: A bill (H. R. 10553) granting an increase of pension to Bessie D. Blu; to the Committee on Pensions.

PETITIONS, ETC.

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

5314. By Mr. ACKERMAN: Petition of city council of the city of Elizabeth, N. J., urging the approval of Senate bill 476 and House bill 2562 in behalf of the veterans of the Spanish-American War; to the Committee on Pensions.

5315. By Mr. ALMON: Petition of John H. Drawbaugh, Athens, Ala., route 4, and a large number of other citizens of Limestone County, Ala., urging the passage of bills providing for an increase of pension to the men who served in the armed forces of the United States during the Spanish-American War; to the Committee on Pensions.

5316. By Mr. BACHMANN: Petition of John S. Doty and other citizens of Marshall County, W. Va., urging speedy action on Senate bill 476 and House bill 2562 providing for increased rates of pension to the veterans of the Spanish-American War; to the Committee on Pensions.

5317. By Mr. BLOOM: Petition of citizens of New York (not members of the United Spanish War veterans or allied organizations), to grant increase of pension as provided in House bill 2562 to veterans who fought against Spain in 1898 and to those who engaged in the Philippine insurrection and the China relief expedition in 1900; to the Committee on Pensions.

5318. By Mr. CARTER of Wyoming: Petition of S. Robert Worthington and other citizens of Shoshoni, Fremont County, Wyo., favoring the passage of House bill 2562; to the Committee on Pensions.

5319. By Mr. CONNERY: Petition of World War veterans of Lynn, Mass.; Saugus, Mass.; and patients at naval hospital in Chelsea, Mass., asking Congress to pay all ex-service men in cash the face value of their adjusted-service certificates; to the Committee on Ways and Means.

5320. By Mr. COOPER of Wisconsin: Memorial of the common council of Milwaukee, Wis., memorializing the Congress of the United States to secure a more comprehensive and dependable governmental analysis of labor conditions, especially with regard to unemployment; to the Committee on Labor.

5321. Also, memorial of common council of the city of Milwaukee, Wis., urging the passage of a bill to increase pensions of Spanish War veterans; to the Committee on Pensions.

5322. Also, memorial of the common council of the city of Milwaukee, Wis., urging the amendment of the Volstead Act; to the Committee on the Judiciary.

5323. By Mr. EATON of Colorado: Petition signed by 50 voters of Denver, Colo., urging passage of Senate bill 476 and House bill 2562; to the Committee on Pensions.

5324. By Mr. FREEMAN: Petition of citizens of Danielson, Conn., requesting the passage of Senate bill 476 and House bill 2562, providing for increased rates of pension to the men who served in the United States armed forces during the Spanish War period; to the Committee on Pensions.

5325. By Mr. GARBER of Oklahoma: Petition of the Chicago Medical Society, in opposition to House bill 9888; to the Committee on Interstate and Foreign Commerce.

5326. Also, petition of the Tulsa City and Oklahoma Northeastern Association Retail Druggists, indorsing Capper-Kelly bill; to the Committee on Interstate and Foreign Commerce.

5327. Also, petition of the Oklahoma Public Health Association (Inc.), Oklahoma City, Okla., urging support of House bill 7138; to the Committee on Education.

5328. Also, petition of the Maule Bureau of Scientific Research in Aircraft Safety, protesting against the Watres bill and the appropriation bill for the aeronautics branch of the Department of Commerce; to the Committee on the Post Office and Post Roads.

5329. Also, petition of Humpty-Dumpty Stores, Oklahoma City, favoring passage of Dale-Lehlbach retirement bill and the La Follette-Kendall half holiday bill; to the Committee on the Post Office and Post Roads.

5330. Also, petition of the General Assembly of Illinois, in favor of restoration to the State and its people the exclusive exercise of the police power of said State as applied to the manufacture, sale, and transportation in intrastate commerce of medicinal liquor, sacramental wine, industrial alcohol, and nonintoxicating beverages; to the Committee on the Judiciary.

5331. By Mr. GREENWOOD: Petition of Carl Austin, of Shelburn, Ind., and 67 other citizens of that community, urging speedy passage of Senate bill 476 and House bill 2562; to the Committee on Pensions.

5332. By Mr. HALL of North Dakota: Petition of 75 citizens of Courtenay, N. Dak., for the consideration and passage of House bill 2562, providing for increased rates of pension to the men who served in the armed forces of the United States during the Spanish War period; to the Committee on Pensions.

5333. Also, protest made by the Standing Rock Tribal Business Council with reference to House bill 7963; to the Committee on the Judiciary.

5334. By Mr. KEARNS: Petition of Charles Grimes and 57 other residents of Aberdeen, in the sixth congressional district of Ohio, requesting early action on House bill 2562, to increase the rates of pension for Spanish War veterans; to the Committee on Pensions.

5335. Also, petition of John T. Evans and 64 other residents of Winchester, Ohio, urging passage of the bill to increase the rates of pension for Spanish War veterans; to the Committee on Pensions.

5336. By Mr. LANKFORD of Virginia: Petition of G. B. Shepperd, of Keller, Va., and others, requesting speedy consideration and passage of Senate bill 476 and House bill 2562; to the Committee on Pensions.

5337. By Mr. LINDSAY: Petition of Greenpoint People's Regular Democratic Organization of the fifteenth assembly district, Kings County, Brooklyn, N. Y., being a set of resolutions favoring the La Follette-Kendall Saturday shorter workday bill for postal employees; to the Committe on the Post Office and Post Roads.

5338. By Mrs. McCORMICK of Illinois: Petition of sundry citizens of the State of Illinois, urging favorable consideration of House bill 2562 for the relief of Spanish-American War veterans and widows of veterans; to the Committee on Pensions.

5339. By Mr. McKEOWN: Petition of John W. Dodd and numerous other citizens of Wewoka, Okla., urging speedy consideration and passage of a bill to increase the pension of those who served in the armed forces of the United States during the Spanish War period; to the Committee on Pensions.

5340. Also, petition of Robert Douthit of 718 South Broadway, Shawnee, Okla., and numerous other citizens of Shawnee, requesting speedy consideration and passage of House bill 2562, providing for increased rates of pension for veterans of the Spanish War period; to the Committee on Pensions.

5341. By Mr. NELSON of Maine: Petition of 70 citizens of Unity, Me., urging increased Spanish War pensions; to the Committee on Pensions.

5342. Also, petition of 54 residents of Waterville, Me., urging increased Spanish War pensions; to the Committee on Pensions.

5343. By Mr. O'CONNELL of New York: Petition of Journeymen Stone Masons and Setters' Union, No. 84, New York, favoring the passage of the Sproul bill, H. R. 9232; to the Committee on Labor.

5344. Also, petition of Thomas E. McGrath, 103-38 Ninety-seventh Street, Richmond Hill, Long Island, and 65 other citizens of Queens County, N. Y., favoring the passage of Senate bill 476 and House bill 2562, Spanish War pension increase bill; to the Committee on Pensions.

5345. By Mr. O'CONNOR of Oklahoma: Petition of the Junior Chamber of Commerce, of Sapulpa, Okla., in behalf of an oil tariff; to the Committee on Ways and Means.

5346. Also, petition of the Texas Cotton Seed Crushers' Association, on behalf of a tariff on oil; to the Committee on Ways and Means.

5347. Also, petition of H. W. Hamilton and 64 other citizens of Sand Springs, Okla., requesting early action on the Spanish-American War veterans' pension legislation; to the Committee on Pensions.

5348. By Mr. FRANK M. RAMEY: Petition of post-office employees of Carlinville, Ill., dated March 1, 1930, urging passage of Senate bill 15; to the Committee on the Post Office and Post Roads.

5349. By Mr. RAMSPECK: Petition of Ralph Steckel, adjutant of the Lee-Roosevelt Camp, No. 6, United Spanish War Veterans, 1171 Campbelltown Road SW., Atlanta, Ga., and 168 other citizens of Atlanta and Fulton County, Ga., in behalf of Senate bill 476 and House bill 2562, providing for an increase in the rates of pension for Spanish War veterans; to the Committee on Pensions.

5350. By Mr. REID of Illinois: Petition of E. E. Guzeman and 12 other citizens of Aurora, Ill., urging the passage of House bill 2562 and Senate bill 476, providing for increased rates of pension to men who served in the armed forces of the United States during the Spanish War period; to the Committee on Pensions.

5351. Also, petition of William Callahan and 68 other citizens of Aurora, Ill., urging the passage of House bill 2562 and Senate bill 476, providing for increased rates of pensions to men who served in the armed forces of the United States during the Spanish War period; to the Committee on Pensions.

5352. By Mr. SELVIG: Petition of Minnesota State Game and Fish Department, favoring passage of House bill 9599, the purpose of which is to bring under control wild animals injurious to agriculture; to the Committee on Agriculture.

5353. Also, petition of Minnesota State Federation of Labor, urging passage of House bill 7138, the rehabilitation bill, whose purpose is to assist and train those injured in industry; to the Committee on Education.

5354. By Mr. SWING: Petition of H. Nathan and 35 residents of Riverside County, Calif., urging the adoption of Senate bill 476 and House bill 2562; to the Committee on Pensions.

5355. By Mr. STRONG of Kansas: Petition of Noah Wigley and 78 other citizens of Salina, Kans., in support of Senate bill 476 and House bill 2562, providing increased pensions to Spanish War veterans; to the Committee on Pensions.

5356. By Mr. TEMPLE: Petition of Tylerdale Women's Christion Temperance Union, Washington, Pa., urging the enactment of a law for the Federal supervision of motion pictures, establishing higher standards for films that are to be licensed for interstate and international commerce; to the Committee on Interstate and Foreign Commerce.

5357. By Mr. WAINWRIGHT: Petition of 68 voters urging passage of legislation to increase pensions of veterans of the Civil War and the widows of such veterans; to the Committee on Invalid Pensions.

5358. By Mr. WILSON: Petition of numerous citizens of Bastrop and Morehouse Parish, La., urging speedy consideration and passage of Senate bill 476 and House bill 2562; to the Committee on Pensions.

SENATE

THURSDAY, *March 6, 1930*

(Legislative day of Monday, January 6, 1930)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

Mr. FESS. 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:

Allen	Frazier	La Follette	Simmons
Ashurst	George	McCulloch	Smith
Baird	Glass	McKellar	Smoot
Barkley	Glenn	McMaster	Steck
Bingham	Goldsborough	McNary	Steiwer
Black	Gould	Metcalf	Stephens
Blaine	Greene	Moses	Sullivan
Blease	Grundy	Norbeck	Swanson
Borah	Hale	Norris	Thomas, Idaho
Brock	Harris	Nye	Thomas, Okla.
Brookhart	Harrison	Oddie	Trammell
Broussard	Hastings	Overman	Tydings
Capper	Hatfield	Patterson	Vandenberg
Caraway	Hawes	Phipps	Wagner
Connally	Hayden	Pine	Walcott
Copeland	Hebert	Pittman	Walsh, Mass.
Couzens	Heflin	Ransdell	Walsh, Mont.
Cutting	Howell	Robinson, Ind.	Waterman
Dale	Johnson	Robsion, Ky.	Watson
Dill	Jones	Schall	Wheeler
Fess	Kean	Sheppard	
Fletcher	Keyes	Shortridge	

Mr. SHEPPARD. The junior Senator from Utah [Mr. KING] is necessarily detained from the Senate by illness. I will let this announcement stand for the day.

I also desire to announce the necessary absence of the Senator from Arkansas [Mr. ROBINSON] and the Senator from Pennsylvania [Mr. REED] who are delegates from the United States to the London Naval Conference.

Mr. SCHALL. My colleague [Mr. SHIPSTEAD] is unavoidably absent. I ask that this announcement may stand for the day.

The VICE PRESIDENT. Eighty-six Senators have answered to their names. A quorum is present.

GRAIN-FUTURES EXCHANGES

The VICE PRESIDENT laid before the Senate a communication from the Secretary of Agriculture, transmitting, in further response to Senate Resolution 40, Seventieth Congress, first session, part 2 of a report entitled "Reports by Members of Grain-Futures Exchanges," concluding the department's report in response to the resolution adopted February 21, 1928, which, with the accompanying documents, was referred to the Committee on Agriculture and Forestry.

USELESS PAPERS IN THE GOVERNMENT PRINTING OFFICE

The VICE PRESIDENT laid before the Senate a communication from the Public Printer, transmitting, pursuant to law, a list of papers and documents in the files of the Government Printing Office which are not needed or useful in the transaction of the current business of the office and have no permanent value or historical interest, and requesting action looking toward their disposition as waste paper, which was referred to a Joint Select Committee on the Disposition of Useless Papers in the Executive Departments.

The VICE PRESIDENT appointed Mr. MOSES and Mr. FLETCHER members of the committee on the part of the Senate.

PETITIONS

Mr. BARKLEY presented a petition of sundry citizens of McCreary County, Ky., praying for the passage of legislation granting increased pensions to Civil War veterans and the widows of veterans, which was ordered to lie on the table.

Mr. RANSDELL presented the petition of L. R. Garcia and sundry other citizens of New Orleans, La., praying for the passage of legislation granting increased pensions to Spanish War veterans, which was ordered to lie on the table.

Mr. BROOKHART presented a petition of sundry citizens of Des Moines, Iowa, praying for the passage of legislation granting increased pensions to Spanish War veterans, which was ordered to lie on the table.

Mr. PATTERSON presented petitions of 337 citizens of the State of Missouri, praying for the prompt passage of legislation granting increased pensions to Spanish War veterans, which were ordered to lie on the table.

REPORTS OF COMMITTEES

Mr. BORAH, from the Committee on Foreign Relations, to which was referred the joint resolution (H. J. Res. 195) authorizing and requesting the President to invite representatives of the governments of the countries members of the Pan American Union to attend an Inter-American Conference on Agriculture, Forestry, and Animal Industry, and providing for the expenses of such meeting, reported it without amendment.

Mr. CAPPER, from the Committee on the District of Columbia, to which was referred the bill (S. 686) to amend an act regulating the height of buildings in the District of Columbia, approved June 1, 1910, reported it without amendment and submitted a report (No. 249) thereon.

COTTON CONDITIONS (REPT. NO. 248)

Mr. McNARY (for Mr. TOWNSEND), from the Committee on Agriculture and Forestry, pursuant to Senate Resolution 152 to investigate cotton marketing conditions and to make recommendations of measures for the elimination of any influences tending artifically to depress the price of cotton, submitted a report thereon, together with a supplementary report by Mr. HEFLIN.

REPORT OF POSTAL NOMINATION

Mr. PHIPPS, as in open executive session, from the Committee on Post Offices and Post Roads, reported the nomination of Portia C. McAllister to be postmaster at Pitts, Ga., in place of P. C. McAllister, which was placed on the Executive Calendar.

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. McNARY:

A bill (S. 3823) granting a pension to Jesse D. Walker (with accompanying papers); to the Committee on Pensions.