SENATE

MONDAY, FEBRUARY 29, 1932

(Legislative day of Wednesday, February 24, 1932)

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

The VICE PRESIDENT. The Senate will receive a message from the President of the United States.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the Senate by Mr. Latta, one of his secretaries.

CALL OF THE ROLL

Mr. CONNALLY obtained the floor.

Mr. FESS. Mr. President, will the Senator from Texas yield to enable me to suggest the absence of a quorum?

Mr. CONNALLY. I yield for that purpose.

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

The VICE PRESIDENT. The clerk will call the roll.

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

Ashurst	Couzens	Hull	Reed
Austin	Cutting	Johnson	Robinson, Ind.
Bankhead	Dale	Jones	Schall
Barbour	Davis	Kean	Sheppard
Barkley	Dickinson	Kendrick	Shipstead
Bingham	Dill	Keyes	Smith
Black	Fess	King	Smoot
Blaine	Fletcher	La Follette	Steiwer
Borah	Frazier	Lewis	Stephens
Bratton	George	Logan	Thomas, Idaho
Brookhart	Glass	Long	Thomas, Okla.
Broussard	Glenn	McGill	Townsend
Bulkley	Goldsborough	McNary	Trammell
Bulow	Gore	Metcalf	Tydings
Byrnes	Hale	Morrison	Vandenberg
Capper	Harrison	Moses	Wagner
Caraway	Hastings	Neely	Walsh, Mass.
Carey	Hatfield	Norbeck	Walsh, Mont.
Connally	Hawes	Norris	Waterman
Coolidge	Hayden	Nye	Watson
Copeland	Hebert	Oddie	Wheeler
Costigan	Howell	Patterson	White

Mr. JOHNSON. I announce the absence of my colleague the junior Senator from California [Mr. SHORTRIDGE] by reason of continued illness and ask that the announcement may stand for the day.

Mr. GEORGE. I desire to announce that my colleague the Senator from Georgia [Mr. HARRIS] is detained from the Senate by illness.

Mr. GLASS. I wish to announce that my colleague the senior Senator from Virginia [Mr. SWANSON] is absent in attendance upon the disarmament conference at Geneva, Switzerland.

Mr. HULL. I wish to announce that my colleague the senior Senator from Tennessee [Mr. MCKELLAR] has been called away by a death in his family.

The VICE PRESIDENT. Eighty-eight Senators have answered to their names. A quorum is present. 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 a bill (H. R. 9642) to authorize supplemental appropriations for emergency highway construction, with a view to increasing employment, in which it requested the concurrence of the Senate.

ENROLLED BILL AND JOINT RESOLUTION SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bill and joint resolution, and they were signed by the Vice President:

H. R. 268. An act to excuse certain persons from residence upon homestead lands during 1929, 1930, 1931, and 1932 in the drought-stricken areas; and

H. J. Res. 292. Joint resolution to authorize the Secretary of Agriculture to aid in the establishment of agricultural-credit corporations, and for other purposes.

THE JOURNAL

Mr. FESS. Mr. President, I ask unanimous consent for the approval of the Journal for the calendar days of Wednesday, February 24, Thursday, February 25, and Friday, February 26.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the Journal for the three calendar days indicated is approved.

Several Senators addressed the Chair.

Mr. CONNALLY. I yield to Senators for the transaction of routine business.

PETITIONS AND MEMORIALS

Mr. WALSH of Massachusetts presented memorials numerously signed by sundry citizens of the State of Massachusetts, remonstrating against the passage of legislation providing for the closing of barber shops on Sunday in the District of Columbia or other restrictive religious measures, which were referred to the Committee on the District of Columbia.

He also presented a memorial of 501 citizens of the State of Massachusetts, remonstrating against the proposed imposition of a sales tax on automobiles, trucks, and accessories, which was referred to the Committee on Finance.

He also presented petitions of 140 citizens and sundry organizations in the State of Massachusetts, praying for the passage of the bill (S. 3677) to provide for the establishment of a system of pensions for railroad and transportation employees and for a railroad pension board, and for other purposes, which were referred to the Committee on Interstate Commerce.

He also presented letters and telegrams in the nature of memorials from 224 citizens of the State of Massachusetts, remonstrating against the imposition of a Federal tax on gasoline, which were referred to the Committee on Finance.

Mr. CAPPER presented a resolution adopted by the Chamber of Commerce of Lindsborg, Kans., favoring the passage of legislation providing for the Federal regulation of motor traffic and other instrumentalities of transportation competing with the railroads, which was referred to the Committee on Interstate Commerce.

He also presented petitions numerously signed by sundry citizens of the States of Kansas and Colorado, praying for the passage of legislation providing for the Federal regulation of motor bus and truck transportation, which were referred to the Committee on Interstate Commerce.

He also presented memorials numerously signed by sundry citizens of Washington, D. C., praying for the passage of legislation providing for regulation of the operation of barber shops on Sunday in the District of Columbia, known as the Copeland Sunday health bill, which were referred to the Committee on the District of Columbia.

He also presented resolutions adopted by the Nazarene Sunday School, of Hoxie; the Woman's Foreign Missionary Society of Moreland; the congregations of the Methodist Churches of Hoxie and Goodland; and the congregations of the Baptist and Methodist Churches of Raymond, all in the State of Kansas, protesting against the proposed resubmission of the eighteenth amendment of the Constitution to be ratified by State conventions or legislatures, and favoring the making of adequate appropriations for law enforcement and education in law observance, which were referred to the Committee on the Judiciary.

Mr. VANDENBERG presented memorials numerously signed by sundry citizens in the State of Michigan, remonstrating against the passage of legislation providing for the closing of barber shops on Sunday in the District of Columbia, or other restrictive religious measures, which were referred to the Committee on the District of Columbia.

Mr. BLAINE presented petitions of 102 citizens of the State of Wisconsin, praying for the passage of legislation known as the "farmers' farm relief bill," and also that American agriculture be placed on a basis of equality with other industries, which were referred to the Committee on Agriculture and Forestry.

He also presented resolutions adopted by groups of the Polish National Alliance of Hurley and Milwaukee, in the State of Wisconsin, favoring the passage of legislation requesting the President to proclaim October 11 in each year as General Pulaski's Memorial Day, which were referred to the Committee on the Judiciary.

Mr. KEAN presented a memorial of sundry citizens of Oakland, N. J., remonstrating against the passage of legislation providing for the closing of barber shops on Sunday in the District of Columbia, or other restrictive religious measures, which was referred to the Committee on the District of Columbia.

He also presented a resolution adopted by Group No. 221 of the Polish National Alliance, of South Bound Brook, N. J., favoring the passage of legislation requesting the President to proclaim October 11 in each year as General Pulaski's Memorial Day which was referred to the Committee on the Judiciary.

He also presented a memorial of sundry citizens of Bridgeton, Elmer, Canton, Hancocks, Bridge, Quinton, Salem, Woodstown, Deerfield, Monroeville, Daretown, and Penns Grove, all in the State of New Jersey, remonstrating against the proposed resubmission to the States or repeal of the eighteenth amendment of the Constitution, which was referred to the Committee on the Judiciary.

Mr. BARBOUR presented a memorial of sundry citizens of Essex County, N. J., remonstrating against the proposed curtailment of military appropriations, which was referred to the Committee on Appropriations.

He also presented the petition of members of the Friday Night Club, industrial department of the Newark (N. J.) Young Woman's Christian Association, praying for the passage of the bill (S. 2687) to provide for the establishment of a national employment system and for cooperation with the States in the promotion of such system, and for other purposes, which was referred to the Committee on Commerce.

He also presented a petition signed by 190 citizens of Penns Grove and vicinity, in the State of New Jersey, praying for the maintenance of the prohibition law and its enforcement, and protesting against any measure looking toward its modification or repeal which was referred to the Committee on the Judiciary.

He also presented resolutions adopted by the Board of Commissioners of Belleville, N. J., favoring the passage of legislation providing Federal aid for unemployment relief, which were ordered to lie on the table.

Mr. BINGHAM presented a resolution adopted by the Hamden (Conn.) Woman's Christian Temperance Union, protesting against the proposed resubmission of the eighteenth amendment of the Constitution to be ratified by State conventions or legislatures, and favoring the making of adequate appropriations for law enforcement and education in law observance, which was referred to the Committee on the Judiciary.

He also presented a petition of sundry citizens of Salem, Conn., including members of the Salem's Men's Club, praying for a reduction in expenditures for armaments, which was referred to the Committee on Appropriations.

He also presented a resolution adopted by the Norwich (Conn.) League of Women Voters, praying for the prompt ratification of the World Court protocols, which was referred to the Committee on Foreign Relations.

He also presented a petition of the North Greenwich Congregational Church, of North Greenwich, Conn., praying for a program of action by the Government looking to the preservation of peace in the present Far Eastern crisis, which was referred to the Committee on Foreign Relations.

He also presented numerous petitions of sundry citizens of Hartford, Conn., praying for the passage of legislation for the payment in full of adjusted-service compensation certificates (bonus), which were referred to the Committee on Finance.

He also presented memorials numerously signed by sundry citizens of the State of Connecticut, remonstrating against the passage of legislation providing for the closing of barber shops on Sunday in the District of Columbia, or other restrictive religious measures, which were referred to the Committee on the District of Columbia.

He also presented resolutions adopted by groups of the Polish National Alliance of Bridgeport, Terryville, New Britain, Meriden, New Haven, Tariffville, Waterbury, Stamford, Thomaston, Beacon Falls, and Shelton, all in the State of Connecticut, favoring the passage of legislation requesting the President to proclaim October 11 in each year as General Pulaski's Memorial Day, which were referred to the Committee on the Judiciary.

He also presented a resolution adopted by the State executive committee of the Socialist Party of Connecticut, favoring the enactment of legislation providing an orderly and speedy program of unemployment relief, which was referred to the Committee on Education and Labor.

He also presented a petition of sundry citizens of Hartford County, Conn., praying for the passage of legislation making appropriations to help cities and States to feed, clothe, and care for the unemployed, with their dependents, during the next year and a half, which was ordered to lie on the table.

CANDIDACY OF FRANKLIN D. ROOSEVELT

Mr. DILL. Mr. President, in the Huntington (W. Va.) Herald-Advertiser of February 21, 1932, I find a description of a meeting of the Democratic State committee of West Virginia. I should like to read just a part of a resolution there adopted in support of the candidacy of Governor Roosevelt, of New York, for President. After reciting conditions in the country, the resolution reads:

> In the circumstances, we believe that the Democracy of the Nation and the progressive, thoughtful men and women of all other parties desire and intend to retire Mr. Hoover from office next November and restore the administration of the Government of the United States to the party that was founded by Thomas Jefferson, exalted by Andrew Jackson, and immortalized by Woodrow Wilson.
>
> In order most effectively to aid in achieving this fervently desired consummation we unqualifiedly approve the presidential candidacy of Gov. Franklin D. Roosevelt, of the State of New York, who has proved himself a great statesman, a skillful leader, a courageous champion of human rights, and a successful defender of Democratic faith.

I ask that the entire article may be printed in the RECORD.

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

[From the Huntington (W. Va.) Herald-Advertiser, February 21, 1932]

DEMOCRATS MARSHAL STATE SUPPORT FOR ROOSEVELT—COMMITTEE IS NAMED TO EFFECT ORGANIZATION AT PARTY RALLY

More than 2,000 Democrats, including most of the party leaders from all sections of the State, during a convention in the city auditorium last night perfected a preliminary organization to support Franklin D. Roosevelt, of New York, for the Democratic nomination for President of the United States.

A state-wide Roosevelt-for-President committee was named by the convention after Senator M. M. NEELY, of Fairmont, followed his spirited attack on President Hoover by presenting a resolution which indorsed Roosevelt for the Presidency and pledged the support of the convention to seek a solid electoral vote for Roosevelt from West Virginia.

RESOLUTION ADOPTED

The resolution, which was unanimously adopted, is as follows:

"We, approximately 2,000 West Virginia Democrats and members of other political parties, in public meeting assembled in the city of Huntington, on this 20th day of February, 1932, respectfully submit the following to the voters of the State:

"After 11 years of complete control of every department of the Federal Government by the Republican Party the country is now in the third year of the most disastrous financial, industrial, and economic panic that has ever afflicted the Nation. During the last three years business has been banished, industry paralyzed, and agriculture ruined; thousands of banks have failed, hundreds of thousands of business enterprises have become bankrupt, 8,000,000 toilers have lost their jobs, and millions of those dependent upon them to-day are face to face with starvation.

"The present administration has utterly failed to solve a single unemployment problem or devise a single effective measure for the relief of the blameless millions who are in dire distress. On every hand there is overwhelming evidence that the American people are dissatisfied with the Hoover administration as they have never been dissatisfied with any other, either in peace or war.

"In the circumstances we believe that the Democracy of the Nation and the progressive, thoughtful men and women of all other parties desire and intend to retire Mr. Hoover from office next November and restore the administration of the Government of the United States to the party that was founded by Thomas

Jefferson, exalted by Andrew Jackson, and immortalized by Woodrow Wilson.

"In order most effectively to aid in achieving this fervently desired consummation we unqualifiedly approve the presidential candidacy of Gov. Franklin D. Roosevelt, of the State of New York, who has proved himself a great statesman, a skillful leader, a courageous champion of human rights, and a successful defender of Democratic faith: Therefore be it

"*Resolved*, That we diligently and enthusiastically strive to send a solid Roosevelt delegation from West Virginia to the Chicago convention and pledge ourselves to do everything in our power to make Governor Roosevelt the next President of the United States."

Hundreds of Democratic leaders from throughout the State attended last night's meeting, which was the first of a series of similar meetings that will be conducted in all parts of the State for promoting the candidacy of Roosevelt.

SILVER AS A WORLD MEDIUM

Mr. ODDIE. Mr. President, I ask unanimous consent to have printed in the RECORD and referred to the Committee on Finance an editorial appearing in the Reno Evening Gazette, of Nevada, of February 19, commenting favorably on a bill which has been introduced by my colleague the senior Senator from Nevada [Mr. PITTMAN] on the silver question. I fully agree with the Gazette on this matter and hope the bill in question will be enacted.

The VICE PRESIDENT. Without objection, leave is granted, as requested.

The editorial is as follows:

[From the Reno (Nev.) Evening Gazette, February 19, 1932]

THE SILVER-CERTIFICATE PLAN

Of all the numerous bills offered in Congress dealing with the silver question, the one by Senator PITTMAN, providing for the issuing of additional silver certificates at the rate of $5,000,000 monthly, is the most practicable. Taking the position that it is impossible at this time to restore silver to free coinage, the Nevada Senator is endeavoring to bring about an international conference which he believes will result in the recognition of silver as a world medium of exchange, but in the meantime he would increase its use in this country by basing upon it sixty millions of new currency annually.

As a number of persons have pointed out, such an additional issue of paper money would not disturb the prevailing gold standard; it would be based upon values just as sound as the Federal reserve notes that are issued against commercial paper, and there would remain abundant gold in the hands of the Government to firmly maintain these certificates at par under all circumstances. Furthermore, it would expand the currency which the Treasury is now seeking to enlarge sufficiently to offset the deflation that has occurred, and the extent of the expansion would not amount to anything like inflation.

The effect in Nevada and throughout the West would be immediate. It would soon remove from the markets of this country the surplus silver stocks and tremendously strengthen the silver market.

The usual objection that silver is too unstable a commodity upon which to base even a small part of the national currency will be made, of course, but the fact is that silver, even at the present low market price, would be just as sound as a lot of the commercial securities upon which much of the Government's paper currency is now based.

PROPOSED FEDERAL GASOLINE TAX

Mr. FLETCHER presented an editorial from the Florida Times Union of the 27th instant entitled "Leave Gas Taxes to the States," which was referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

[From the Florida Times Union, February 27, 1932]

"LEAVE GAS TAXES TO THE STATES"

Florida, by reason of imposition of a heavy rate of taxation on gasoline sold and used in this State, is particularly concerned, or ought to be, in the proposal in the National House of Representatives to put a Federal tax on this article of commerce and use in motor vehicle transportation. The proposition to thus additionally tax gasoline arises out of the search for new sources for raising money to use in wiping out the National Treasury deficit of some $2,000,000,000, due to extravagant spending of public funds.

It may sound like disloyalty to make objection to this proposed tax, since money must be found somewhere for the purpose indicated, and everybody, quite naturally, will object to increase in taxation when such increase touches the individual pocketbook or bank account. But stop to consider the facts as brought to attention by the Boston Evening Transcript, under the above heading—"Leave the Gas Taxes to the States."

The Transcript recites that "the States collected some $500,000,000 in 1931 from gasoline taxes running from 2 to 6 cents a gallon," and that thereby "it is evident that a Federal tax of 1 cent a gallon would result in $100,000,000 of Federal revenue, more or less." Florida's share of this proposed tax readily can be computed. In the month of January, last, according to the figures just made public by the State department of agriculture, 20,544,609 gallons of gasoline were consumed in this State. With another cent per gallon of tax added, as is proposed to be done by Federal authority and for Federal use, it would mean the payment by Florida gasoline users of in the neighborhood of $200,000 monthly in addition to the aggregate amount now being paid to the State—$2,400,000 a year increase—assuming that the monthly sales of gasoline in this State would run at about the rates of sales made in January. The Boston newspaper quoted proceeds to say:

"Motorists have consented to special taxes in the various States upon the understanding that the money would be employed in road building and maintenance. Although some of the States have abused their privilege, it still remains the general practice that the funds derived from the special gas taxes are employed chiefly for that purpose. Car and truck owners are numerous enough, however, to overthrow the gas taxes, or to reduce them materially if they are pressed too hard, and State revenues may find themselves gravely endangered if the Federal Government reaches its grasping arm into their field. State deficits, incidentally, imply fully as much of menace to the people as do Federal deficits."

There may be more to what is above set forth than appears in the printed words. Already, in States that have used money derived from gasoline taxes for purposes other than construction and maintenance of public highways, pretty strong protests are being made against still further diversion of funds derived from tax on gasoline, and in some instances indications are that State legislatures will be called on to rescind legislation by which present diversions are sanctioned. And now for the Federal Government to propose to do what already is seriously being objected to seems to be about to inflict the limit of endurance on those now paying high rates of taxes on gasoline, with prospects of being required to pay still more money in order to provide their cars and trucks with fuel.

The question in this connection is, What is to be done about it, if anything?

THE WORLD COURT

Mr. WAGNER. Mr. President, I present resolutions adopted by the Bronx County (N. Y.) Bar Association, favoring the adherence of the United States to the World Court, which I ask may be printed in the RECORD and appropriately referred.

There being no objection, the resolutions were referred to the Committee on Foreign Relations and ordered to be printed in the RECORD, as follows:

Whereas the Permanent Court of International Justice, the establishment of which our country urged as far back as the First Hague Conference, in 1899, has in the 10 years of the existence proved its practical value in the application of the principles of international law to certain classes of legal questions, by the settlement of 38 such questions; and

Whereas the United States Senate, in 1926, by a vote of 76 to 17, passed a resolution providing for the entrance of this country into the court if five reservations were met; and

Whereas it is the opinion of the Department of State that these reservations are entirely met by the three World Court protocols now in the hands of the Foreign Relations Committee; and

Whereas they were, for this reason, signed by the United States, on the President's authority, in December, 1929, and sent to the Senate for its consent to their ratification in December, 1930; and

Whereas six years have elapsed since this question was dealt with by our Senate, and more than two years have gone by since our signature was attached to three protocols designed to make our Senate's own resolution effective: Now, therefore, be it

Resolved by the Bronx County Bar Association, That it is in full accord with the position taken by the American Bar Association and by our New York City and New York State Bar Association, that the adherence of the United States to the World Court should be completed by the Senate's ratification of the three protocols awaiting its action and hereby respectfully requests the Senate to ratify the three World Court protocols. And, be it further

Resolved, That the secretary of this association be instructed to send a copy of this resolution to every member of the Foreign Relations Committee, and to request Senator WAGNER to have it inserted in the CONGRESSIONAL RECORD.

The above resolution was duly adopted February 8, 1932.

J. PHILIP VAN KIRK, *President*.

Attest:

CHAS. J. KENNEDY, *Secretary*.

FIXING TERMS OF PRESIDENT, VICE PRESIDENT, AND CONGRESS

Mr. NORRIS. Mr. President, for the information of the Senate I desire to have printed in the RECORD the conference report on Senate Joint Resolution 14, proposing an amendment to the Constitution relating to the terms of office of the President, Vice President, and Members of Congress. The chairman of the House conferees handed me a statement which, under the rules of the House, the conferees on the part of the House are required to file with their

report. It will be found near the beginning of the left-hand column on page 5027 of the CONGRESSIONAL RECORD of Tuesday, March 1. I may state in this connection that I expect to call up the conference report as soon as the House has acted upon it and messaged its action to the Senate.

The VICE PRESIDENT. The conference report will lie on the table and be printed in the RECORD.

The report submitted by Mr. NORRIS is as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the joint resolution (S. J. Res. 14) proposing an amendment to the Constitution of the United States fixing the commencement of the terms of President and Vice President and Members of Congress and fixing the time of the assembling of Congress, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following:

"That the following amendment to the Constitution be, and hereby is, proposed to the States, to become valid as a part of said Constitution when ratified by the legislatures of the several States as provided in the Constitution:

"'ARTICLE —

"'SECTION 1. The terms of the President and Vice President shall end at noon on the 20th day of January, and the terms of Senators and Representatives at noon on the 3d day of January of the years in which such terms would have ended if this article had not been ratified; and the terms of their successors shall then begin.

"'SEC. 2. The Congress shall assemble at least once in every year, and such meeting shall begin at noon on the 3d day of January, unless they shall by law appoint a different day.

"'SEC. 3. If, at the time fixed for the beginning of the term of the President, the President elect shall have died, the Vice President elect shall become President. If a President shall not have been chosen before the time fixed for the beginning of his term, or if the President elect shall have failed to qualify, then the Vice President elect shall act as President until a President shall have qualified; and the Congress may by law provide for the case wherein neither a President elect nor a Vice President elect shall have qualified, declaring who shall then act as President, or the manner in which one who is to act shall be selected, and such person shall act accordingly until a President or Vice President shall have qualified.

"'SEC. 4. The Congress may by law provide for the case of the death of any of the persons from whom the House of Representatives may choose a President whenever the right of choice shall have devolved upon them, and for the case of the death of any of the persons from whom the Senate may choose a Vice President whenever the right of choice shall have devolved upon them.

"'SEC. 5. Sections 1 and 2 shall take effect on the 15th day of October following the ratification of this article.

"'SEC. 6. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by the legislatures of three-fourths of the several States within seven years from the date of its submission.'"

And the House agree to the same.

G. W. NORRIS,
WM. E. BORAH,
THOS. J. WALSH,
Managers on the part of the Senate.

LAMAR JEFFERS,
RALPH F. LOZIER,
CHAS. L. GIFFORD,
Managers on the part of the House.

REPORTS OF COMMITTEES

Mr. BINGHAM, from the Committee on Commerce, to which was referred the bill (S. 421) to provide for the air marking of certain Government buildings, reported it with an amendment and submitted a report (No. 345) thereon.

Mr. CAPPER, from the Committee on the District of Columbia, to which was referred the bill (S. 2958) to amend the charter of the Firemen's Insurance Co. of Washington and Georgetown, in the District of Columbia, reported it without amendment, and submitted a report (No. 346) thereon.

Mr. LA FOLLETTE, from the Committee on Manufactures, to which was referred the bill (S. 3696) to provide for cooperation by the Federal Government with the several States in relieving the hardship and suffering caused by unemployment, and for other purposes, reported it with amendments and submitted a report (No. 347) thereon.

Mr. WALSH of Massachusetts, from the Committee on Finance, to which were referred the following bills, submitted adverse reports thereon:

S. 2293. An act including dependent sisters within classes of persons entitled to automatic insurance under the war risk insurance act (Rept. No. 348);

S. 2567. An act for the relief of Angus M. Whatley (Rept. No. 349); and

S. 2568. An act for the relief of John B. McLamb (Rept. No. 350).

Mr. ASHURST, from the Committee on the Judiciary, to which was referred the bill (S. 1317) for the relief of the State of California, reported it without amendment and submitted a report (No. 351) thereon.

ENROLLED BILL PRESENTED

Mr. WATERMAN, from the Committee on Enrolled Bills, reported that on the 26th instant that committee presented to the President of the United States the enrolled bill (S. 315) for the relief of Lemuel Simpson.

BILLS INTRODUCED

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

By Mr. TRAMMELL:

A bill (S. 3849) to authorize the erection of a 200-bed addition to the United States Veterans' Administration hospital at Lake City, Fla.; to the Committee on Finance.

By Mr. WALSH of Massachusetts:

A bill (S. 3850) for the relief of Percie D. Jordan; to the Committee on Claims.

A bill (S. 3851) granting a pension to Mary J. Winslow (with accompanying papers); to the Committee on Pensions.

By Mr. BRATTON:

A bill (S. 3852) to amend section 2288 of the Revised Statutes, as amended, with respect to the taking for highway purposes of lands entered upon under the homestead laws; to the Committee on Public Lands and Surveys.

By Mr. THOMAS of Oklahoma:

A bill (S. 3854) for the relief of Leila Hoagland; to the Committee on Claims.

By Mr. VANDENBERG:

A bill (S. 3855) placing service postmasters in the classified service; to the Committee on Civil Service.

By Mr. JOHNSON:

A bill (S. 3856) for the relief of John M. McNulty; to the Committee on Naval Affairs.

By Mr. NORBECK:

A bill (S. 3857) granting a pension to Lightning (with accompanying papers);

A bill (S. 3858) granting a pension to Charlie Kills-in-Sight or Kills In (with accompanying papers);

A bill (S. 3859) granting a pension to Jennie Claymore (with accompanying papers);

A bill (S. 3860) granting an increase of pension to Mitchell Desersa (with accompanying papers); and

A bill (S. 3861) granting an increase of pension to Hugh M. Jones (with accompanying papers); to the Committee on Pensions.

By Mr. BROOKHART:

A bill (S. 3862) to authorize the President to appoint John Everett Winslow a second lieutenant in the Coast Artillery Corps of the Regular Army; to the Committee on Military Affairs.

By Mr. BROUSSARD:

A bill (S. 3863) granting relief to persons who served in the Military Telegraph Corps of the Army during the Civil War; to the Committee on Pensions.

By Mr. HAYDEN:

A bill (S. 3864) authorizing expenditures from Colorado River tribal funds for reimbursable loans; to the Committee on Indian Affairs.

By Mr. BULKLEY:

A bill (S. 3865) providing treatment in marine hospitals to persons belonging to the Steamboat Inspection Service whose chief duties are inspection of vessels; to the Committee on Commerce.

By Mr. HASTINGS:

A bill (S. 3866) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto; to the Committee on the Judiciary.

POISONOUS VOLATILE SUBSTANCES

Mr. BINGHAM. Mr. President, I introduce a bill upon which we have been working for a good many months, to regulate interstate and foreign commerce in poisonous volatile substances. I ask that it may be referred to the Committee on Agriculture and Forestry.

By Mr. BINGHAM:

A bill (S. 3853) to regulate interstate and foreign commerce in poisonous volatile substances intended for household consumption; to the Committee on Agriculture and Forestry.

THE FIRST PUBLIC SINGING OF "AMERICA"

Mr. VANDENBERG. Mr. President, I introduce a joint resolution and ask that it be printed in the RECORD and referred to the Committee on the Library. It suggests that Congress shall put appropriate emphasis upon a particularly significant and appealing anniversary, namely, that of the first singing of America. The event will be permanently memorialized in Detroit, Mich., where, at the instance of the Rotary Club, the school children of Detroit have raised the funds to put a beautiful monument in Belle Isle. The monument will imperishably enshrine the author of this thrilling hymn and its familiar words. The Star-Spangled Banner is the official national anthem. But My Country 'Tis of the Thee is the unofficial lyric which most often brings the voice of our citizenship into common chorus. It is an intimate part of the Nation's life, spirit, and devotions. This Washington bicentennial year is rich in patriotic reminiscences. It will add to the color and the inspiration of our 1932 prospectus to include the one hundredth anniversary of "America" in the national program in tune with this dedication at Detroit upon next Independence Day.

The VICE PRESIDENT. Without objection, the joint resolution will be printed in the RECORD and appropriately referred.

The joint resolution (S. J. Res. 113) to commemorate the one hundredth anniversary of the first public singing of America, was read twice by its title, referred to the Committee on the Library, and ordered to be printed in the RECORD, as follows:

Whereas the 4th day of July, 1932, marks the one hundredth anniversary of the first public singing in Park Street Church, Boston, Mass., by a chorus of children, of the great and thrilling patriotic hymn, America, written by the Rev. Samuel Francis Smith;

Whereas this significant event already is promised splendid recognition at Detroit, Mich., where the contributions of patriotic school children have provided a beautiful monument to the hymn and to its author, which will be appropriately dedicated upon Independence Day; and

Whereas it is the sense of the Congress that there should be general observance of this anniversary because of the incalculable inspiration which has touched the life of the Nation through the countless millions of voices, in peace and in war, which have sung "My country 'tis of thee" across the century: Therefore be it

Resolved, That this one hundredth anniversary of the first public signing of America be commended to all citizens for appropriate recognition in connection with the celebration of Independence Day on the 4th day of July, 1932.

EMERGENCY HIGHWAY CONSTRUCTION—AMENDMENT

Mr. JONES submitted an amendment intended to be proposed by him to the bill (H. R. 9642) to authorize supplemental appropriations for emergency highway construction, with a view to increasing employment, which was referred to the Committee on Post Offices and Post Roads and ordered to be printed.

ANTI-INJUNCTION LEGISLATION—AMENDMENT

Mr. SHIPSTEAD submitted an amendment intended to be proposed by him to the bill (S. 935) to amend the Judicial Code and to define and limit the jurisdiction of courts sitting in equity, and for other purposes, which was ordered to lie on the table and to be printed.

HOUSE BILL REFERRED

The bill (H. R. 9642) to authorize supplemental appropriations for emergency highway construction, with a view to increasing employment, was read twice by its title and referred to the Committee on Post Offices and Post Roads.

THE POLITICAL AND LEGISLATIVE SITUATION

Mr. CONNALLY. Mr. President, I send to the clerk's desk a newspaper clipping, which I should like to have the clerk read.

The VICE PRESIDENT. Without objection, the clerk will read, as requested.

The Chief Clerk read as follows:

MOSES REPLIES GARNER MAKES PRESIDENCY BID—WONDERS SPEAKER FAILED TO ACCUSE HOOVER OF MORE—TEXAN HITS SENATOR AS AMUSING G. O. P.—HYDE CHARGES DEMOCRATIC RELIEF PLAN WOULD AID ONLY 35,000

(Associated Press)

Speaker GARNER's charge that President Hoover precipitated a panic drew a sharp retort yesterday from Senator MOSES (Republican), New Hampshire, suggesting that the Texan had begun his formal campaign for the Presidency, and in return another shot from GARNER.

* * * * * * *

Senator MOSES in his statement again predicted Mr. Hoover's renomination and reelection.

Recalling the vigor with which Speaker GARNER once commented upon the action of the Supreme Court in the estate tax case, he said, "I marvel at the moderation with which Mr. GARNER has now begun his formal campaign for the Presidency with the single and simple assertion that President Hoover brought on a panic.

ADDITIONAL CHARGES SUGGESTED

"In order to run true to form the Speaker should have added the charge that the President brought on the World War, loaned billions to Europe during a Democratic administration, directed riotous expenditures for armaments in foreign countries, brought about the unbalanced budgets of other governments, made added loans in Latin America, is responsible for Bolshevism in Russia, engineered the 18 revolutions in as many countries, caused the panic in Germany and the economic collapse in central Europe, forced England off the gold standard, fomented the Sino-Japanese row, created the drought, and is responsible for the overproduction of coffee in Brazil, copper in Africa, sugar in Cuba, rubber in India, cotton in the South, and wheat in Canada, Australia, and the Argentine."

Mr. CONNALLY. Mr. President, the Senator from New Hampshire [Mr. MOSES] in the savage attack which he makes upon the Speaker of the House of Representatives, evidently is bringing to a conclusion the era of so-called cooperation in which the President and his advisers have been asking the minority party in this Chamber and the majority party in the other Chamber to participate during this particular session of Congress. Mr. President, I should not feel called upon to consume the time of the Senate in the discussion of this matter save for the eminence of the Senator from New Hampshire and the well-known intimate contact which he has with the administration and the President. Except for that fact and the further fact that he was known throughout the country as one of the original

Hoover men in 1928, at a time when many of the other leaders of his party prior to the convention were denouncing the candidate who afterwards became their nominee, and except for the fact that the Senator from New Hampshire is regarded generally as one of the spokesmen for the White House, I should not feel called upon to express my own resentment at this savage and uncalled for attack by the Senator from New Hampshire on the Speaker of the House of Representatives.

It is to be assumed, now that the administration and the Senator from New Hampshire have secured from the Democratic House cooperation in the particular program in which the administration was especially interested, that they are ready to open up their guns in an effort to destroy the Speaker and in an effort to destroy anyone who becomes in any wise prominent in the Democratic Party, and who may possibly be a candidate or the nominee of the party for President of the United States.

I do not know what the Speaker of the House of Representatives said, but the whole gravamen of the charge of the Senator from New Hampshire is that the Speaker was quoted some days ago in an informal newspaper conference as having said that the President led us into a panic. Whether that be true or whether it be not true, I shall not myself pass judgment, but let me suggest to the Senator from New Hampshire that, so far as governmental action may have had any influence upon the economic condition of this country for more than the past two years, so far as legislation has affected that situation, and so far as executive action may have affected it, the present administration and the legislative bodies of this Republic, of which the senior Senator from New Hampshire is an influential part, are most certainly responsible.

The Republican Party has been in control of both branches of Congress; it has had every agency of the Government at its command until the present session of this Congress; Mr. Hoover has been not only the President, but he has been the national leader in whatever activities this Government has undertaken; and if anyone led us into the panic, if anyone backed us into the panic, if anyone was at the head of affairs, it was the President of the United States, the Republican Senate, and the Republican House of Representatives. So I submit to the Senator from New Hampshire that the basis for his attack was most unwarranted and unjustified.

When, in 1930, in the congressional campaign in November of that year, the country repudiated the administration of Mr. Hoover and elected a Democratic House of Representatives, those who theretofore had been militant, those who, under the leadership of the President, had been denouncing Democrats in Congress and Democratic theories, immediately raised a flag of truce and requested the Democrats of the Congress, both in the House and Senate, to cooperate, and that they have a nonpartisan session of Congress. They wanted peace and harmony in order to do what? In order that we should do the cooperating and that they should do the operating. Now that period has passed and I want to submit, at the risk of wearying the patience of the Senate, a little bit of the history of America during the past few years. I want to examine for a moment just how we have gotten into this tangle, just how we have become submerged in this period of lower commodity prices in this period of world-wide depression.

The Senator from New Hampshire would like to forget, but the country will not forget, that it was his candidate for President in 1928 who, in accepting the nomination, made a speech at Palo Alto in which he said:

> We in America to-day are nearer to the final triumph over poverty than ever before in the history of any land. The poorhouse is vanishing from among us. We have not yet reached the goal, but, given a chance to go forward with the policies of the last eight years we shall soon, with the help of God, be in sight of the day when poverty will be banished from this Nation. There is no guaranty against poverty equal to a job for every man.

A "job for every man," let me remind the Senator from New Hampshire—

> That is the primary purpose of the economic policies we advocate.

The dictionary defines panic, among other fashions, as follows:

> A sudden, widespread fright or apprehension concerning financial affairs, resulting in an artificial depression in values.

We have the statement of the Republican candidate for President in 1928, which was to the effect that prosperity would be continued and the poorhouse would finally vanish if the people would but permit him to go forward with the policies of the past eight years, controlled and shaped in large measure by the Senator from New Hampshire and entirely by Republican administrations.

A little later in that campaign the candidate of the Senator from New Hampshire for President said this:

> The slogan of progress is changing from the full dinner pail to the full garage. Our people have more to eat, better things to wear, and better homes. We have even gained in elbow room, for the increase of residential floor space is over 25 per cent, with less than 10 per cent increase in our number of people. Wages have increased; the cost of living has decreased; the job of every man and woman has been made more secure.

Eight million people to-day are asking the question what has become of their jobs, to say nothing of how they have been made "more secure."

> We have in this short period decreased the fear of poverty, the fear of unemployment, the fear of old age—

Arresting the flight of time—

> and these are fears that are the greatest calamities of human kind.

Mr. President, we remember that when the present administration went into power in March, 1929, the country was relatively prosperous; yet we remember that the President called Congress in extraordinary session to enact the Smoot-Hawley Tariff Act. We were told by the leaders on the other side of the aisle that the enactment of that measure would assure and continue the prosperity of the country. When, in the fall of 1929, prices were mounting, when the stock market was pyramiding, when values that had in fact no substance were far beyond their intrinsic worth, we remember how this administration, the President himself, the Secretary of the Treasury, Mr. Mellon, the Secretary of Commerce, and the Secretary of Labor, who now occupies a seat in this Chamber [Mr. DAVIS], all rushed into the press and told the country that there was no occasion for worry; that business and prosperity would continue. Then we recall that when in October, 1929, with the suddenness of a storm, the stock market collapsed, bringing disaster and bringing losses to every city and every village throughout the Republic, these same prophets rushed into the press and told the world and the country that there was nothing wrong with business; that it was sound. There was no reference then to the suggestion that our troubles arose in foreign lands; nobody rushed into the press then and said that the stock market collapsed because the price of coffee was cheap in Brazil; nobody proclaimed in the headlines that our difficulties here at home arose because we were able to buy coffee cheaper or because the copper situation in South Africa had destroyed our prosperity; but for the purpose of the RECORD I want briefly to quote the words of the President and of the Secretary of the Treasury at that time with respect to the temporary character of the depression and the fact that it would soon pass away.

Mr. President, on the 29th of October, 1929, the quondam candidate for President of the Senator from New Hampshire, then President of the United States, gave to the public this statement:

> The fundamental business of the country * * * is on a sound and prosperous basis.

"Sound and prosperous" on October 29, 1929; nothing wrong; only a little flurry; only a little zephyr disturbing a few of the high financiers in Wall Street.

On December 3, 1929, the President again said:

> We have reestablished confidence. Wages should remain stable. Industrial unemployment has been prevented.

In December, 1929, this wave of depression that had been generated in October, according to Mr. Hoover, had already

been stopped. Unemployment had been prevented, and conditions were sound. Was there then any complaint that the troubles in America had been caused abroad?

On November 3, 1929, one of the administration's sharpshooters, Doctor Klein, of the Department of Commerce—who draws his salary from the Government, but gives his services to the Republican National Committee—said this:

> We have come to see more clearly that the stock market is not the principal barometer of business, and that our American prosperity is deeply and firmly rooted.

Nothing to shake it in November, 1929.

Again, on November 21, 1929, the President said:

> There is no reason why business should not be carried on as usual.

"Business as usual," at the same old stand! I ask the Senator from New Hampshire, Is this an example of the far-seeing vision of the candidate whom he promoted in 1928? Where was the warning to the country to beware of the inflation of that period? Where was the storm signal by the administration of the approaching cyclone? Where was the traffic signal to stop and wait and look and listen for a moment?

On January 1, 1930, with the advent of the new year, the Secretary of the Treasury issued a statement. I grant you that on New Year's Day considerable latitude may be granted as to optimistic statements. It is a season of good cheer. We are all swearing off our sins and our bad habits of the year that is past, and we are making resolutions for the future; and I grant a good deal of latitude to the President and to the administration on an occasion like this. Here is what Mr. Mellon said on January 1, 1930:

> I have every confidence that there will be a revival of activity in the spring and that during the coming year the country will make steady progress.

That is Mr. Mellon, the "greatest Secretary of the Treasury since Alexander Hamilton"!

Mr. Lamont, the Secretary of Commerce, the man whom Mr. Hoover chose to take his place in the Department of Commerce, said on the 1st of January, 1930:

> One may confidently predict a continuance of prosperity and progress.

We have had not only a continuance of the "prosperity" that was then existing, a decline from November, but from that time forward the country and the people of the United States have suffered a still more radical decline.

Doctor Klein again rushes into the press and says:

> We are justified in feeling an abiding if perhaps not an exuberant optimism.

"Abiding" is a good word. The "prosperity" that was produced in the fall of 1929 has abided with us ever since.

On March 8, 1930, the President said:

> The crisis will be over in 60 days.

I quote from the Washington Post of March 8, 1930. No one will accuse that paper of being prejudiced against the administration:

> American business and industry is now recovering from the shock administered it by the stock-market collapse last fall, President Hoover believes, and within 60 days should be free from the distressing aftermath of unemployment which it brought.
>
> Summarizing his conclusions for newspaper correspondents, the President said that unemployment "amounting to distress" had been confined to 12 States—

Twelve States!

> and was not more than seasonal in the other 36 States.

Get this. I trust the Senator from New Hampshire will note this:

> Low points of business and employment had been passed in December and in early January, he added, and had been followed by slow betterment.

Mr. President, I shall not weary the Senate longer with quotations of these optimistic predictions. I shall not take up more of your time in calling attention to the absence of warnings by those in responsible position as to the conditions in America and throughout the world, but if anybody in America knew what those conditions were it ought to have been the President of the United States. He had at his command every agency of this Government. He had at his command his diplomatic representatives throughout the world. He had the emissaries of the Department of Commerce, who belt the globe. He has here in Washington, subservient to his every wish, all of these great departments in touch with trade and with commerce.

Mr. BROOKHART. Mr. President——

The VICE PRESIDENT. Does the Senator from Texas yield to the Senator from Iowa?

Mr. CONNALLY. I yield.

Mr. BROOKHART. I should like to ask the Senator a question or two. I am inclined to agree with almost all of his criticisms and accept most of the blame; but if we are to turn the Government over to the Democratic Party I should like to know where they are going. How does the Senator's candidate stand on the farm question?

Mr. CONNALLY. I will say to the Senator that I am not speaking for anybody as a candidate to-day. I will say, however, that if the Democratic Party does not follow its leaders any better than the Senator from Iowa follows his leaders, we shall not be able to get very far with any sort of a program. I shall say in all kindness to the Senator from Iowa that I have assurance that we shall show a little more cohesion than the Senator from Iowa will show with the Senator from New Hampshire as his leader and spokesman.

Mr. BROOKHART. The Senator from New Hampshire does not lead me very fast.

Mr. CONNALLY. He has certainly designated the Senator from Iowa among a certain group that can be led only when properly harnessed.

Mr. BROOKHART. I think he is a little mistaken about that; but I am still interested in what the Democratic program is to be.

How will the Senator's candidate stand on the power question?

Mr. CONNALLY. I shall talk about that question.

Mr. BROOKHART. And how will he stand on the relief of unemployment?

Mr. CONNALLY. I shall reach those matters in a little while.

Mr. BROOKHART. How will he stand on prohibition?

Mr. CONNALLY. I shall discuss those matters if the Senator will let me proceed in my own way; but the Senator asks half a dozen questions, and expects me to answer them with a wave of the hand.

Mr. BROOKHART. I ask only one at a time.

Now, one or two questions about the cause of this situation.

The Senator will concede that the deflation policy of the Federal Reserve Board started us on the down grade, will he not?

Mr. CONNALLY. I am not going to be diverted on those questions. I shall discuss such of them as I see fit.

Mr. BROOKHART. And at that time every member of the board was a Democrat.

Mr. CONNALLY. Mr. President——

The VICE PRESIDENT. The Senator declines to yield further.

Mr. CONNALLY. I do not mind a question, but I think the Senator is getting ready to make a speech——

Mr. BROOKHART. No, Mr. President.

Mr. CONNALLY. And I think one speech at a time is sufficient; so I shall have to decline to yield.

The VICE PRESIDENT. The Senator declines to yield further.

Mr. CONNALLY. Evidently, the Senator from Iowa has no helpful purpose in mind. While he agrees with everything I say about the responsibility for the panic and the shortcomings of the administration, neither can he get himself into unison with the Senator from New Hampshire sufficiently nor will he agree even with the view which I am now undertaking to express.

Mr. BROOKHART. Mr. President, on this proposition I had hoped I would get in unison with the Senator from Texas; but I can not find out where he stands.

Mr. CONNALLY. The Senator from Iowa knows where the Senator from Texas stands on all of these questions if he consults the CONGRESSIONAL RECORD. I have served here with the Senator for some years, and the Senator knows how I voted on power. He knows that I voted for the Muscle Shoals bill. He knows that I voted for the use of that great governmental investment, that great governmental utility, in behalf of the people, and not for the purpose of turning it over to the Power Trust. The Senator from Iowa, however, had no purpose of aiding the Senator from Texas with his interjections.

I am not speaking to-day for any one save myself, and I have no disinclination whatever to be placed on record as to any question properly coming before the Senate of the United States. But, Mr. President, the Senator from Iowa is just as bitter an antagonist of the present administration as any Democrat dare to be. He wears the Republican label only in name. He agrees with what I am saying; but because he is afraid to stand for or indorse anything if it has the Democratic label on it, he is seeking an outlet into some other channel.

Mr. BROOKHART. Mr. President, the only thing I am afraid of is jumping out of the frying pan into the fire.

Mr. CONNALLY. I will grant that the Senator is pretty much in one or the other all the time. [Laughter.]

Mr. President, I do not care to take up more of the Senate's time in laying the predicate for the proposition that I now propose to submit, to the effect that, so far as leadership in any direction is concerned, so far as governmental responsibility in any direction is concerned, we are in this panic during an uninterrupted period of 10 years of Republican control of every branch of this Government. Then when the House of Representatives, selected as a rebuke to the present administration's economic policies, was elected in the fall of 1930, the President of the United States asked the Democrats to cooperate. He called a nonpartisan conference of the leaders in this Chamber and the leaders in the other Chamber to meet him here in Washington. The leaders in this Chamber—our leaders—met, and at the last session of Congress there was a truce. There was harmony. Democrats sought to make no political capital of anything that transpired, either at the last session of Congress or at the present session of Congress; and what is the reward? What is the reward which the Democrats receive for aiding in putting through what the President calls his program?

Mr. President, last fall the President of the United States issued an invitation to the leaders of both parties to come to Washington. The Speaker of the House got in an airplane and came to Washington to consult with the President about the moratorium and other measures. The Democrats submitted to a program as to some of which they probably did not agree; but they were not willing to make politics of the distresses of their country. They were willing to forego for a season any political advantage at the appeal of the President of the United States.

The Senator from New Hampshire knows that the Democratic House, if it had desired, could have defeated his moratorium proposition. The Senator from New Hampshire knows that the Democratic House of Representatives, had it so chosen, could have defeated what is called the Reconstruction Finance Corporation bill. But it acted, Mr. President. It acted promptly. It acted efficiently, under the leadership of the Speaker, whom the Senator from New Hampshire now so coarsely denounces in the public press.

But what has been the result of this cooperation? While we have been cooperating in the legislative chambers, the President and his understudies, his Assistant Secretaries, his Cabinet members, have been going out before the country carrying on a political campaign and laying claim before the country to the credit for everything that has been done in this Congress as the action of the President alone.

If the President had a program a year ago, if he realized at that time that we were bogged down, that we were mired in business stagnation and in distress; if he had a program, if he had a panacea, if he had solutions for these conditions, why did he not call the Congress in special session in March, 1931? The Senator from Wisconsin [Mr. LA FOLLETTE], on the other side of the aisle, was appealing to the President to call a special session of Congress. Other leaders throughout the country wanted the Congress to be in session in order that something might be done to stay the waves of depression which were engulfing us. But did the President call the Congress? He refused to bring the lawmaking body into session to propose any remedies of relief or any plan for reviving lagging business and lagging industry. The truth of the matter is that in his heart the President has little regard for Congress. He wants to control, himself, the agencies of the Federal Government.

What was his plan? Was the country ever advised as to what the President's plans were? When this session of Congress convened did he then submit to Congress a plan?

Mr. President, the Executive a few days ago signed the Glass-Steagall bill, and when he signed it he gave to the country a public statement in which he said:

> In signing this bill, which comprises an essential part of the reconstruction program, I desire to express my appreciation to the leaders and Members of both Senate and House of both parties who have cooperated in its enactment. The fine spirit of patriotic nonpartisanship shown in carrying out the emergency program is, I know, appreciated by the whole country.

Yet, Mr. President, when that statement was given to the press, in an effort to claim entire credit for the enactment of the Glass-Steagall bill, the President did not even mention the distinguished services of the Senator from Virginia [Mr. GLASS], who is the author of that measure, or the chairman of the Banking and Currency Committee in the House [Mr. STEAGALL], who piloted it through the House of Representatives.

The President did not have such a measure in mind when the Congress convened. The most material portions of that bill were lifted bodily from the bill of the Senator from Virginia which is soon to come before this body in the form of permanent legislation, provisions which were created by the distinguished Senator from Virginia.

Mr. President, what makes a statement of that kind, to those who know, lose most of its weight is the fact that all during this session of Congress the Secretary of War, a member of the President's official family, of whose activities the President can not be ignorant; the Secretary of Agriculture, Mr. Hyde, about whose activities the President can not be ignorant; the Assistant Secretary of the Navy, Mr. Jahncke, and others, representatives of this administration, have been busy going about the country making partisan Republican speeches, and claiming for the President of the United States all of the credit for the entire accomplishments of this Congress.

Mr. President, I hold in my hand speeches by some of these distinguished gentlemen which have been inserted in the CONGRESSIONAL RECORD. For what purpose? They have been inserted in the CONGRESSIONAL RECORD in order that during the coming campaign they may be franked out all over the United States free of postage in carrying out this baseless claim that everything that has been accomplished ought to be attributed to the administration.

The senior Senator from Washington [Mr. JONES] a few days ago made a radio speech, How We Treat Our Presidents, and, of course, compared the present President with all of those who have been criticized in the past. The Senator from Indiana put the speech in the CONGRESSIONAL RECORD. That will be franked out during the coming campaign free of cost to the Republican National Committee.

A speech by the Hon. Arthur M. Hyde was broadcast—Who Started It? It was put into the CONGRESSIONAL RECORD—a partisan, political speech. During the truce, while there is nonpartisan cooperation in the Senate and in the House, we have these outriders for the administration scurrying all over the country making these political speeches. Mr. Jahncke makes a speech over in Boston, in which he says he appears as a member of the Republican National Committee. Mr. Hurley, Secretary of War, makes

an address at a meeting of the Chamber of Commerce of the State of New York, and it is printed in the CONGRESSIONAL RECORD in order that it may be franked out to the country.

I have here a speech of United States Senator JAMES E. WATSON, of Indiana, delivered at the first national Lincoln Day dinner of the National Capital Republican Club, inserted in the CONGRESSIONAL RECORD so that it may be sent out under franking privileges during the campaign.

Of course, on Lincoln's Birthday the President was idealized as being a reincarnation of the martyred Lincoln. Then on Washington's Birthday there were fulsome allusions to the fact that these were times similar to Valley Forge and George Washington's privations and suffering there.

Mr. President, I feared there was something wrong about this idea of cooperation. I suspected that when the Republican administration and the leaders got what they really wanted, what they thought they wanted, they would then turn upon those who had been seeking to cooperate with them and make the very character of attack which the Senator from New Hampshire, rather famous for the character of his language and the manner of his newspaper utterances, would make on this occasion. Mr. President, I want to make a few other observations and make a comparison between the performance of the House of Representatives, the Speaker of which is so bitterly denounced by the Senator from New Hampshire, and the administration itself.

We have been told through the press by the President and all of those who are seeking to serve his political ends that this is a time when we must retrench, that this is a time when we must have drastic and rigid economy, that this is a time when we must cut to the bone. Yet, let me remind you, Mr. President, that for the past 10 years every dollar that has been spent by this Government has been spent with the consent of the party of which the Senator from New Hampshire is a member. For the past two years every dime that has been spent by this Government, except what the two Houses expend on their own incidental expenses, has been spent with the consent of Herbert Hoover as President of the United States. So when we speak of paring expenses, when we speak of economy, the economies which we adopt will be against the high appropriations which have heretofore been made.

Let me show what has happened at this session of the Congress. In the House of Representatives, in the appropriation bills for the Department of Agriculture, for the Departments of State, Justice, Commerce, and Labor, for the Interior Department, for the Treasury Department, and for the Post Office Department, the House of Representatives, either by enactment or by bills favorably reported, has cut the President's demands in the Budget $59,000,000. In other words, the House of Representatives under the leadership of the Speaker has cut appropriations $59,000,000 below those asked by the President of the United States in his Budget message.

Who is for real, sincere economy—the President in his public statements in the papers or the House of Representatives by actual performance?

At the present session of the Congress the House of Representatives, by bills passed or favorably reported, has cut $123,000,000 below the current appropriations under Mr. Hoover's administration and under this Senate's administration. Who was the economist? Yet those who read the public press and who did not know the facts, would believe, from the fulminations of the President and his political henchmen, that the President is bending every effort to retrench and to economize, and that a partisan Congress is preventing effective action.

Mr. President, who is the real economist? Mr. Hoover took charge of the Department of Commerce in 1921. The last year before he took charge the Department of Commerce cost the Government of the United States $25,892,589.05. Mr. Hoover occupied the office of Secretary of Commerce for eight years. He then put a man of his own choosing in his place, I suppose to carry out his own policies. What are the appropriations for the Department of Commerce for the present year? For the present fiscal year the appropriations for the Department of Commerce are $61,477,117.63. More than twice as much is being appropriated the present year for the Department of Commerce, more than twice as much, as at the time when the President took charge of that department of the Government. Yet we constantly hear that we must have retrenchment and economy.

Mr. President, the House of Representatives in undertaking to cut appropriations for the departments has not had that cooperation for which the President and the administration have been pleading. When the Interior Department appropriation bill was cut what did the administration do? It sent the Secretary of the Interior to Congress in protest. I hold in my hand a letter from the Secretary of the Interior, three pages in length, dated February 17, 1932, with a great many exhibits attached, in which the Secretary of the Interior, protesting against the cuts, protesting against the economy which the House proposed, is saying that his department will be handicapped and its activities materially weakened if we carry out this policy of economy.

Mr. President, when the House of Representatives put an amendment on the Department of Agriculture appropriation bill to provide that there should be no promotions and no increases in pay for the present year, did that receive the cooperation of the administration? Was that an economy which met the approbation of those in authority? Instead of the House receiving cooperation in behalf of that economy the Secretary of Agriculture rushed to this Chamber and rushed to the House of Representatives begging Congress to withdraw that provision, and begging that they be permitted to go ahead in the same old way. I submit that these pretenses to economy in the papers ought to be borne out by action here on the floor.

The President now has a delegate yonder at Geneva seeking disarmament. God knows I hope that substantial disarmament may finally be brought about. But while those delegates are yonder at Geneva he has the chairman of the Committee on Naval Affairs, the Senator from Maine [Mr. HALE], and the chairman of the Committee on Military Affairs, the Senator from Pennsylvania [Mr. REED], on the air and in the press begging the Congress not to cut one dollar from the military or naval appropriations. He has the Secretary of the Navy active in obtaining the introduction of a bill authorizing us to spend millions and more millions of dollars to increase the Navy. Disarmament for the women and the ministers and peace advocates in the papers! Bigger navies and more expenditures in the Halls of Congress! That is only one illustration of the inconsistency of the administration pretenses in public to economize and to retrench.

The President says he wants to consolidate the departments and bureaus of Government; that he wants to eliminate useless bureaus; that he wants to prevent overlapping and duplication. Yet when the House of Representatives considers a proposal to consolidate the War Department and the Navy Department, does the President want to have them consolidated? He does not. He sends his Secretary of War to the Congress in protest against such action. He sends his Secretary of the Navy here saying, "You will ruin the Navy if you consolidate the two departments." While I am not prepared to say for myself that I would favor the consolidation of those two departments, the administration by its action denies its public profession. The only "consolidation" which the President proposes, the only one which the administration requests the Congress to make, is the passage of a bill by the Congress turning over to the President the absolute power to himself consolidate the governmental departments and bureaus.

Did his proposed plan, his tentative plan which he submitted, provide for the removal of any bureaus? It did not. Did it provide for any reduction in expenditures? As I recall now, the proposal which the President sent here, instead of asking for a reduction of employees, provided for

the creation of a number of additional assistant secretaries to carry out his plan of consolidation.

Mr. President, let me say to the Senator from New Hampshire, I am willing to judge the record of the Speaker of the House of Representatives by the performances of the House as compared with the performances of the administration as to economy, as to consolidation of governmental activities, and as to the expeditious and efficient handling of public legislation.

Mr. BROOKHART. Mr. President——

The VICE PRESIDENT. Does the Senator from Texas yield to the Senator from Iowa?

Mr. CONNALLY. I yield.

Mr. BROOKHART. I would like to ask the Senator if the Speaker and the House have not been going right along with this same Mr. Hoover all the time ever since the House has been in session?

Mr. CONNALLY. If the Senator had been in the Chamber I think he would know that his question is absolutely unnecessary. I have been indicating that the program we have been talking about could not have been put over except with the concurrence of the House of Representatives.

Mr. BROOKHART. Then, does the Senator have any different program for the relief of the situation, differing from the Republican administration program? That is what we would all like to know.

Mr. CONNALLY. The Senator is not anxious to know that. He is not concerned with that. No matter what sort of program the Democratic Party had, the Senator from Iowa would be sniping at it and shooting at it. No matter what sort of program the Republican Party is going to have, he will be going about shooting at it and sniping at it. The Senator from Iowa is an individualist. He is a minority member. He is of the minority type. He is like the Irishman who was shipwrecked at sea and woke up on an island. He said, "What government is there here?" Some one replied, "I don't know." He said, "It doesn't make any difference. Whatever the government is, I'm agin it." [Laughter.]

Mr. President, I want to suggest to the Senator from New Hampshire [Mr. MOSES] that he need not worry himself about the Democratic nominee for President. The Senator from New Hampshire will have plenty to do to take care of his own nominee for President of the United States. He will have plenty to do to advise the President whether he shall enter the primaries in North Dakota or whether he shall stay out. He will have plenty to do to tell the President whether he ought to enter the primaries in Illinois or whether he shall only enter in those particular States controlled by the bosses, and only in such districts as that from which I come, in which each Republican officeholder with his appointment is given credentials as a delegate to the Republican national convention.

The Senator from New Hampshire will have plenty of time to worry about such things, and he need not disturb himself about whom the Democrats will nominate for their candidate for the presidency. Whoever he may be, it will be extremely difficult for him to make a more pitiable record than the present administration has made under the leadership largely of the Senator from New Hampshire.

Let me say to the Senator from New Hampshire that he will have no trouble about who his presidential nominee will be. The Republican Party in its relation toward its nominee is very much in the same position that the Senate is with reference to the Senator from New Hampshire. The Senator from New Hampshire is the President pro tempore of the Senate. It is true his title is only a squatter title. [Laughter.] He is there, and the Senate has no way of expressing the majority view that he ought not to be there. The Republican Party has its own nominee already selected. His title is largely a squatter title. Most of the members of the Republican Party would rather have somebody else for their candidate, but they have no effective way of getting somebody else. I suggest just that much for the Senator from New Hampshire to bear in mind.

Mr. President, we saw in the press on Sunday morning glaring headlines announcing that the Senator from Connecticut [Mr. WALCOTT] is going to shock the country within a short time by the public announcement of the names of certain culprits in Wall Street who have been selling short on the market. I have been waiting almost breathlessly, I have been waiting with anxiety to be present when this pronouncement shall come down giving out those names. Mr. President, why is it that it is only a crime for the market manipulators to sell stock when the prices are at a low figure, and yet it was not a crime in 1929 for the bull manipulators to inflate the stock values far beyond the comprehension of almost any human mind? Is it not strange that now the presidential wrath should be aroused only by the fact that after the passage of the moratorium act, after the passage of the Reconstruction Finance Corporation act, and after the passage of the Glass-Steagall bill, it becomes, in his opinion, a crime to sell stocks short? Is it not strange that it becomes a crime only after the enactment of this marvelous administration program, and that then because stocks do not immediately go up it is charged that there is some criminally willful culprit in Wall Street who is knocking in the head every effort at rehabilitation?

Mr. BARKLEY. Mr. President——

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

Mr. CONNALLY. Certainly.

Mr. BARKLEY. Does not the Senator realize that the President and the administration are still in search of an alibi for the panic that has been on us for the past two years, and that probably the effort to hold some culprit in Wall Street is a last effort to create an alibi that will allow them to escape the responsibility which everybody believes is theirs?

Mr. CONNALLY. I thank the Senator for the suggestion. The Senator suggests that possibly after all the man who has caused the panic will be located and shown to be some little broker over in Wall Street who has brought about the panic and now, through a spirit of willfulness, will not let us have prosperity back again. [Laughter.] Oh, Mr. President, why do not the Executive and the Republican administration get their eyes off of Wall Street? Have they the conception that all the prosperity and all the well-being and all the happiness of our people are centered in the stock market? Does the President believe that, as that barometer goes up and down, manipulated by the traders who are marketing securities, the measure of prosperity of the people is indicated and gauged?

Let me suggest that prosperity will never return to the United States until the men out yonder in the factories and on the farms and in the mines and on the ranches have some degree of a return of purchasing power and some revival of activity in their businesses.

Let me suggest to the President of the United States that the prosperity and the well-being of 120,000,000 of people scattered from one ocean to the other are not dependent on the stock-market manipulations yonder in Wall Street. What does it matter to the man out in Colorado or California whether the stock of American Can goes up 2 cents or $2, or whether the stock of the Radio Corporation of America declines $2?

There are those who conceive that the only way to make the country prosperous is to tax the many, to tax the poor, to tax the men of small means, and to hand over great privileges to the rich and the powerful, when by reason of the law of gravitation a little benefit will gradually drip down on those at the bottom. I denounce such a doctrine. I denounce such a philosophy. That seems to be the philosophy of the present administration. It seems to be their philosophy and belief that if they can only restore wild activity on the stock exchange the American people will once again be happy and contented.

Mr. President, Mr. Hoover in 1928 said that the best way to provide against poverty is to give the people jobs. The House of Representatives on Saturday passed a bill provid-

ing an appropriation of $130,000,000 for road building throughout the United States; road building in cooperation with the States through the advancement of Federal funds so the States may match their regular fund. What happens? The Secretary of Agriculture, Mr. Hyde, comes forth from his rural retreat and breaks into the press this morning with a denunciation of that measure. He said that the House of Representatives did not consult the Treasury as to where it was going to get the money.

If we can get $2,000,000,000 without consulting the Treasury to finance the Reconstruction Finance Corporation, if we can get $2,000,000,000 by issuing bonds and by laying burdens of taxation upon the people to finance the New York Central Railway and the Pennsylvania Railway, if we can secure funds by such a measure to give those corporations money with which to pay the interest on their bonds to J. P. Morgan & Co. and other great financiers without consulting the Treasury as to how it is going to get the money, when did it become a crime that we here in Congress should undertake to provide employment through a useful road-building program by providing $130,000,000 of the people's money for that purpose?

Mr. President, a year ago the President of the United States announced that he would provide against unemployment by a greatly increased building program of public buildings and roads; and yet at this session of the Congress the administration sends in its Budget estimates and reduces to a large degree the building program on the pretext and on the plea that we are building already as rapidly as is possible. It has, in large measure, abandoned the original program, and yet it was advanced as a program for solving the unemployment situation.

Mr. President, there has no legislation been passed at this session providing aid to unemployment unless it be the creation of Federal jobs in some of the executive departments and other instrumentalities we have set up involving political patronage. Those are the only contributions which have been made to the relief of unemployment. Yet to-day there are more hungry men, empty handed, bereft of tools of employment, walking the streets of America than at any other time within its history. I challenge the Senator from New Hampshire in his recapitulation as to foreign nations and their troubles to point out one country on the face of the earth with as many unemployed as we have in America in the same proportion to population. Even England with her dole, even England with the dole probably encouraging unemployment for two or three years past, has not the same proportion of unemployed as we have here in America.

The Senator from New Hampshire attributes all our ills to what happened in foreign lands. He says that the Speaker of the House of Representatives ought to accuse the President of unbalancing the budget of England and of France. Of course, the President is not responsible for that; he is not responsible for the unbalanced budget in England. Let me ask the Senator, however, is England responsible then for our unbalanced Budget? We are not responsible for her unbalanced budget, but the implication of the Senator is that England is responsible for our unbalanced Budget. The President is not responsible for the unbalanced budget of Germany, but, on the other hand, is Germany responsible for our unbalanced Budget? She is to the tune, perhaps, of about $250,000,000, representing the annual interest on the war debts due us by European nations. Had that sum been paid through the instrumentalities of the Allies our own load of taxation would have been some $250,000,000 less than what it will necessarily have to be.

Let me ask the Senator from New Hampshire, who is responsible for this unbalanced Budget? Why was it that in 1931 our Treasury was $900,000,000 in the red? Why is it now that for the present fiscal year the estimates are that we are spending $2,100,000,000 more than we are going to collect in taxes? Who is responsible for it? Are the Democrats responsible? I suppose the Speaker of the House of Representatives is responsible.

Mr. President, for 10 long years the party of the Senator from New Hampshire has been in control and there has sat yonder at the helm of the Treasury Andrew W. Mellon, the wizard, the one learned in the alchemy of old, who could turn campaign promises into gold. He directed the finances of this Government for 10 long years, he was responsible for the estimates of the Treasury Department; the President has been a member of the Federal machinery for more than 10 years; and yet they, with all their wisdom, with all their foresight, with all their information, were not able to read even a little way into the future, and handed back last year $160,000,000 they said they did not need. Mr. President, let me say to the Senator from New Hampshire, no; we are not responsible—and I do not charge the President with being responsible—for conditions in foreign countries. But by the same token, I do not charge those countries with the responsibility for conditions here in America.

The Senator from New Hampshire was one of those actively participating in the formulation and passage in 1930 of the Smoot-Hawley bill. That measure, we were told, would bring back prosperity at once, and yet the Senator from New Hampshire knows that, as the aftermath of that measure, countries all over the world have lifted their tariff walls higher; he knows that many countries of Europe have adopted the quota system, and will only admit a certain quantity of American commodities of any particular character.

The Senator from New Hampshire knows that after the passage of that act Canada, one of our finest and best customers, lifted her tariff fence higher and yet higher. The Senator from New Hampshire knows that American world trade since the enactment of that act has fallen off many hundreds of millions of dollars, both as to exports and imports. I do not charge that the passage of that act was the only factor in the situation; but I do contend that it had a repercussion throughout the world, and that, as a result of its enactment, other nations sought to retaliate, and gradually the channels of trade and of commerce have been clogged and have been impeded so that world commerce and world trade have suffered; and when they suffer, the American people suffer.

Mr. President, I resent the charge of the Senator from New Hampshire not because it was made against an individual Member of the House of Representatives but because it was made against the Speaker of the House. The Senator from New Hampshire occupies an official position in this Chamber; he is President pro tempore, and any pronouncement from him attacking the head of the other coordinate body is something more than the private quarrel of two individuals. The utterances of a man so close to the President of the United States as is the Senator from New Hampshire always carry a certain significance that the utterances of individuals such as the Senator from Texas do not carry. So, to a great extent, if my assumptions are true, the statement of the Senator from New Hampshire must be at least a reflection of the attitude of the administration toward the House of Representatives, and must indicate, now that the administration has secured the passage of such measures as it desired, that the truce is off and the political war is on. We must expect, therefore, that Secretary of Agriculture Hyde, Secretary of War Hurley, Doctor Klein, Assistant Secretary Jahncke, and various other under secretaries and functionaries will be turned loose upon the country praising and extolling the great legislative achievements of the administration.

So, Mr. President, I submit that the attack of the Senator from New Hampshire is unwarranted and such a one as he, occupying the position that he does, should not make upon the head of the House of Representatives.

Mr. President, it seems that our program, from the administration standpoint, has been completed with the enactment of the Reconstruction Finance Corporation bill, providing $2,000,000,000 to be loaned to the railroads and insurance companies; the Glass-Steagall bill, a measure to which I look with great hope of accomplishment; the farm loan bill, providing $125,000,000; and the moratorium on the debts due us by Europe. I should like to have the Senator from

New Hampshire, in reply to the suggestion made by the Senator from Iowa [Mr. BROOKHART] with reference to Muscle Shoals, explain how his candidate for the Presidency vetoed the Muscle Shoals bill on the pretense that the Government could not use its own great plant, where millions of dollars of the people's money had been invested, for the manufacture of electric power and for the production of fertilizer, because to do so would be to invade the field of private business, to destroy initiative, and to apply a brake upon private industry and capital. That is a fine-sounding objection. When the Senator from New Hampshire makes that explanation, then let him explain also why it is not putting the Government in business when we pledge $2,000,000,000 of the people's money to loan to insurance companies and to loan to railroads, not for a public function, not to furnish electric power to municipalities, counties, and other governmental subdivisions but for private purposes. Let the Senator from New Hampshire explain the attitude of his candidate on that issue. That question will be before the Congress again at this session, and let us watch, look, and listen as to how the administration approaches it when it is finally presented here.

In conclusion, Mr. President, let me say that I hope the Congress will not consent that the action which has already been taken is all the action that it proposes to take in behalf of the American people. I hope it may remain in session long enough that it will be able to get its eyesight off Wall Street and the half dozen little culprits that have plunged the whole world in gloom and grief. Think of it! Three or four short sellers in New York are responsible for this entire condition, and yet the President of the United States, with all his Army, and with all the Department of Justice, can neither find them nor ascertain their names, and when he does learn their names he refuses to divulge them to the country.

Mr. President, I submit that we ought to go on and have further legislative cooperation. Let the House of Representatives function in cutting down appropriations, as it has already started to do; let it function in shaping a tax bill, because if it is not shaped in the House of Representatives it can be shaped nowhere else, for such measures must originate there; and let the Senator from New Hampshire cease his political attacks until after we get through the program of restoration and rehabilitation.

Mr. MOSES. Mr. President, the pending question on the bill before the Senate is an amendment offered by the Senator from Montana [Mr. WALSH]; yet there has beat upon my devoted head for an hour and a half a storm of sound and fury which gives color to the prevalent belief that in the Senate one speaks without limitation of time and with no relation to the subject before the house.

I content myself with two disclaimers: I do not speak with any authority for the administration, and I have made no attack, either savage or bitter, upon the Speaker of the House of Representatives. I have ventured to comment upon a candidate for the Presidency, and, Mr. President, candidates for the Presidency enjoy no "closed season."

So far as the situation is now concerned, with that particular candidacy I have but one question to propound; and that is, Why is it that Texas nowadays is doing all the talking for the Democratic Party? Texas, a State which was not heard from politically between election day in 1928 and the election of a Speaker of the House of Representatives in 1931.

Mr. CONNALLY. Mr. President, in response to the fling of the Senator from New Hampshire at my State for its action in 1928, I frankly admit that my State made a tremendous mistake in 1928, a mistake which it will not soon make again; but, since the Senator from New Hampshire sees fit to make reference to conditions affecting various States, let me remind the Senator from New Hampshire that there now sits in the other end of this Capitol a Member of Congress from New Hampshire, representing, I understand, the district of the Senator himself. The Senator shakes his head; but, at least, the gentleman to whom I refer is from New Hampshire, and is a Democrat. The Senator from New Hampshire, with all his astuteness and his sharp and incisive language, campaigned in New Hampshire not many months ago against the gentleman who now represents the Democratic Party in a district in the State of the Senator from New Hampshire. The Senator from New Hampshire disavows that it is his home district and I readily accept his disavowal; but, at least, the district is in the State which the Senator represents here, and I do not suppose he means to cast any odium upon or evidence any lack of appreciation toward any part of the State which has honored him by a seat in this body.

Mr. BARKLEY. Mr. President——

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

Mr. CONNALLY. Just a moment, and I will yield.

Let me remind the Senator, however, that that occurrence is some three years later than the action in my own State, and that in that campaign the Republican doctrine fell from the lips of the Senator from New Hampshire himself. He was there in all of his own authority, close to the administration, close to the throne, giving the Republican outlook, praising his candidate for President, telling how the great depression that was created was caused in foreign lands, by the coffee situation in Brazil, and all that sort of stuff. Yet the men in New Hampshire, who know the Senator a great deal better than I know him, did not accept his pronouncements, but turned him and his party down and elected a Democrat from that district—I understand the second time that it has occurred since the War between the States.

I now yield to the Senator from Kentucky.

Mr. BARKLEY. Mr. President, I was simply going to remind the Senator from Texas that he ought not to be in a critical mood toward the Senator from New Hampshire, because he contributed to the victory of the Democrat by making speeches against him in that district.

Mr. CONNALLY. I thank the Senator.

PROPOSED ANTI-INJUNCTION LEGISLATION

The Senate resumed the consideration of the bill (S. 935) to amend the Judicial Code and to define and limit the jurisdiction of courts sitting in equity, and for other purposes.

Mr. WAGNER obtained the floor.

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

Mr. WAGNER. I yield.

Mr. BARKLEY. I make the point of order that there is no quorum present.

The VICE PRESIDENT. Does the Senator yield for that purpose?

Mr. WAGNER. I yield for that purpose.

The VICE PRESIDENT. The clerk will call the roll.

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

Ashurst	Couzens	Hull	Reed
Austin	Cutting	Johnson	Robinson, Ind.
Bankhead	Dale	Jones	Schall
Barbour	Davis	Kean	Sheppard
Barkley	Dickinson	Kendrick	Shipstead
Bingham	Dill	Keyes	Smith
Black	Fess	King	Smoot
Blaine	Fletcher	La Follette	Steiwer
Borah	Frazier	Lewis	Stephens
Bratton	George	Logan	Thomas, Idaho
Brookhart	Glass	Long	Thomas, Okla.
Broussard	Glenn	McGill	Townsend
Bulkley	Goldsborough	McNary	Trammell
Bulow	Gore	Metcalf	Tydings
Byrnes	Hale	Morrison	Vandenberg
Capper	Harrison	Moses	Wagner
Caraway	Hastings	Neely	Walsh, Mass.
Carey	Hatfield	Norbeck	Walsh, Mont.
Connally	Hawes	Norris	Waterman
Coolidge	Hayden	Nye	Watson
Copeland	Hebert	Oddie	Wheeler
Costigan	Howell	Patterson	White

The VICE PRESIDENT. Eighty-eight Senators have answered to the roll call. A quorum is present.

Mr. WAGNER. Mr. President, I rise to discuss a number of the broad questions of policy which underlie the pending so-called anti-injunction bill.

It may be that part of what I shall say has already been said by others and myself on another occasion. The repeti-

tion, however, is justified, it seems to me. The RECORD should be complete so that when the courts come to pass upon what we are doing here to-day they may be fully informed of the purposes which moved us and of the ends we desired to accomplish.

It has been charged that the pending bill constitutes special legislation. I admit it. The bill deals not with injunctions generally but with injunctions in labor disputes. Were a lawyer trained in the common law of a century ago to come to life again he would wonder that disputes between employers and employees should be singled out for special treatment. He would be amazed that the injunction should require such detailed regulation. The reason, however, is self-evident to anyone who reads the bill in its proper context as part of the pattern of economic events of the past two generations.

The industrialization of America, the concentration of capital, the development of the labor injunction, the invention of the antiunion promise—out of these special events has arisen the need for this special legislation.

More than 20 years ago Dean Roscoe Pound, of the Harvard Law School, asked the question, "Why is the legal conception of the relation between employer and employee so at variance with the common knowledge of mankind?"

The legal conception was built of a mythical equality between employer and employee, of a mythical freedom of action, of a mythical bargain. The results of the application of that legal conception were, however, far from mythical. It bred injustice, it permitted suffering, it continued the very inequality which the law failed to recognize.

Through the slow processes of legislation we have bit by bit been squaring the legal conception with the common knowledge of mankind. The doctrine of assumption of risk and the fellow-servant rule, for instance, have to a large extent succumbed to modern enlightenment. But the area of concerted action by employees has not yet been won. In spite of numerous attacks, it still flies the flag of a legal conception at variance with the common knowledge of mankind.

As far back as 1887 New York had passed a penal statute which branded as criminal the conduct of an employer who exacted from an employee a promise not to join a union. Many States followed its example. But all these efforts were nullified by the courts, both State and Federal.

We thought we had made a real advance when we passed the Clayton Act, but the hopes which the enactment of that law engendered have been blasted. The adjustment we sought to make thereby has not been made. The friction has continued and intensified. Injunctions are still issued containing restraints which, in the opinion of one Justice of the Supreme Court, remind of involuntary servitude.

Under the blighting effect of the law as it has developed, we have seen the entire coal industry suffer disorder, violence, disintegration. We have seen the Federal courts converted into strike-breaking agencies. We have seen freedom of speech, freedom of association, even the freedom to cooperate in refraining from work, smothered under the blanket of injunctions which now covers the Nation.

What is our problem?

It is far bigger than the mere setting down of rules of practice in certain cases that come before the Federal courts.

Our problem is no less than that of marking out the boundaries of governmental action in the contest and contact between labor and industry.

Three choices are logically open to us:

We might pursue a policy of affirmatively encouraging the organization of labor. That is the policy we expressed when we attempted to pass legislation forbidding the discharge of railroad employees for union membership.

We might affirmatively undertake to repress organized labor. That, in effect, has been the policy the courts have pursued by means of the injunction based upon the antiunion promise.

The third choice is represented by the pending bill. The policy and purpose which give meaning to the present legislation is its implicit declaration that the Government shall occupy a neutral position, lending its extraordinary power neither to those who would have labor unorganized nor to those who would organize it and limiting its action to the preservation of order and the restraint of fraud.

That the need for this legislation still exists reflects no glory upon American jurisprudence. A judiciary accustomed to reexamine the premises of its action in the light of current conditions would never have permitted the injunction through the routine repetition of sterile precedents to grow wild like a tropical jungle. Certainly it is difficult to find justification for enshrining the so-called "yellow-dog" contract among the legal relations which a court of equity would protect.

Regardless of the circumstances under which the antiunion promise is exacted, regardless of the social and economic consequences of its use, the instrument on its face carries the evidence of its invalidity. It is a promise which patently can not be enforced against the employee who makes it. It is an arrangement which imposes no real obligation upon the employer to whom the promise is made.

How extraordinary that upon this meaningless document the courts should have erected a whole system of rights, privileges, and immunities for the employer! He has but to post a notice, "This is a nonunion shop"—as, indeed, one case has held (see Witte, 6 Wis. Law Review, 25)—and, presto, no one may speak approvingly of unionism to any of his employees.

Where else in the law do we find such far-reaching results emanating from so slight a cause? This harks back to the days of legal magic when red wax upon a paper had special potency.

I ask to have inserted at this point of my remarks copies of two letters from attorneys to unions which disclose typical uses to which the antiunion promise is put and request that the names of the writers may be withheld from the RECORD.

The VICE PRESIDENT. Is there objection?

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

OCTOBER 8, 1926.

To Michael J. Keough, President, and Victor Kleiber, Secretary, and to all of the Officers, Directors, and Members of the International Molders' Union of North America, Edwards Building, 530 Walnut Street, Cincinnati, Ohio; and

To the President, Secretary, and all Officers, Directors, and Members of Local Unions Nos. 31, 244, and 317 of said International Molders' Union of North America, Labor Temple, 274 East High Street, Detroit, Mich.

GENTLEMEN: As attorneys for the Buhl Malleable Co., of Detroit, Mich., and in their behalf and at their request, we are hereby notifying you that the Buhl Malleable Co. has entered into individual contracts with all of their employees employed by them as molders.

The courts of last resort have decided that any interference by unions or officers or members thereof with such private employment contracts and with the men so employed and the business and operation thereof of the employer subjects the guilty parties to damages.

We therefore, in behalf and at the request of our clients, the Buhl Malleable Co., give you due notice and warning to refrain from and desist in any interference with these private employment contracts or the men working thereunder, or in endeavoring in any wise to induce such men to break these private employment contracts, as our clients will promptly, upon such interference, take such legal steps and proceedings as are warranted by law against you and others who interfere directly or indirectly with the performance of these private employment contracts between the Buhl Malleable Co. and their employees as aforestated.

Yours respectfully,

——— ———.

Mr. M. J. KEOUGH,
President International Iron Molders Union of North America, Cincinnati, Ohio

DEAR SIR: We are attorneys for the Elmwood Casting Co., Murray Road, St. Bernard, Ohio, and it has been called to our attention that an effort is being made to persuade and induce the employees of said foundry to become members of the International Iron Molders' Union.

We are also informed that the International Iron Molders' Union of North America, and you, as one of its officers, are engaged in this effort.

The purpose of this letter is to notify you that all of the employees of the Elmwood Casting Co. have accepted employment under written contract and agreement with the company that the shop is being operated and will continue to be operated upon a nonunion basis, and as nonunion, that the employer will not

recognize or have any dealing with any labor union; that the employee is not a member of any labor union, and while employed by such company the employee will not become a member of any labor union and will have no dealings, communications, or interviews with the officers, agents, or members of any labor union in relation to membership by the employee in a labor union or in the relation to the employees' employment.

A recent decision of the United States Supreme Court in the case of the Hitchman Coal & Coke Co. has held that an employer who conducts his business on a nonunion basis may legally have a contract with his employees that they are nonunion and will so continue while in his employment, and that the officers and agents of labor unions, having knowledge of such agreement, may be enjoined from soliciting such employees for membership in the union and from interfering with such arrangement. In other words this decision holds that an employer has a right to employ only those who are nonunion and who agree to continue nonunion while in his employment, and the employer is entitled to have union interference with this arrangement enjoined.

If, as has been reported, you have engaged in any way directly or indirectly in endeavoring to persuade the employees of the Elmwood Casting Co. to join a union and thus violate their contract with their employers, you fall within this decision; and unless you discontinue such action, the company will proceed to protect its legal rights as outlined in the case above referred to. We inclose herewith formal notice, duly signed, by the Elmwood Casting Co., notifying you that its employees have agreed in writing as a basis of their employment that they are not members of any labor union, and that during the period of their employment will not become such members, as hereinafter stated.

———.

Mr. WAGNER. Mr. President, if we widen the inquiry somewhat and examine the circumstances under which the antiunion promise is exacted we find applicable additional legal principles which deny its validity. Weigh the significance of these facts: To the employee out of work the job means everything—rent, food, and clothing for his wife and children. To the large business organization no worker is indispensable; there is always another to take his place. There is no opportunity for bargaining, there is no possibility of bargaining between parties whose powers are so violently unequal. The employee must either accept the terms of employment as they are tendered or go hungry.

This is not the only situation where the law is presented with the problem of an alleged contract entered into between parties of unequal bargaining power. We find it in cases of lender and borrower, of insurance company and policyholder, of carrier and shipper, of landlord and tenant. In each of these instances the courts never faltered. They either modified or nullified the agreement in the interest of fairness and justice.

The concept which runs through these cases is that a contract is not a legal trick but a bargain, and wherever the facts belie the existence of a bargain equity will not permit the overreaching party to reap the benefit. Upon this ground, too, the antiunion promise should have been denied enforcement.

When we consider the personal implications of the antiunion promise, that the employee undertakes to keep himself defenseless against oppression, powerless to bargain, powerless to withhold his services, without means to improve his condition or to reduce somewhat the frightful insecurity in which he lives, we come to the further conclusion that this promise is what the law calls harsh and unfair and what conscience denounces as wicked and infamous. Such an unholy transaction is not entitled to the protection of equity. (Kimberley *v.* Jennings, 6 Simons, 340.)

Explore this antiunion promise a little further; study the ease with which it is secured; examine its inevitable effect upon the standard of living of all workers; consider that the spread of this device means, first, the collapse of legitimately organized labor; second, a period of peonage when every form of outrageous bondage will be imposed upon the unresisting worker; and, finally, the deadly growth of secret, illegitimate, revolutionary societies existing in defiance of injunctions, mocking both law and order and holding all of American industry under the shadow of its threat.

This prophecy is not fantastic. It is human to associate. Chief Justice Taft has already told us that trade-unions were organized out of the necessities of the situation. Necessities, mind you; and those necessities do not cease to exist or to prod and spur men on to action simply because a judge has issued an injunction.

A device which has consequences as mischievous as these has always been rendered impotent by the courts by declaring its uses against public policy. Why did not the courts apply that principle to the antiunion promise? Charitably we say it was misapprehension of fact. Certainly it was not the compulsion of law which led the courts, with the notable exception of New York, to give effect to the antiunion promise.

Mr. Walter Gordon Merritt is an avowed and well-known opponent of unionism. His views and mine on that subject are as far apart as the poles. His opposition to unionism, however, has not prevented him from condemning the antiunion promise. He has on one occasion said:

To tell a red-blooded citizen he can not join a union while society holds that unions are lawful and useful but whets the desire to join and creates a spirit of sullen hostility which but waits der tag to join the enemies of existing institutions.

Shall employees be thus driven to sell their birthright for a mess of pottage? Can the resourcefulness of radical leadership devise any means better calculated to influence the worker and the public against the employing class? In the name of justice—in the name of public policy—in the name of many more considerations let us have an end of this.

I join heartily in that exhortation. In the name of justice, let us have an end of this. To-day we are engaged in putting an end to it.

Having examined the circumstances under which the antiunion promise is made, having weighed its purpose and measured its personal and social consequences, we declare it to be, as it is, inimical to the welfare of the Nation, and in the exercise of our power to prescribe the jurisdiction of the Federal courts we provide that that promise shall not be enforceable directly or indirectly, legally or equitably. In fact, even the minority of the committee joins in the condemnation of the antiunion promise as against public policy. They so declare it in the amendment the Senator from Rhode Island has submitted. Strangely enough, they would withhold only equitable relief. Why such timidity? Why such inconsistency? What logic is there in the distinction the minority would draw? Would the Senator from Rhode Island wish to see the courts apply legal remedies for the enforcement of arrangement which he himself brands as hostile to the Nation's welfare?

I do not at this time desire to enter into a discussion of the several amendments offered by the minority. There is one, however, which is so far-reaching in its effect that if adopted it would destroy whatever concession has been made by the minority and completely cripple the effectiveness of the bill. It is for that reason that I mention it now.

The amendment to which I have reference is the one addressed to the definitions. It reads as follows:

(b) The term "labor dispute" includes any controversy arising between employer or employee or employers or employees concerning wages, hours of labor, or the conditions under which labor shall be employed, or any other controversy arising out of the respective interests of the employer and employee.

The significant and all-important change is the omission of these words which are in the original bill, "regardless of whether or not the disputants stand in the proximate relation of employer and employee."

What the minority has done has been to adopt the definition almost verbatim from section 20 of the Clayton Act, which has been held by the Supreme Court in the Duplex case (254 U. S. 443) to apply only to an employer and his employees. Should this amendment carry, we shall find the legitimate effort of unions to extend their organizations again frustrated. It would undo a large share of the work we are to-day trying to accomplish.

The principal issue raised by the minority is not on the merits of the public policy declared by the bill. It is concerned with legislative power. I quote from the minority report:

In our opinion this form of agreement deprives employees of the right of free association with their fellows and takes away from them the opportunity to deal on a basis of equality with those by whom they are employed. But, however distasteful they may be to us and however much we may sympathize with those who believe that the interests of employees will never be properly protected except through legislative enactment, the fact remains that the Supreme Court in three cases has held that there is no

legislative power, State or Federal, to inhibit or outlaw employment contracts providing against union membership. (Coppage *v.* Kansas (1915), 236 U. S. 1; Adair *v.* United States (1908), 208 U. S. 161; Hitchman Coal & Coke Co. *v.* Mitchell (1917), 245 U. S. 229.)

To provide by legislation that the courts shall not protect this right is unquestionably a deprivation of property without due process of law. It seems too clear for argument that if the right to make such contracts is constitutionally protected that this constitutional protection can not be destroyed by directing the courts to treat such contracts as a nullity.

Before considering the cases cited by the minority it is well to advert to its constitutional reference.

"If the right to make such contracts is constitutionally protected," says the minority, "this constitutional protection can not be destroyed by directing the courts to treat such contracts as a nullity."

That, of course, begs the question. The word "contract" implies a binding agreement. If we assume that the power to make such agreements binding is protected by the Constitution, of course, we are powerless to act. But in order to make that assumption we must believe that the organic law of this Nation confers unchangeable protection upon a trick device conceived in unfairness, condemned as immoral, denounced as uneconomic, and recognized by both majority and minority to be destructive of the opportunity for equal dealing between employer and employee. I do not believe that the fifth amendment embalms forever in our law what is socially reprehensible.

What, then, of the Supreme Court cases cited by the minority. The first of these is Adair against United States, decided in 1908. The facts of that case have been mentioned too often in the course of this debate to require restatement by me. I make bold to suggest, however, that its vital difference has not yet been mentioned. The significant factor is that the statute in the Adair case attempted to limit the power of the employer to discharge an employee.

The power to fire without cause and to quit without reason was part and parcel of the employment arrangement subsisting between the employer and employee. The statute attempted in effect to write a clause into their understanding, namely, that the employer shall not fire for union activity. It was an act of direct intervention by the Government into the employment relationship. It was that which the court refused to sustain.

The Coppage case, decided in 1915, followed the same line of reasoning. The employer was free to refuse employment for any cause or no cause. A State statute attempted, in the judgment of a majority of the Supreme Court, to limit this freedom of the employer. In effect the statute was directing the employer to hire certain employees against his will. That, too, represented a direct and affirmative intervention by the Government into the employment relation which the court refused to permit.

By the bill which is before us we do none of the acts condemned by the court. We do not limit the untrammeled power of the employer to dismiss whom he pleases. We do not direct the employer whom he shall hire. We do announce that the Federal courts will no longer help him or hinder him in the pursuit of a nonunion policy. No longer shall the execution of an antiunion promise sound the triple alarm to bring to the scene every weapon in the arsenal of equity. The distinction which I draw is by no means novel to the law. There are numerous instances where the law permits the exaction of a promise to go unpunished but refuses to enforce the promise when made.

An employer may refuse to hire a worker unless he promises to remain unmarried. But the promise will not be enforced.

A manufacturer may refuse to sell goods to a dealer who cuts the resale price (U. S. *v.* Colgate, 250 U. S. 300), but the promise of the dealer not to cut the price is unenforceable. (Dr. Miles Medical Co. *v.* Park & Sons, 220 U. S. 373.)

The Hitchman case remains to be considered. In one sense it need not be. Already the Supreme Court has itself circumscribed the meaning of that case. In the case of American Foundries *v.* Tri-Cities Trades Council (257 U. S. 184) Chief Justice Taft justified the Hitchman decision on the fraudulent and deceitful means which were present in that case. But that is by no means the only reason why the Hitchman decision is not relevant to the present issue. When the Hitchman case was decided there had as yet been no legislative declaration of public policy. That is the new factor which this bill provides. Indeed, the major evils of the antiunion promise were born after the Hitchman case. Until the antiunion promise became the source of injunctions it was a fang without venom.

The Hitchman case does not hold that Congress has not the power to declare the contract involved in that case against public policy. The most we can say is that the court did not so find it. But the making of public policy is preeminently a legislative function, and that function we are to-day exercising.

One additional argument against the underlying policy of this bill has been employed by the opposition. I quote from a brief submitted by the National Coal Association:

Liberty of individual contract may not, under the Constitution of the United States, be limited or abridged in any way whatsoever.

"Liberty of contract"! What a noble phrase. What an ignoble purpose it is made to serve.

Is there any truth in the assertion I have quoted? Let us test it by our common experience. Has any one of us the liberty to make an enforceable contract to pay a rate of interest beyond that fixed by statute? Has any one of us the liberty to enter into a contract with a railroad to ship our merchandise at a rate other than that fixed by statute and regulations?

Has any one of us the liberty to enter into a contract to exempt a carrier from liability for negligence? Has any one of us the liberty to make an enforceable contract not to compete with the purchaser of his business in an excessive area or for an indefinite period? Has anyone the power to make an enforceable resale-price agreement? (Dr. Miles Medical Co. *v.* Park & Sons (220 U. S. 373).)

When we examine the law governing the relationship between employer and employee we find no such liberty of contract as special pleaders presume to assert.

A worker's contract not to compete with his employer for an unreasonable period after the termination of the employment is not enforceable. (Clark Paper Manufacturing Co. *v.* Stenacher (236 N. Y. 312); Menter Co. *v.* Brock (147 Minn. 407).)

Even without the aid of statute it has been held that the agreement of a workman that his wages should be nonassignable is unenforceable. (Aldridge Lumber Co. *v.* Graves (131 S. W. 848); Berwick Lumber Co. *v.* Hall (94 Ga. 539).)

Valid statutes have prevented employees from bartering away in advance their right to collect from employers for injuries sustained. Valid statutes have prevented employees from effectively promising to work in a mine more than a stated number of hours. (Utah; Holder *v.* Hardy, 169 U. S. 366.)

Why, then, have we not the power to say that the Federal courts shall not enforce agreements exacted from a workman not to join with his fellow men to increase his bargaining power, to increase his earnings, to insure himself against unemployment, and to diminish somewhat the degree of insecurity in which he lives?

Mr. LONG. Mr. President——

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

Mr. WAGNER. I yield.

Mr. LONG. I want to make just one observation and ask one question. I am very much convinced that the Senator's argument is correct. As I understand it, we have the right under the substantive law to provide that such contracts may not be enforced in court. I do not for a moment concede that it might be held that such a contract could lawfully be made. Of course, we could not prevent the making of such a contract. But even though it were to be so held, there would not be anything to prevent Congress tak-

ing away from the Federal court the jurisdiction to enforce such a contract by injunction, would there?

Mr. WAGNER. There would not. The contention I make is, of course, that, the contract being against public policy, it should not be enforced either in a court of equity or a court of law.

Mr. LONG. I agree with that.

Mr. WAGNER. In Frisbie *v.* United States (157 U. S. 160) the Supreme Court considered the validity of a statute which imposed a penalty upon an attorney who contracted to receive more than $10 for representing a claimant in a pension case. It was, of course, objected that the statute was unconstitutional as interfering with the liberty of contract. Said the court:

> This objection is untenable. While it may be conceded that, generally speaking, among the inalienable rights of the citizen is that of the liberty of contract, yet such liberty is not absolute and universal. It is within the undoubted power of government to restrain some individuals from all contracts as well as all individuals from some contracts.

The court proceeded to mention contracts for the sale of lottery tickets, contracts by minors, contracts by carriers to exempt them from negligence, and stated that the Government—

> may restrain all engaged in any employment from any contract in the course of that employment which is against public policy.

In Holden *v.* Hardy (169 U. S. 366) the question presented to the Supreme Court involved the validity of a Utah statute prescribing an 8-hour law for persons working in the mines. The statute was attacked as unconstitutional, in contravention of the fourteenth amendment, in that it deprived the defendant of the right to make the contract in a lawful way for a lawful purpose. But the court sustained the statute. It said:

> The fact that both parties are of full age and competent to contract does not necessarily deprive the State of the power to interfere where the parties do not stand upon an equality.

I should like to repeat, Mr. President, the closing words of that quotation, "where the parties do not stand upon an equality."

In his matchless style, Mr. Justice Holmes has once said:

> The fourteenth amendment does not enact Mr. Herbert Spencer's social statics.

Indeed, the whole Constitution will lose its vitality, its extraordinary capacity to guide a people in a changing world, once we subscribe to the fiction that it has codified the individualistic theories of the laissez faire economists.

The Supreme Court has cautioned us against that danger. It has declared, "The very reverse of that which is the policy of the public at one time may become public policy at another." (Hartford Fire Insurance Co. *v.* Chicago, 175 U. S. 91.)

What does the public policy of the twentieth century demand in industrial relations? It was not so long ago when the business of earning a livelihood was an independent undertaking. The worker owned his shop, his tools, and the good will of his customers. To-day a large and ever-increasing proportion of our people must earn their living through wages. The average workman owns no tools of production but his hands and his skill.

At the same time capital has become a cooperative venture, and through the pooling of many resources, great aggregates of wealth have assembled gigantic engines of production which control the opportunities for employment.

If into this condition of affairs we should inject the archaic notions of master and servant, what kind of citizenship will inhabit this continent in the next generation? Can we expect anything else to follow from such a course but that we shall raise a nation of drawers of water and hewers of wood, to pass their days in toil and their nights in fear in order to support a fortunate few in oriental elegance?

Every ancient civilization that has tried that experiment to-day lies in the dust and serves no purpose but to quench the curiosity of the historian and archæologist. There is no need for us to repeat this ancient folly. We can raise a race of men who are economically as well as politically free. By permitting labor to organize freely and effectively we can convert the relation of master and servant into an equal and cooperative partnership, shouldering alike the responsibilities of management and sharing alike in the rewards of increasing production.

To me the organization of labor holds forth far greater possibilities than shorter hours and better wages. Organization plants in the heart of every worker a sense of power and individuality, a feeling of freedom and security, which are the characteristics of the kind of men Divine Providence intended us to be.

Simple justice commands that we unfetter the worker in his effort to achieve his goal. Statesmanship dictates that we encourage him to take this road of organized action to responsibility, to self-mastery, to human liberty, and to national greatness.

Mr. COSTIGAN. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a layman's nontechnical, informative discussion of the abuse of injunctions, written by Mr. Richard W. Hogue, who is associated with the People's Legislative Service of Washington, D. C.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. Hogue's statement is as follows:

THE ABUSE OF INJUNCTIONS

It is important that public opinion should be informed regarding the nature and evils of the injunction menace. The general public is widely unaware of these evils. For the most part it is ignorant of what the injunction is, how it is used, and why it is now a major issue before Congress. We propose to throw such light on the subject as limited space permits.

Our judicial system was derived from that of England. That system provided courts of chancery or equity, for handling a prescribed class of cases. These courts began to encroach on the regular courts of law. A prolonged conflict ensued which resulted in the establishment of basic rules governing all courts of equity.

These long-established rules are fundamental to the law and of far-reaching importance to the public. They provide that equity courts exist solely for the benefit of the aggrieved and not the aggressor and are limited to the protection of property from irreparable injury when there is no adequate remedy at law, that they must not interfere with personal rights and that those who seek equity must do equity—must come into court with clean hands. In America these basic rules have frequently been set aside through injunctions issued by Federal judges sitting in equity.

What is an injunction? It is a court writ (issued without a jury hearing) "commanding an act which the court regards as essential to justice or restraining an act which it deems contrary to equity and good conscience." The danger of placing such power at the disposal of the limited or prejudiced judgment of a single judge is obvious. The extent to which this power has been misused has been shocking. Its most flagrant abuse so far has been directed against industrial workers. If not checked it may be used to crush farmers as well, and to extend the control of great corporate interests over the rights and liberties of individuals and groups.

Beginning in 1880, the abuse of this power steadily increased in the United States. It had become so serious by 1893 that an injunction issued in that year was denounced in the report of a congressional committee as "a surprising exercise of the processes of" the "court to abuse the judicial power," "an invasion of the rights of American citizens," and "contrary to the genius and freedom of American institutions."

This injunction and later ones took away the right of trial by jury, destroyed the worker's power of organized self-defense, revealed the extent to which courts were controlled by special interests, substituted property rights for human rights, and threatened to supplant government by law with the arbitrary fiat of a single judge. These evils increased with the efforts of manufacturers to kill the growing labor movement. Organized labor appealed to Congress. The result was the drawing up of the Clayton Act, of which an eminent jurist declared: "If this bill is passed, labor will not need any more legislation for 100 years." The bill was approved by the Judiciary Commitees of both Houses and was passed in 1914.

Section 20 of this act contains these important provisions:

"And no such restraining order or injunction shall prohibit any person or persons, whether singly or in concert, from terminating any relation of employment, or from ceasing to perform any work or labor, or from recommending, advising, persuading others by peaceful means to do so.

"Or from attending at any place where any such person or persons may lawfully be, for the purpose of peacefully obtaining or communicating information, or from peacefully persuading any person to work or to abstain from working.

"Or from ceasing to patronize or to employ any party to such dispute, or from recommending, advising, or persuading others by peaceful and lawful means to do so.

"Or from paying or giving to, or withholding from, any person engaged in such disputes, any strike benefits or other moneys or things of value.

"Or from peacefully assembling in a lawful manner, and for lawful purposes.

"Or from doing any act or thing which might lawfully be done in the absence of such dispute by any party thereto.

"Nor shall any of the acts specified in this paragraph be considered or held to be violations of any law of the United States."

It was not long before each of these plain provisions of the law was violated by powerful corporations. The means to this end was at hand. It was the usual recourse of the vested interests—reliance on the property-minded partisans, who constituted a majority of the United States Supreme Court. In the face of dissenting opinions by the minority members, representing its highest character and ability, that court rendered successive decisions which nullified practically every right which the Clayton Act sought to safeguard.

These decisions opened the way for an avalanche of oppressive injunctions. Their total effect has been to undermine constitutional rights and civil liberties. They have forced workers into involuntary servitude to their employers. They have justified coercion, oppression, and brutality. They have elevated assumed property rights above established human rights. They have substituted the prejudiced opinions of equity judges for the orderly processes of courts of law. They have helped the prosperous to starve the poor and enabled the powerful to crush the weak. They have intensified class hatred and encouraged contempt for the courts.

Such serious charges require strong proof. The proof is irrefutable and abundant. It is a matter of record in public documents. We shall cite enough of it to show why the injunction menace is now a major issue before Congress.

II

The information to follow is taken from three outstanding sources: Court records, the published hearings before a Senate committee, and the comprehensive treatment of the subject by Professors Frankfurter and Greene of Harvard. The cases here cited are not isolated or rare. The great preponderance of injunctions in labor disputes are directed against the workers.

A theater discharged all union employees. Their employer secured an injunction which upheld the employer's claim that the peaceful protests of workers and the press constituted "a conspiracy," and that public patronage was a "property right." It prohibited a local paper from expressing its opinion of the issue and enjoined the discharged workers from placing their case before the public in any way. People were sentenced to prison for defying this arbitrary decision. The injunction was a denial of the right of peaceful public protest, of freedom of the press, and of a community's access to both sides of a local controversy.

In the same State an antiunion group of employers conspired to force a firm to quit employing union labor. They declared a boycott against this firm and agreed not to furnish supplies or do business with it. An injunction against the conspiracy was applied for. By refusing to issue the injunction, the court supported the conspiracy to put the firm and its union employees out of business.

Time and again the established right of workers to organize has been prohibited by court injunctions secured by antiunion employers. Many such injunctions have taken this right from labor and handed it over to hostile employers. This has been done by forbidding all efforts to organize "without plaintiff's consent"—meaning the employer's.

A favorite device for dominating the workers is the well-known company-controlled union. Equity courts have strengthened this domination by enjoining organized labor from even "advising" or "requesting" any employee to become a member of any union or association except the "company union." In addition to this denial of freedom to form voluntary associations, the workers are denied access to information and advice that might better their condition. Equity courts have thus sustained industrial feudalism and economic slavery. They have gone even further in this direction.

Employers have forged the "yellow-dog contract" as a coercive weapon against employees. By that contract the worker is forced to sign away his right to join a labor union where he is then employed, regardless of whatever may develop in his own needs or the conditions of his work. Often, with no other means of livelihood before him, he must sign or see his family starve. In sustaining this form of duress the courts have forced thousands of workers into what is virtually a state of involuntary servitude.

Equity judges have often denied men the recognized right to quit work in a lawful manner. The Supreme Court has done this even after the lower courts have refused. An injunction forcing men back into the service of former employers was denied by the equity court. The United States Court of Appeals upheld the decision. The Supreme Court overruled both and issued the injunction. In the able dissenting opinion of the minority (including Justice Holmes) Justice Brandeis declared: "If, on the undisputed facts of this case, refusal to work can be enjoined, Congress created by the Sherman law and the Clayton Act an instrument for imposing restraints upon labor which reminds of involuntary servitude."

Injunctions based on Supreme Court decisions have not only forced men, against their will, to work for certain employers, but have prohibited them from "publishing, circulating, or otherwise communicating, either directly or indirectly, in writing or orally, to each other or to any other person, any statement or notice of any kind or character whatsoever, intimating or suggesting that the complainants [employers] are, or were, or have been unfair."

Through injunctions employees have been ordered to resign from their unions or lose their jobs; unions have been forbidden to assist their own members financially, to furnish appeal bonds or employ attorneys; workers have not been allowed to discuss their grievances among themselves or with neighbors. Men have been held as property, denied the testimony of witnesses, and deprived of the right of trial by jury. Plainly, this is judicial tyranny. It sanctions and enforces the oppression of one class by another, destroys human rights, and undermines democracy.

In the last 10 years the number of injunctions has increased alarmingly. Nearly 300 were issued in 1 industrial dispute, the shopmen's strike of 1922. A single injunction granted at the combined request of over 60 coal operators paralyzed the efforts of an organization numbering over a quarter of a million workers. The wide extent to which the use of injunctions has spread is beyond dispute. What is the explanation of this condition? What are the proposed remedies for it?

III

There is a very definite explanation of the conditions we have described. One of the major factors in the situation is found in the chief purpose for which injunctions are sought by the owning and employing class. As stated by Justice Brandeis, that purpose is "not to prevent property from being injured nor to protect the owner in its use, but to endow property with active, militant power which would make it dominant over men." In the ablest recent volume on the subject, Professor Frankfurter, of Harvard, established the fact that the injunction, to use his own words, "employs the most powerful resources of the law on one side of a bitter social struggle." The conclusions of Justice Brandeis and Doctor Frankfurter are amply sustained by the evidence.

With notable exceptions, the owners of wealth and property, the possessors of privilege and power, desire complete and absolute control over the jobs, the wages, and the working conditions of their employees. Not content with the power of possession and the dominant privileges that it conveys (personal, political, and social), they seek to obtain uncontested control over the largest body of producers, the working class. Organized and concerted action constitutes the workers' chief weapon of effective self-defense.

To deprive the working class of this weapon, the injunction is used with deadly effect. Even when it is not called into force, the odds are all against the workers. When it is exercised in behalf of employers, it completely paralyzes the employees' power of concerted action. With this purpose, the employing class is resorting to the use of the injunction with a frequency that has increased in direct ratio to the increased efforts of the workers to strengthen their power of collective bargaining through trade-union organization.

The primary cause of the injunction menace is the motive of self-interest that by and large dominates the business and industrial world. From this motive there emerges the greed of possession, profit, and power that produces conflict and breeds strife. While this continues, industry will be marked by the intermittent warfare of conflicting interests. While it lasts, constructive and peaceful industrial progress will be retarded and the might of the strong will prevail over the rights of the weak.

The injunction menace is a vicious consequence of class selfishness. There is no hope of a prompt cure for the social disease that produces it. But the need of immediate legislation to correct its worst evils is imperative. Limited space allows but a brief outline of certain proposals that have been made.

I. Rejection by the Senate of appointees to the United States Supreme Court with a bad record of injunctions—as in the Parker case.

II. Curtailing the practice of usurpation of legislative powers by the judiciary—as, for instance, in the Supreme Court's "interpretation" of the child labor laws and the Clayton Act.

III. Directing the power of the ballot against candidates (especially presidential and congressional) whose affiliations and records show them to be subservient to special privilege.

IV. Special legislation by Congress. The following are among the proposals made at the hearings on injunctions before a special subcommittee of the Senate Judiciary Committee. The bill that comes from that committee will be pressed for action before this session of Congress. It is obvious that some of these proposals are in conflict with others. We list them here solely for the information of our readers:

1. Forbid injunctions in the field of labor disputes.

2. Limit number of acts that can be enjoined and exempt civil and constitutional rights—such as freedom of speech, assemblage, and press.

3. In labor disputes invoking the law, confine equity courts to their original limited scope, thus compelling parties to many such disputes to settle by mediation or before the regular courts of law—civil and criminal.

4. Require testimony on both sides before a judge can issue a restraining order or temporary injunction which may—and often does—defeat the workers before the question of a permanent injunction is brought to a hearing.

5. Make provision for trial of important cases before three judges instead of one.

6. Provide that hearings on permanent injunction be tried speedily after restraining order has been granted.

7. Compel prompt hearings on cases appealed.

8. In cases of contempt of court for alleged violation of restraining order or injunction, provide that trial may be held before

some other court than the one against which the contempt is alleged.

9. Outlaw "yellow-dog" contract.

10. Restore legal safeguards such as right of trial by jury, cross-examination of witnesses, etc.

11. Define "property" so as not to include persons or abstract and intangible things.

The imperative need of legislation has been recognized by eminent jurists, economists, and men in high public office, including former Presidents Roosevelt, Taft, and Wilson. Both major parties have been forced to make public pronouncements on the subject in their campaign platforms. These few out of many similar passages from the volume of Professors Frankfurter and Greene reveal a particularly serious aspect of the injunction menace:

"As to labor controversies during the last quarter century, equity in America has absorbed the law."

"The extraordinary remedy of injunction has become the ordinary legal remedy, almost the sole remedy. * * * The injunction is America's distinctive contribution in the application of law to industrial strife."

"The judge determines the facts without a jury; the constitutional guaranty of trial by jury does not extend to suits in equity. Proceedings in contempt of the injunction are heard before the judge who granted the decree, again without a jury to pass on the evidence, frequently upon affidavits in lieu of testimony subjected to cross-examination."

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STRENGTHENING OF PROCEDURE IN THE JUDICIAL SYSTEM (H. DOC. NO. 262)

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, which was read:

To the Senate and House of Representatives:

On previous occasions I have called the attention of the Congress to the necessity of strengthening and making certain changes in our judicial and law-enforcement machinery. Since then substantial progress has been made both through improved methods of administration and additional legislation. However, there is room for further improvement. With this in mind, in my annual message on the state of the Union I stated that I would address the Congress at a later date on important matters of reform in organization and procedure of criminal law enforcement and the practices of the Federal courts. The subjects are of highly technical character. They have been exhaustively examined by the Department of Justice, the Commission on Law Enforcement, and recommendations have been made over many years by various bar associations of the country.

CONGESTION IN THE COURTS

Improvement has been shown during the past three years through steps taken under direction of the Attorney General in more efficient organization of enforcement agencies through congressional action in concentration of the responsibilities in the Department of Justice and through the prison reform laws passed by the Congress. Yet despite every effort there is still undue congestion in the courts in a number of districts.

The following statistics indicate this congestion as well as the progress made.

In private litigation in the Federal courts in the last five years there has been no large increase in the number of cases commenced, but the courts have not been able to reduce the number of such cases pending and awaiting trial.

The number of Government civil cases begun in 1928 was 20,695, increasing each year until in 1931 the total was 25,332. Cases terminated during this period show that the judicial department has kept pace with the increase but has been unable to reduce the congestion.

The number of bankruptcy cases begun has increased from 53,000 in 1928 to 65,000 in 1931, with a steady increase in the number of cases undisposed of at the end of each year.

Criminal cases commenced have increased from 1928 to 1931, but the number pending shows a decrease from 30,400 at the end of 1928 to 27,900 at the end of 1931. In 1931 alone 4,000 more criminal cases were disposed of than commenced, showing a definite gain in this field. There has also been a steady improvement in the quality of the work of the prosecuting agencies. Despite an increase in the volume of criminal cases begun, there has been a steady reduction in the number left pending each year. The results attained show a greater percentage of convictions and a lower ratio of dismissals and acquittals. In 1928, 78.3 per cent of criminal cases terminated were by verdict and plea of guilty, while in 1931 this ratio had increased to 84.2 per cent. In 1928, 21.7 per cent of criminal cases were terminated by dismissal or acquittal, while in 1931 this figure had fallen to 15.8 per cent.

Final results of the more effective work of the Federal agencies for enforcement of criminal laws are evidenced by increase of prisoners. The number of Federal convicts in prison institutions and on parole increased from 19,110 at the end of 1928 to 27,871 on June 30, 1931. During the same period the number on probation increased from 3,500 to 12,000. The total number of Federal convicts under some form of restraint was 39,900 on June 30, 1931, as compared with 22,600 on June 30, 1928. The recent reorganization of the parole and probation systems not only has produced a humane result but has relieved an otherwise impossible prison congestion. These gains in effectiveness have been the result mainly of improvement in personnel, of administrative effort and reorganization, and not of reforms in judicial procedure.

I commend to the attention of the Congress the recommendations of the Judicial Conference on the subject of increased personnel. Relief should be granted in those districts where private litigants are suffering from delay, where civil and criminal dockets are seriously congested, and additional judges are needed.

REFORM IN CRIMINAL PROCEDURE

The extent of crime is and must be a subject of increasing concern to the Government and to every well-disposed citizen. This increase is by no means confined to the violation of new criminal laws.

Some part of all crime is due to confidence of criminals in the delays of the law and to their ability to avoid conviction and to delay penalties by misuse of the procedure and provisions of the law intended to assure fair trial. This is more manifest in procedure in the courts of some States than in the Federal courts. Yet important reforms in the Federal establishment and in the Federal procedure are needed and must be undertaken. Aside from its direct result, the indirect result of high standards in the Federal courts is of nation-wide influence.

CRIMINAL APPEALS

The present procedure in criminal appeals to the United States circuit courts of appeals and the procedure in the United States district courts, in preparation for appeals after verdicts of guilty, lend themselves to delay and unnecessary expense. With the granting of bail and the stay of execution of the sentence, the convicted person loses all incentive to expedite his appeal. No small part of the general criticism of the delay in criminal cases rises from the delays in the preparation and hearing of appeals after verdicts of guilty, and a reform in these particulars would be a long step in advance.

Respect for the law and the effect of convictions as a deterrent to crime are diminished if convicted persons are observed by their fellow citizens to be at large for long periods pending appeal. All steps subsequent to verdicts of guilty are involved in these processes. A statutory code of procedure on this subject would not be sufficiently flexible. I suggest that the Supreme Court of the United States be authorized to prescribe uniform rules of practice and procedure in criminal cases for all proceedings after verdicts in the district courts, and for the circuit courts of appeals, including the courts of the District of Columbia. The success of the Supreme Court in the prompt disposition of criminal cases brought before it gives confidence that it will deal effectively with this subject. The objection heretofore advanced to authorizing the Supreme Court to establish uniform rules of procedure in civil cases, that such rules would destroy the conformity between practice in State and Federal courts, has no validity against the proposal for uniform procedure in criminal cases, in which no conformity exists.

WAIVER OF INDICTMENTS

Legislation should be enacted to permit an accused person to waive the requirement of indictment by grand jury. Where the accused admits his guilt, preliminary hearings and

grand-jury proceedings are not necessary for his protection; they cause unnecessary expense and delay. In such cases the law should permit immediate plea and sentence upon the filing of an information. That would allow the accused to begin immediate service of his sentence without languishing in jail to await action of a grand jury, and would reduce the expense of maintenance of prisoners, lessen the work of prosecutors, and tend to speed up disposition of criminal cases.

INVALIDITY OF INDICTMENTS THROUGH THE DISQUALIFICATION OF GRAND JURORS

There have been many instances, some recently in the Supreme Court of the District of Columbia, where indictments, returned after long and expensive hearings, have been invalidated by the discovery of the presence on the grand jury of a single ineligible juror. By law applicable to the United States district courts, including the Supreme Court of the District of Columbia, it should be provided that if not less than 12 eligible grand jurors vote for an indictment, it shall not be invalidated because of the presence of ineligible jurors. Legislation should be enacted limiting the time for making motions to quash indictments because of disqualifications of grand jurors.

All the foregoing proposals relating to criminal procedure should be made applicable to the Supreme Court of the District. In addition, the statutes in force in the District respecting the qualifications of grand and petit jurymen and their selection should be thoroughly examined and overhauled. Grounds of ineligibility now exist which do not affect the availability or impartiality of jurymen.

The system now in operation in the District for preparing lists of persons qualified for jury service requires improvement.

JUVENILE DELINQUENTS

Each year many juveniles charged with violation of law fall into the custody of the Federal authorities. In the interest of child welfare there should be legislation enabling the Attorney General to forego prosecution of children in the Federal courts and to return them to State authorities to be dealt with by juvenile courts and other State agencies equipped to deal with juvenile delinquents.

JURISDICTION BASED ON DIVERSITY OF CITIZENSHIP

The Constitution provides that the judicial power of the Federal courts shall extend to cases between citizens of different States and the judiciary acts have provided for the exercise of this jurisdiction. In its application, the courts have determined that a corporation shall be deemed a citizen of the State under whose law it is organized. Cases involving corporations, with jurisdiction based on diversity of citizenship, form a substantial part of the business of the Federal courts. Legislation heretofore has been proposed to abolish entirely the jurisdiction of the Federal courts based on diversity of citizenship. I do not approve of such a measure.

The reasons which induced the constitutional grant to the Federal courts of jurisdiction over cases between citizens of different States still exist. To abolish that jurisdiction entirely would work to the detriment of those States which look to outside capital for the development of their business and commerce. As applied to special types of cases, however, affecting corporations, the present law allows the Federal courts to exercise jurisdiction because of diversity of citizenship, in cases not within the real purpose and spirit of the constitutional provision referred to.

I recommend the consideration by the Congress of a measure to modify this jurisdiction to a limited extent by providing that where a corporation, organized under the laws of one State, carries on business in another State it shall be treated as a citizen of the State wherein it carries on business as respects suits brought within that State between it and the residents thereof and arising out of the business carried on in such State. Such a change in the law would keep out of the Federal courts cases which do not really belong there and reduce the burdens of the Federal courts without impairing in any degree the diversity of citizenship jurisdiction which the framers of the Constitution had in mind.

PROHIBITION LAW IN THE DISTRICT OF COLUMBIA

I have hitherto recommended legislation effectively to supplement the prohibition law for the District of Columbia. The Attorney General has made recommendations as to the character of such legislation before the committees of the Congress. I again urge favorable action.

BANKRUPTCY

The Federal Government is charged under the Constitution with the responsibility of providing the country with an adequate system for the administration of bankrupt estates.. The importance of such a system to the business life of the community is apparent. The number of cases in bankruptcy has steadily increased from 23,000 in the fiscal year 1921 to 53,000 in 1928 and to 65,000 in 1931. The liabilities involved have increased from $171,000,000 in 1921 to $830,000,000 in 1928 and $1,008,000,000 in 1931, and the losses to creditors have increased from $144,000,000 in 1921 to $740,000,000 in 1928 and to $911,000,000 in 1931. The increases are, therefore, obviously not due to the economic situation, but to deeper causes.

A sound bankruptcy system should operate—

First, to relieve honest but unfortunate debtors of an overwhelming burden of debt;

Second, to effect a prompt and economical liquidation and distribution of insolvent estates; and

Third, to discourage fraud and needless waste of assets by withholding relief from debtors in proper cases.

For some time the prevailing opinion has been that our present bankruptcy act has failed in its purpose and needs thorough revision. During the past year the Department of Justice, with my approval, has conducted an investigation into the administration of bankrupt estates in the Federal courts. Nation-wide in its scope, the inquiry has involved intensive study of the practical operation of the bankruptcy act under varying local conditions throughout the United States. Court records and special reports of referees have been analyzed. Organizations of business men and lawyers have assisted in gathering information not available through official channels. Judges, prosecuting officers, referees, merchants, bankers, and others have made available their experience. Data gathered by the Department of Commerce relating to causes of failure and the effect of bad debts upon business has been studied. The history of bankruptcy legislation and administration in this country, and in Great Britain, Canada, and other countries, has been reviewed.

The inquiry has now been completed. Its result is embodied in a report which is transmitted herewith for the consideration of the Congress. Thorough and exhaustive in detail, it presents the information necessary to enable the Congress to determine the faults in the present law and to devise their cure.

The present bankruptcy act is defective in that it holds out every inducement for waste of assets long after business failure has become inevitable. It permits exploitation of its own process and wasteful administration by those who are neither truly representative of the creditor nor the bankrupt.

Except in rare cases it results in the grant of a full discharge of all debts without sufficient inquiry as to the conduct of the bankrupt or of the causes of failure. It discharges from their debts large numbers of persons who might have paid without hardship had the law discriminated between those overwhelmed by misfortune and those needing only temporary relief and the opportunity to deal fairly with their creditors.

The bankruptcy act should be amended to provide remedial processes in voluntary proceedings under which debtors, unable to pay their debts in due course, may have the protection of the court without being adjudged bankrupt, for the purpose of composing or extending the maturity of their debts, of amortizing the payment of their debts out of future earnings, of procuring the liquidation of their property

under voluntary assignment to a trustee; or, in the case of corporations, for the purpose of reorganization.

The act should be amended to require the examination of every bankrupt by a responsible official and a full disclosure of the cause of his failure and of his conduct in connection therewith for the consideration of the court in determining whether he should have his discharge.

The discretion of the courts in granting or refusing discharges should be broadened, and they should be authorized to postpone discharges for a time and require bankrupts, during the period of suspension, to make some satisfaction out of after-acquired property as a condition to the granting of a full discharge.

The choice of the liquidating personnel should be limited to competent individuals or organizations after careful consideration by the courts of their qualifications and ability to maintain an efficient and permanent staff for the conduct of the business. Compensation for such services should be upon a scale which will attract trained business organizations. Competent officials should be continuously charged with the observance of the administration of the law and with the duty to suggest to the courts and to Congress methods for its improvement. The present statute is susceptible of improvement to eliminate delay in its cumbersome processes, much of which results from a confusion of judicial and business functions.

The inquiry has not stopped with the collection of information and an expression of general conclusions. Its results have been embodied by the Attorney General in a bill for revision of the present bankruptcy act in order to present the proposals in concrete form.

I earnestly commend them to your consideration.

CONCLUSIONS

Reform in judicial procedure is, for many reasons, a slow process. It is not to be brought about by any single measure. It can best be accomplished by dealing with the subject step by step, the sum of which, in the course of time, will result in definite improvement. Taken together, the proposals above outlined offer an opportunity for substantial improvement in the administration of justice. They tend to decrease the burden on the Public Treasury and upon litigants. None of them requires consequential increase in expenditures. They would reduce crime.

In concluding, may I not say that important as these recommendations are we must all keep before us the thought that effective administration of the law in a republic requires not only adequate and proper machinery, honest and capable officials, but above all a citizenry imbued with a spirit of respect for law.

HERBERT HOOVER.

THE WHITE HOUSE, *February 29, 1932.*

The PRESIDING OFFICER. The message of the President, with the accompanying report of the Attorney General, will be referred to the Committee on the Judiciary, and the message printed.

Mr. HEBERT. Mr. President, concerning the report of the Attorney General on the bankruptcy act and its administration in the courts of the United States, I think all of us are agreed as to the importance of the subject of bankruptcy to the business of the country generally. It has been discussed in, I should say, the bar associations of all the States. It is a subject which has been before the American Bar Association for a long time, and one which has received the most earnest consideration of the members of that body.

The report of the Attorney General which comes to us this morning I think should be available to the Senate; and I ask that it may be printed as a public document in connection with the message of the President.

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

RADIO ADDRESS BY JOHN A. SIMPSON, PRESIDENT NATIONAL FARMERS' UNION

Mr. THOMAS of Oklahoma. Mr. President, I ask unanimous consent to have printed in the RECORD an able and interesting radio address made by John A. Simpson, President of the National Farmers' Union, over a nation-wide broadcasting hook-up on Saturday, February 27, 1932.

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

Fellow stockholders in the largest corporation in the world, the United States of America, I am happy indeed to greet you again and to have this opportunity, furnished by the National Broadcasting Co., to report to you concerning the doings of the board of directors that you have placed here in the National Capital in charge of this great corporation.

I talked to you at this hour four weeks ago, and I thank you for your wonderful response. You may be glad to know that I received more than 18,000 letters asking for copies of that talk. Not more than half of those that wrote are farmers. At least one-half are made up of all kinds and classes of people. Among those writing were preachers, priests, teachers, students, merchants, bankers, every kind of business man and laborer.

The response was so much greater than I had anticipated that expenses reached such a sum that it requires regulation in order for me to tell you that I can furnish a copy of this talk to all who make requests. For two weeks I had five girls doing nothing but opening letters and reading them. I desire to eliminate that expense by asking anyone who desires a copy to use a postcard. Let me also ask that you write your name and address very plainly—printing it is the best method.

Out of the letters received from the talk in January quite a number asked for copies and did not sign their names at all. They are now wondering why they did not receive one. Out of more than 18,000 letters received, only seven criticized my talk. We had 30,000 copies printed, and Congressmen and Senators received so many requests for copies that Senator ELMER THOMAS placed the speech in the CONGRESSIONAL RECORD. He had 20,000 copies printed and sent out at his own private expense. You must know that the Farmers' Educational and Cooperative Union of America is strictly a farmers' organization, whose only source of revenue to the national organization is 25 cents per year dues from each member. We are poor financially but rich in principle, in faith, and in courage.

I am also glad to report to you that there never was such an avalanche of letters received by Congressmen and Senators as the result of one broadcasting talk. But it is only a drop in the bucket to what must be done to awaken the sleeping giant, Congress. Congress is the most powerful branch of our National Government. Yet the very bureaus, commissions, and departments that it creates tell Congress what to do and where to go. These "children" of Congress frequently deny United States Senators information which they have because it is of such a secret nature that Congress has no right to it. A real awakened Congress would spend about two months investigating Federal officers who should be impeached and putting these inferior commissioners in jail for contempt. The Members of the House and Senate should read the Constitution and relearn, if they have ever learned it before, that they can pass laws without asking anybody under the sun. If you suggest the passage of a certain bill, the first thing an elected Congressman or Senator wants to know is whether or not it has had the approval of some little bureaucrat and would the President sign such a measure if Congress did pass it. They surely have the inferiority complex even worse than farmers.

To-day I shall discuss three bills now pending in the House and Senate. If a million people listening in at this hour would each write to their Congressmen and Senators asking them to support these measures, telling them that you and your neighbors are going to hold them accountable in the next election, you would make easy the job of the three national farm organizations which are here in Washington attending this session of Congress.

WANTON DESTRUCTION

There are many instances of wanton destruction on the part of these various departments of government. In many instances the destruction takes place without the consent of Congress. At the disarmament conference, held in Washington and called by President Harding, a related navy strength program was agreed to by the various nations represented. This agreement involved the proposition of destroying a number of vessels this country had in the process of construction. We took half-built vessels that had cost the Government millions of dollars and destroyed them. All any other nation had to do was to tear up the plans and specifications of proposed warships. There is an old saying that "The United States never lost a war and never won a conference."

To-day, without action of Congress, public buildings here in Washington are marked for destruction. These buildings are of such permanent construction that they would be good buildings in a thousand years from now. Last spring, all over Europe, I saw many buildings a thousand years old. They were of no more permanent construction than these in Washington that are marked to be torn down. I hold in my hand a letter, dated the 8th of this month and signed by the Assistant Secretary of the Treasury, written to a United States Senator, and from which I now read:

"The public-building program under the Treasury Department contemplates the ultimate replacement of the Post Office Building located at Twelfth and Pennsylvania Avenue, the old Southern Railway Office Building at Thirteenth and Pennsylvania Avenue, and the Municipal Building which occupies the block bounded by Thirteen-and-a-half, Fourteenth, D, and E Streets.

"The Post Office Building was constructed at a cost of $2,585,000 and was completed November 26, 1898. The Southern Railway

Building was purchased by the Government on August 4, 1928, and the estimated value of the improvements at that time was $1,087,500. The cost of constructing the Municipal Building was $1,968,877. The building was occupied May, 1908."

You will observe that here is a destruction of more than five and a half million dollars worth of property. I am told that the only excuse is that the architecture of these buildings does not harmonize with the plans for beautifying the National Capital. A lack of harmony in the architecture of the various buildings appears to offend the highly developed æsthetic natures of some of our public officials. Of course it could be possible that instead of an offended æsthetic nature a fat juicy construction contract might be the motive. I recommend that you write your Congressmen and Senators demanding an investigation of the tearing down of these buildings.

Talk about public offices being a profitable business, I call your attention to the fact that in the last 10 years, on advice from time to time of the Secretary of the Treasury, the income-tax rates on incomes over $1,000,000 or more have been reduced from 65 per cent to a fraction less than 16 per cent.

ANTIHOARDING PROGRAM

Since talking to you a month ago the President called an antihoarding conference. Among those invited and attending were representatives of farmers and negroes. Can you imagine the necessity of getting a pledge from farmers and negroes that they will quit hoarding. I want you all to know that I did not attend this conference. The permanent committee left in charge of the antihoarding campaign has as a part of its program the selling of Government baby bonds as small as $50. I am just wondering how this will put the money in circulation. It appears to me it takes it out of circulation. Nine times out of ten, the poor fellow who has $50 in his pocket will be spending a little to-morrow. When he invests it in a bond it prevents every chance of his spending it. The $50 goes into the Treasury of the United States along with a lot of other money hoarded there. It is possible they are figuring when the poor fellow wants to spend some money he will sacrifice his bond at about ninety cents on the dollar to some coupon clipper. Of all the hypocracy being practiced at this time, and it is here in every shape and form, I am sure the greatest is this antihoarding program. Those who are promoting it have control of more hoarded money than all the rest of the people put together. Under present laws the Federal reserve banks could issue at any time as much as three and one-half billion dollars on the surplus of gold in the Treasury and another three and one-half billion dollars on eligible Government bonds. They are the hoarders and not the people.

WAR

With all my heart, with all my soul, and with all my might I urge you—I plead with you to write your Congressmen and Senators demanding them to do everything possible to prevent this country being drawn into the China-Japanese trouble, which threatens to become a world war. I want to read a little from a report of the great war correspondent, Floyd Gibbons. Listen to me, and in listening, picture this country involved, and mothers, your sons were being described instead of the sons of Chinese and Japanese mothers. I read from Floyd Gibbons:

"If you knew a murder was going to be committed in about seven hours and there was nothing you could do or apparently anybody could do to prevent it, how would you feel?

"Suppose instead of just an ordinary homicide, this was going to be a wholesale murder—a slaughter?

"Between sixty and seventy thousand strong, vigorous, healthy young men—many of them boys in their teens—are sleeping on their arms to-night within half an hour's walk of this room.

"All of them have been generously supplied with the latest and most-improved instruments for killing and maiming.

"Twenty-five thousand comprise one group—the Japanese.

"There are about 40,000 in the other group—Chinese.

"The two groups hate each other, not individually but as groups.

"Some time around 7 o'clock to-morrow morning—according to the present murder schedule which has been announced as officially and publicly as any sporting competition—these two groups of young men will hurl themselves at each other's throats.

"With shell, lead, and explosive, with bayonet, bullets, and bombs, the grisly spectacle will open and continue until one side or the other gives way.

"About 5,000 American soldiers, marines, and sailors will occupy ringside seats, some of them dangerously close to the conflict, because at any moment after the opening of hostilities this fight is liable to get out of the ring and spread over the arena."

Only a man on the battle front could give such a vivid description of the horrors of war. I want you to get this. All war is for profit. If we are finally drawn into this Far East conflict, it will be to protect rich men's property. This Government should immediately afford an opportunity for every citizen to get out of that country at once, and if necessary for this country to reimburse all these citizens for the loss of a few million dollars of property, do it, instead of going into a war that may cost a million lives and billions of dollars.

Here is someting interesting. One day last week, while attending a hearing on Muscle Shoals before the Senate Agricultural Committee, I heard Mercer Reynolds, a member of the Muscle Shoals Commission, say that the United States Government has the largest poison-gas plant in the world. He also said that France had just recently purchased 40,000,000 gas masks and placed them where they are available for every man, woman, and child in that country.

I said that all war is for profit. During a war the manufacturers make the profit. After a war those who hold the obligations of the Government and the people make the profit. Let me give you an illustration. In the last war the manufacturers of this country in making contracts with Uncle Sam wrote into the contracts three provisions. First, that Uncle Sam must take the goods contracted for even though the war ended the next day. Second, Uncle Sam must ship those goods to France. Third, Uncle Sam must not bring them back to this country. Under this contract this Government was shipping goods to France a year after the war had ended. When the war did end the Government found itself with $4,000,000,000 worth of property in France. Under the contract our Government could not bring this property back. They sold it to France at 10 cents on the dollar or for a sum of $400,000,000. However, France has never paid the bill and we have now granted her a moratorium. Let me give you an illustration of how the manufacturers operated. The International Harvester Co., under this contract, sold and the Government shipped to France every kind of farm implement made by them. There was shipped to France of International Harvester make, corn planters, cultivators, grain drills, drag harrows, disc harrows, and if it were not such a tragedy it would be a real comedy, the International Harvester Co. sold to the United States and shipped to France, to be used in whipping the Kaiser, thousands of International Harvester Co. manure spreaders.

SWANK-THOMAS BILL

In my talk over this broadcasting system January 23 I suggested that those listening write their Congressmen and Senators and ask for copies of three certain bills. I take it that many of you did this and that you have read the bills. I now desire to discuss these bills and shall take up the Swank-Thomas bill first. The House bill is H. R. 7797 and in the Senate it is S. 3133. The authors are Congressman F. B. SWANK and Senator ELMER THOMAS, both of Oklahoma.

The bill is an amendment to the farm marketing act. It may be divided into three parts. The first part transfers the administration of the marketing act from the Federal Farm Board to the Department of Agriculture. This is immaterial to the Farmers' Union—it is not vital and we have so told the House and Senate Agricultural Committees. The last part of the bill provides for keeping on the farm that portion of a farm crop not needed for use in this country. It makes such part unsalable until such time as some foreign buyer may be willing to pay cost of production for it. This part of the bill is also not vital and we have so told the committees. It is immaterial to us what method the Government may use in disposing of the surplus of farm crops.

The heart of the bill and the part that is vital provides for securing cost of production for that part of farm crops used in this country. The three farm organizations have adopted as a slogan, "Nothing less than cost of production for that part of farmers' crops used in this country is a remedy." I am sure that my audience will agree that no institution can operate at less than cost any longer than their capital lasts. An institution selling at less than cost of operation, if it continues to operate, must do so by borrowing on its capital. Farmers have been operating at less than cost of production so long that more than one-half of them have lost their farms through foreclosures and tax sales. That is why we say that nothing less than cost of production for that part of farm products used in this country is a remedy.

Price fixing is not new. Everything a farmer buys the seller sets the price. Even the farmers' products, after they get out of his hands, have a fixed price. Everything the Government touches the purchaser must pay a fixed price. I have never known postage stamps to sell at a discount. There are nearly a million Federal officers and employees with their services paid at a fixed price. No person can get their jobs by offering to serve for less. A ticket on the railroad, bus, boat, or airplane must be purchased at a fixed price. Why should anyone fear a fixed price on farmers' products?

Here are a few fundamentals. No unorganized group has anything to say about the price of their products. No unorganized group can take advantage of a tariff on their products. The farmers of this Nation in relation to other groups are organized to a less degree than any other group. The work of a farmer tends to make him an individualist. The members of no other group are so completely isolated from each other as are farmers, and this isolated condition of living makes him an individualist. I could qualify in court as an expert witness in the matter of organizing farmers. It is my opinion, formed out of 16 years of continuous organizing work, that they will not in the near future organize to a degree where they can set the price of their products. Here is another fundamental: When a group of producers do not set the price of their own products, somebody else does it for them. In the case of farmers, a handful of gamblers on the Chicago Board of Trade set the price of his grain. Another handful of gamblers on the cotton exchanges set the price of his cotton. And so on through the whole list of his products the prices are set by those who care not whether that price gives the farmer the cost of producing his crops.

In support of my statement that a tariff does not operate for an unorganized group let me cite wool as a farm crop on which there is a 30 cents per pound tariff. Yet farmers get less than one-half that price for wool. Also the case of wool proves that surplus is only a scarecrow. In the last 10 years we have imported

one-half billion pounds of wool more than we exported. We do not produce as much wool as we consume. Yet farmers are not getting more than one-fourth the cost of production. This ought to show any intelligent person that to reduce production of wheat to domestic consumption, so long as you let the wheat gamblers price it, there would be no assurance of farmers getting cost of production.

The Swank-Thomas bill provides that the Government shall regulate the marketing of farm crops just like the Government regulates the marketing of transportation. The Government under the interstate commerce law does not buy or sell transportation, but it does say what the price of every pound of freight shall be. It fixes this price on the cost of the transportation. The Swank-Thomas bill provides that all that part of the major farm crops, such as wheat, wool, cotton, pork, beef, poultry, and dairy products used in this country, shall be purchased by licensed buyers at a minimum price covering cost of production. Cost of production includes pay for all labor used in producing the crop and interest on the investment. This does not put the Government in business any more than the regulation of transportation puts them in business.

It is well to remember that exports of agricultural products are now only about 5 per cent more tnan imports. The 1900 census shows 30 per cent more. In other words in 30 years our surplus has decreased from 30 per cent to about 5 per cent. At the same rate, in a few years, we will be an importing Nation so far as agricultural products are concerned. The Swank-Thomas bill contemplates that farmers will be prosperous if they can have cost of production for what the home folks use. Surely no real American wants to eat a farmer's bread and butter at less than it cost the farmer to produce it.

We have precedent for doing the thing the Swank-Thomas bill provides. February, 1919, delegations of farmers' unions from one-half dozen Midwestern States came to Washington and promoted a bill through Congress providing for a minimum price for that year's crop of wheat. The bill also provided for an appropriation of $1,000,000,000 to be used in making the price effective. Remember this was after the war had closed and before any of the spring crop had even been sowed. The Government, just as provided in the Swank-Thomas bill, licensed all purchasers of wheat such as mills and elevators. Then these licensees were told, "If you pay less than $2.26 per bushel for No. 1 wheat, Chicago basis, your license will be canceled and your business closed." The result of this legislation was that the gamblers on the Grain Exchange in Chicago were forced to gamble above this guaranteed minimum price and the market went up and stayed around $3 per bushel up to May 1, 1920, when the law expired. There were three nice things about the 1919 guaranteed minimum price for wheat. First, it did not cost the Government a penny. Second, the price of bread did not advance in spite of the fact that farmers received 75 cents per bushel more for their wheat that year than they did the two years of the war, and thus it did not cost the consumer anything. Third, it is the only year in 20 years, according to Government figures, that wheat farmers made a profit on wheat. If farmers needed such aid for their 1919 crop they need it ten times as badly for their 1932 crop.

France, Germany, Italy, and other European countries have been doing this very thing for their farmers ever since the war. A little less than a year ago wife and I were in France. We visited cousins of hers who are farmers. In April last year, the very week we were there, they were selling wheat at $1.85 per bushel, figured in our money. It was much higher in theirs. We found that farmers in Italy received $1.80 per bushel and in Germany $1.88 per bushel. Each of these Governments had a minimum guaranteed price, just like we had in 1919, and their prices played above the minimum every year. In France the minimum was $1.71, and farmers were getting $1.85.

The great cartoonist, John M. Baer, made a cartoon, recently carried in Labor and copied by many papers throughout the United States, in which he shows the wheat farmer in the United States with a bag of wheat marked 30 cents a bushel. This good American farmer is talking to Uncle Sam. He points to France, where the cartoon shows a wheat farmer of that country with his bag of wheat and a price of $1.80 per bushel. This American farmer says to Uncle Sam, "Can't this great Nation do as much for the American farmer as France does for its peasants?" In the cartoon is the American consumer of bread on the American side and the French consumer of bread on the French side of the cartoon. The French consumer has two loaves of bread under his arm, the American consumer one, and the American consumer is saying to Uncle Sam, "Yes; and I pay as much for a 1-pound loaf as a Frenchman pays for two." The Swank-Thomas bill undertakes to do for the American farmer exactly what the Government of France has been doing for its farmers for the last 15 years.

The farmers I talked to in France last April told me that they were the most prosperous they had ever been in their lives with the exception of during the World War when the lowest price they received for wheat was $3.48 per bushel. You farmers listening in at this time, if you are satisfied with the price the gamblers fix on your products, then turn from this hour happy and contented. If you are not satisfied with a gambler-fixed price, then turn from this hour and write your Congressman and Senators demanding them to support the Swank-Thomas bill. Call a mass meeting in your neighborhood and pass resolutions addressed to Hon. MARVIN JONES, chairman of the House Agricultural Committee, and Hon. CHARLES L. MCNARY, chairman of the Senate Agricultural Committee, demanding the Swank-Thomas bill be reported out at once.

FRAZIER BILL

In the series of the three bills none is more important than the refinancing bill introduced by Senator FRAZIER. Five State legislatures have passed resolutions memorializing Congress to enact the Frazier bill into law. Farmers owe so much that they can not pay the present high rates of interest and taxes. The Mid-West States are fast becoming the largest landholders in America. In the last few years, through tax sales, 70,000,000 acres of land have become the property of a dozen States. The Frazier bill provides for refinancing farmers on a basis of 1½ per cent interest and 1½ per cent payment on the principal each year—a total of 3 per cent per year. If the Frazier bill becomes a law, it means a reduction of total interest paid by farmers of at least $500,000,000 per year. Even though farmers were getting cost of production they could not pay their debts at the present high rates of interest, which means the Frazier bill is vital to the economic life of agriculture.

The Frazier bill has in it provision for the Government issuing money to loan to farmers to pay off their present indebtedness. It is estimated it would require three or four billion dollars to refinance those farmers who would make application. Everybody here in Washington, from the President down, now admits there is not enough money in circulation to do the business of the country. Every bill passed in this session of Congress has provisions for increasing the volume of currency, but on a basis of paying interest to bankers, which means increased taxes on the 120,000,000 common people of the country. The Frazier bill provides for Government money instead of bankers' money. It will be a source of revenue to the extent of 1½ per cent to the Government and thus will reduce the taxes of us 120,000,000 common people.

To all farmers listening in who are satisfied with the rates of interest they are paying I want you to turn from this hour smiling, happy, and contended, but to all those listening in who would like to have a loan on the terms of the Frazier bill turn from this hour determined to do your part to give your Congressmen and Senators the courage to look international bankers in the eye and say, "Get thee behind me, Satan."

WHEELER BILL S. 2487

Money is a crop, just like wheat or cotton. The value of the unit of a crop depends largely upon the size of the crop. When the crop of wheat is a small one the value of the unit, a bushel of wheat, goes up. When the crop of wheat is a large one the value of a bushel of wheat goes down. The same thing is true of the money crop. When there is a large crop of money the purchasing power of the unit of money, a dollar, goes down. When there is a small crop of money the purchasing power of the dollar goes up.

The money crop is by far the most important of any crop, because it measures to a large extent the value of all other crops. A high-priced dollar means a dollar that will buy a lot of wheat, a lot of cotton, a lot of any commodity. The important thing about change in the purchasing power of a dollar is its effect on fixed charges, such as taxes, debts, and interest on debts. Hence, the control of the money crop is the most powerful influence in the Nation.

The Constitution of the United States says, "Congress shall have power to coin and regulate the value of money." Regulating the value of money is done by controlling the volume of money. It was never intended that Congress should transfer this power to anybody else, but they did. In the national bank act of Civil War times, the demonetization of silver in 1873, and the Federal reserve act in 1914 Congress absolutely transferred the control of the money crop in the country to a handful of international bankers. They can make the crop big, as they did during the war, and the purchasing power of the dollar comes down.

May 1, 1920, the volume of money was so big in this country that a dollar would only buy one-third of a bushel of wheat. It would only buy 2½ pounds of cotton. It would buy less than 2 pounds of butterfat. Farmers and other people borrowed lots of money when it took so little of their product to purchase a dollar. Then out of a clear sky those who control the crop of money ordered the payment of notes and other obligations, and as fast as notes were paid currency was destroyed.

A little while ago I told you that one set of war profiteers are those who hold the obligation of the people and the Government. Let me amplify. The latter part of January, 1920, I was here in Washington attending to some business for members of the Oklahoma Farmers' Union, of which I was president at that time. While here I visited Mr. John Skelton Williams, who was the Comptroller of the Currency. I asked Mr. Williams, "When is deflation to begin?" He answered me, "The other members of the board have just voted for it to begin May 1 this year." Then he told me this sordid story. He said, "I told them that such a course would break lots of little country banks." He said, "They answered me that the little banks ought to break, there are too many of them." Tears were on his cheeks when he said that he told them "such a course would ruin lots of farmers, and that they cold-bloodedly replied, 'They ought to be ruined; they are getting so prosperous they won't work.'"

At that time there were 30,000 banks in this country. To-day there are about 20,000. Ten thousand have closed their doors. And I know I am conservative when I say that one-half the farmers have been ruined. I have a number of citizens to cor-

roborate this testimony of mine. I would have no trouble in establishing this in a court of record. I am telling it to you in order that you may know that this thing did not just happen. I want you to know it was deliberately planned and diabolically carried out. He who says no one is to blame is either an ignoramus or a knave.

As proof that I believed what Mr. Williams told me, I went back to my home in Oklahoma and on the 5th day of February, 1920, made a public sale. I did not wait to catalogue my registered shorthorns. I did not wait to get an expert auctioneer for the full-blooded livestock I put in that sale. I employed a farm auctioneer living there in the community and described the breeding of my livestock myself.

I expect there are farmers listening in at this hour who purchased cattle at my sale, with the banker standing at their elbow urging them to bid, assuring them that their note would be carried more than the six months for which it was being made. When the note was due six months later, that banker, through orders that came from the international bankers, forced those farmers to pay their notes, and many of them sold the same cattle at one-fourth of what they paid for them February 5, six months before. As further proof that I believed what Mr. Williams said, I was at that time editor of the Oklahoma Union Farmer, which went to every member of the Farmers' Union in Oklahoma. In the February 1st issue, 1920, I warned the members of what I had learned from the Comptroller of the Currency. I do not want you to blame the little banker in your town. He was as innocent as a baby and as surprised and shocked as you were when he was informed May 1st notes must be paid.

The job the Wheeler bill proposes to do is to break the strangle hold the international bankers have on the money crop of this country. I firmly believe there is no bill the international bankers will do more to defeat than the Wheeler bill, remonetizing silver. If you want to deal a blow to these pirates of finance, shower your Congressmen and Senators with letters, petitions, and telegrams until they have the courage to look an international banker in the eye and defy the power that has gripped your National Capital. The battle here is—

SILVER MONEY VERSUS BANKERS' DEBT MONEY

There was a $2,000,000,000 dole given to big business in a recent act of Congress, all based on a debt that bears interest, and to pay which taxes must be levied from the 120,000,000 common people.

Just recently a bill has passed both Houses and signed by the President giving additional control of the money crop to these international bankers up to at least a production of another $8,000,000,000. All of this is based on the interest plan, and the control completely in the hands of the international bankers' financial wrecking crew.

You should insist that your Congressmen and Senators vote for the remonetization of silver. If made a law, it will increase the volume of basic money in this country by $2,000,000,000 without cost to the taxpayers of the Nation. It is money over which international bankers have no control. It is the money of the 120,000,000 common people of our Nation. We have been robbed of our money; let us restore it to ourselves and give the 20,000 ultra-rich their money, the gold of the country. Gold is a note-increasing money, while silver is a note-reducing money.

My friend John M. Baer has drawn another cartoon showing these international bankers as note raisers. They took a farmer's note for $3,000 May 1, 1920, placing a mortgage on the farmer's land to secure the note. At that time 1,000 bushels of wheat in Chicago would have paid the note. These international bankers changed the 3 in that note to 18, which is raising it from a $3,000-note to an $18,000 one. In other words, with wheat at 50 cents a bushel it now takes 6,000 bushels to pay the $3,000 note. The same is true if measured in cotton, in pork, in beef, or most any farm commodity.

We must have the Wheeler bill in order to make it possible for us to pay the debts we made when wheat was $3 a bushel and cotton 40 cents a pound.

Gold is a trade-killer money while silver is a trade-getter money. Three-fourths of the people of the world can sell to us but can not buy from us, because we are on a gold standard and they are on a silver or bimetallic standard. Canada, since England has gone off the gold standard, can ship butter into this country, pay the tariff, take a gold dollar back and change it into $1.33 of their money, which, after paying the tariff, shows a profit. If the Wheeler bill were passed, in 30 days the nations of the world would be at our doors ready to buy products for which at the present we have no world market.

The prosperity and happiness of our people depends upon three things—production, distribution, and exchange. Two of these things are working—production and distribution. Production is working, as evidenced by the fact that the farmers' granaries are full and the manufacturers' warehouses are overflowing. Distribution is working. We eat strawberries in Washington to-day that were picked in Florida yesterday. The third thing—exchange—has fallen down. The gold standard has proven inadequate not only for this Nation but for the whole world as well.

Mr. L. D. Brandeis, a member of the United States Supreme Court, in a book written 10 years ago, entitled "Other People's Money and How the Bankers Use It," said: "We must break the Money Trust or the Money Trust will break us."

Sir Henry Deterding, head of Shell Oil Co., recently said: "This barring of silver is undoubtedly one of the main causes of the restriction of world trade to-day."

Roger Babson, the great economist, said September 28, 1931: "Silver will be remonetized. The purchasing power of silver thus restored will boost the purchasing power of countries on a silver basis. Until this is done the recovery of world business will be delayed."

Arthur Brisbane said recently: "The bankers want money as scarce as possible so that they may more easily control it and increase their power, but they are short-sighted and must realize soon that gold is too scarce and is actually cornered by two nations, leaving the others without real money to carry on the business of the world."

The recent bills passed by Congress to make more money not only are to be condemned because they are on a basis of paying interest to bankers but more to be condemned because they only pretend to be temporary relief. The bills themselves provide that the increased circulation shall be withdrawn at the end of a year.

If you are satisfied for international bankers to continue to control all the money crop, then turn from this hour happy and contented. On the other hand, if your soul rebels against what has been done and what is being done and you desire to add $2,000,000,000 to the world's supply of money, a permanent increase in the volume of our circulating medium, then neither eat nor sleep until you have done your duty as a citizen in securing the passage of the Wheeler bill by writing your Congressmen and Senators demanding that they support this measure.

THE FARMERS' UNION

The Farmers' Educational and Cooperative Union of America is just what its name implies—a class organization of farmers whose purpose is the educating of farmers to the end that they may cooperate. Education and cooperation are the two themes suggested in the full name of the organization. We are a militant farmers' class organization to which every farmer in the United States should belong. If every farmer in the Nation did belong, this thing could all be over in 10 days. There are a dozen ways we could get what is right if we were organized 100 per cent. If there is nothing done at this session of Congress to place agriculture on an equality with other industries, the fault will be with those farmers who have neglected to get into their own class organization, the Farmers' Union. Most other groups are into their unions 100 per cent, and I respect them for their intelligence in this matter. I have never been any place in the United States where the teachers were not members of their union to the last man or woman. I have never been any place where there was a nonunion banker—they all belong to their union. It is a mystery to me how some four or five million farmers in this country feel that they can get along without their organization when they see their business, laboring, and professional brothers organized 100 per cent. If it is necessary for all bankers to belong to their union in order to protect and better the conditions of their families, I am sure it is much more necessary for farmers to do the same thing.

Farmers listening in, as I close this talk, let me remind you that our enemies have said a million times and they express it in three words, "Farmers can't organize." Every farmer in the United States who is not a member of his class organization is a living witness to this statement of the enemy. I beg of you to become a member of your class organization. Do it at once. Quit bearing testimony for the enemy. Get on our side of the case and be a witness for us that farmers can organize. The enemy has three other words. You have heard them. They are, "Farmers won't stick." Ah, my brother member of the Farmers' Union out there in Colorado, in Oklahoma, Kansas, Nebraska, the Dakotas, Minnesota, Wisconsin, Iowa, and a dozen other States, you, who have not paid your dues for 1932, have been a living witness for the enemy for 1 month and 27 days. Oh, I urge you, I plead with you, go to the local secretary before the sun goes down and by paying your dues get on our side of the case and be a witness for us that farmers will stick.

I am pleading with all my soul for you to get into the union, and I warn you that the rumblings of revolution are at your door. I know you can hear it. I warn you that want and hunger have been allowed to enter millions of homes and remain there unmolested. I know you can see it. I warn you that greed and avarice, clothed in royal purple, are respected and adored here in Washington, while love and unselfishness go in rags and are shunned as things unclean.

PLATFORM ADOPTED BY DEMOCRATIC STATE CONVENTION OF OKLAHOMA

Mr. THOMAS of Oklahoma. Mr. President, a few days ago the dominant party in my State held a convention, adopted a platform, and selected delegates to attend the national convention in Chicago. The convention was harmonious, and undertook to interpret the issues and to suggest remedies.

The convention, without a dissenting voice, indorsed our governor, William H. Murray, for President; and inasmuch as the platform embodies the views of Governor Murray as to fundamental issues and suggested remedies, I ask unanimous consent that a copy of the platform be printed in the CONGRESSIONAL RECORD.

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

DEMOCRATIC PLATFORM SUBMITTED TO THE DEMOCRATIC STATE CONVENTION AT OKLAHOMA CITY, OKLA., ON FEBRUARY 20, 1932, BY GOV. WILLIAM H. MURRAY

FUNDAMENTALS

New issues arise and old issues perish, but the fundamental docrine of the Democratic Party must ever remain one and the same to-day as when these principles gave it birth—belief in written constitutional government of three departments, legislative, executive, and judicial, equal and coordinate, to the end that we may ever remain a government of laws and not a government of men, such laws to bear equally upon all without regard to class or class distinction, such government never to be too weak for the strong nor too strong for the weak. We believe in a perpetual union of indestructible States and in local self-government in fullest measure consistent with general public order and stability.

The democracy of Jefferson, the nationalism of Jackson, the progressive economic betterment of Wilson and Bryan, and the liberty of Lincoln, linked with the safeguards to the people and limitations of government under the Federal and State Constitutions, which Constitutions and all amendments thereto we pledge to enforce, is the pledge of the Democratic Party for the future of America.

All citizens of the Republic—Catholic or Protestant, Jew or Gentile, pagan or persons of any or no belief whatever be the race—rich or poor, of high or low estate, are under the same obligations to and are entitled to the equal protection of the laws and of the impartial rights of the Constitution. The poor and weak are always, and are now, the subject of special care and solicitude of government.

The Constitution, being the fundamental law—the sober second thought of the people, designed by them to establish orderly, efficient government, to define the powers of public officials, and to restrain themselves in moments of passion—and all amendments thereto, have been brought forward at the instance of the people of the several States and adopted free from fanaticism or party rancor. We hold that other changes of the Constitution or amendments adopted or repealed should come from the people and receive sanction by the States or people without party coercion.

The Democratic Party is, as its name implies, a party of the people, to serve the whole of humanity. It stands equally opposed to the cormorant and the commune—opposed alike to those on one side who want a few to own everything as well as those on the other who want no one to own anything. It stands for an equitable division of created wealth, under fair competition, regulated by just laws, restraining unscrupulous, intellectual, cunning, and corrupt combinations of capital and wealth.

We favor rigid honesty, economy, and efficiency in government, State and National.

We believe in peace, commerce, and honest friendship with all nations—entangling alliance with none.

We believe in industrial and social justice.

We believe in the equality of economic opportunity.

We believe that this country should be in the future, as in the past, "the land of opportunity," unfettered by privilege and unshackled by monopoly.

We believe that less taxes, more trade, and no trusts are essential alike to the emancipation and to the prosperity of the unprivileged masses.

PARAMOUNT ISSUES

We declare the paramount questions of the hour to be to provide for the unemployed; for the security of old age against hardships and poverty; and the economic betterment of the great middle class, now threatened with bankruptcy and extermination, which, if continued, would mean the erection in this fair land the social system of the Old World, with but two classes—the rich and the very poor—and, once poor, always poor, with no hope of advancement, social, financial, or political. In such a society, the rise of another Lincoln would be impossible. Personal and political liberty would perish, with economic enslavement of common humanity, and a political structure of the corrupt combination of corporate capital and wealth, supported and fostered by the abuse of the equity powers of courts through injunction, until the Republic ultimately became a veritable "government by injunction," enforced by marshals and military power, destroy entirely the rights of common humanity to those constitutional guarantees of freedom of speech, of action, and of thought, often recently perpetrated by the inferior Federal courts against the laboring man in his just demands for fair treatment and a living wage.

The restoration of the great middle class, we declare, must come through extending credit and banking privileges to the producers who operate the farm, the field, pasture, forest, and mines; to independent merchants; to the small manufacturers and little enterprises; to cease fostering stock and grain gambling and the speculator, who "neither sows nor reaps" nor adds one cent of wealth to the Nation nor employs labor. To this end we declare for the repeal of the 10 per cent tax passed by a Congress serving bondholders and the speculators of Wall Street and which tax drove out of existence the Scotch agricultural banks which had served so well the producers of the land since the formative period of the Government, from 1790 down to 1875.

We favor provision for the installation of the Scotch banking system for the producers and for the little manufacturer and commercial man; and, in the interest of a growing foreign commerce, the placing on the Federal banking board of the Federal reserve system no banker and substituting therefor qualified men in the fields of manufacture, transportation, production, and marketing as the first step toward the employment of labor.

We condemn the system of issuing bills of credit, bank notes, or currency based on debts, public or private, as a failure, in that it can not be the measure for needed extra currency; and we favor basing banking notes or currency on the product or article of value which made extra currency necessary as the true measure of needed extra currency and as sound in principle, in that it represents the exchange value of one product in exchange with another.

We hold that since Congress, under the Constitution, is authorized to coin money, that it is the duty of the Government to coin both gold and silver in sufficient quantity to meet the regular or normal demands of commerce and business and in aid further of the farmer and independent business man; that we declare for tax reform, State and National, based upon the ability to pay and the service of Government received, through a graduated income-tax system; for economy in government by abolishing all unnecessary boards and commissions, and by preventing duplication of service, so that coordinated government may take the place of our bureaucratic system, for, wherever in the world, ancient and modern, bureaucratic government has existed, it has been attended by lawless administration, extravagance, and corruption, and fostered, as in ancient times, by limitation on the freedom of speech and, in modern times, by poisoning the source of information, which inevitably results in erroneous conclusions of the citizen on public measures and administrations through false information.

The Democratic Party believes in a government in strict conformity with the Constitution of the United States in all the branches—executive, congressional, and judicial—and deplores the practice of the inferior Federal courts for the past 30 years in their exercising powers not within their jurisdiction, often arbitrary to the extent of nullifying the freedom of speech, freedom of the press, and freedom of action, particularly in labor controversies, and in the interest of great corporations, creating for them a "twilight zone" of escape from control both by the Federal and State Governments, and exemptions from the payment of their just share of taxes to both Governments; and the Democratic Party pledges a strenuous effort to resist such usurpation of power, and pledges its Members of Congress to impeach any Federal judge who, in the future, by abuse of his equity power, attempts to destroy the provisions of the Constitution of the United States, particularly those clauses guaranteeing freedom of the press and freedom of speech and the eleventh amendment.

The eleventh amendment of the Constitution of the United States was adopted alone, and expressly provides that the judicial power of the Federal courts shall not extend to the right of a citizen, natural or corporate, to drag a sovereign State into the courts; and, notwithstanding such provision, the Federal courts in the past several decades have repeatedly issued writs of injunction against and sought to bring into court the sovereign States of the Union, in violation of the eleventh amendment.

The Democratic Party condemns the present policy of the Republican Party in promoting the loans of international bankers directly to foreign nations, for the reason that it involves our Nation, and causes us to be interested in the political fortunes of the administration and forms of government of such nations, through fear of loss of such loans. The Democratic Party would rather promote such loans to the development of foreign countries through private grants to private enterprises, thus giving an outlet to professional engineers and other skilled Americans, and, at the same time, an outlet through such enterprises for the sale of American agricultural and manufactured articles. We declare that the American Government and its citizens will ever applaud and encourage democracy in governments with republican forms, but that the form of government in other nations is not our concern, otherwise we must needs become embroiled in their controversies, fanaticism, and hate, which invariably endangers our peace and safety.

We are opposed to repudiation and we believe in national honor; we call upon the nations of Europe to preserve theirs by making a sincere effort to pay their obligations to us in the same coin received, and not be their irate idiaoma. We are generous enough to indulge those who require more time for the discharge of their obligations, but do not sanction repudiation of them.

The Democratic Party is a party of international peace, which can be attained by justice and fair play; and that policy of justice toward the nationals of other nations, and between ours and theirs, the Democratic Party will ever seek to do, to exact, and to perform, as the surest and safest method of promoting international peace. We believe in the reduction of the world's armament, and pledge our reduction in proportion to their reduction, and we further declare that not another dollar shall be loaned by American capitalists to any nation to construct battleships or armaments or ordnances for war.

The rights of an American citizen should be protected wherever he may be lawfully found—whether on the border, the high seas, or in foreign lands. Throughout the world the Stars and Stripes should be to him an ever safe shield.

The Democratic Party believes in promoting our foreign commerce, in continuing our commerce to its normal, natural strength in Europe and through the "open-door" policy in the Orient, but with special effort in Latin America, as providing an outlet for our agricultural and manufactured products, where conflicts are least likely to occur to disturb our foreign relations and peace with neighboring nations; for the further reason that Latin America can furnish us with coffee, rubber, hardwoods, and all

other raw materials needed, and we can furnish Latin America with all the products they need, thus promoting trade by providing cargo each way and a balance in the exchange of the moneys. We favor the continuation of the policy of reciprocity with Latin America, and extending it so as to give outlet for the products of the farm as well as those of the manufacturer. We believe in the most cordial and cooperative relations with all of Latin America, without interfering with the political or social problems of any of them.

The Democratic Party stands for the preservation of the Monroe doctrine, with a view to preserving the Western Hemisphere from the schemes of monarchal Europe and to secure the safety and justice throughout the Western Hemisphere, with the corollary of that doctrine growing out of the American-Isthmian policy in the construction of the Panama Canal and the purpose to construct the Nicaragua Canal. Since said canal, in a very great measure, increases our naval strength, by permitting the mobilization of the Pacific and Atlantic squadrons on either coast readily in case of attack on either shore, and since the Nicaragua Canal would shorten the distance of travel between the Atlantic and Pacific seaboards approximately five days, the construction of such canal would thereby further increase our naval strength as well as aid commerce in the world's trade; and since we hold by treaty agreement with Nicaragua the right to construct such canal, and since two canals would be needed to facilitate the world's commerce, and one would be a protection to the other against bombing planes in case of war, we therefore favor the construction of the Nicaragua canal as speedily as the financial condition of the country will permit.

The Democratic Party believes in a small skeleton Army, consisting of a full quota of well-trained officers, artillery, airplanes, and coast defense, which require great length of time for preparation or construction, with the smallest possible private soldiery consistent with safety in time of peace, for a citizen soldiery can always be readily organized for service, while it requires years to train good officers and to construct fortifications.

In all future wars the Democratic Party favors conscripting both men and property for the purpose of war.

The American people have always had the good sense to support appropriations for an adequate Navy, which is more necessary now than heretofore, because of our great length of coast, and for the protection of our ever-growing foreign commerce, and developing and extending merchant marine.

We are proud of the achievements in the past of the American Navy, in that it destroyed the opposing fleet in most of the wars in which we have been engaged, and has never been whipped in battle.

The inferior Federal courts, in passing upon questions growing out of the interstate commerce laws, have created a "twilight zone," which has hampered and restricted the States in the taxation of property and business employed in interstate commerce within the several States, upon equal terms with the taxation of property and business employed in intrastate commerce; thus permitting such property and business employed in interstate commerce to escape fair and just taxation by the States. Therefore, it is the sense of the Democratic Party that Congress should pass such legislation as will clarify and define the power of the States to levy equal taxation upon the property and business employed in both interstate and intrastate commerce within the several States, as has been done by Congress in clarifying and defining the power of the States to levy taxes upon national banks and the property of Indian tribes; and, to that end, we favor Senate bill 3074 (72d Cong., 1st sess.), now pending before the Committee on Finance.

In the enactment of income tax laws we favor the highest rates on excess salaries paid to managers and officers of corporations to discourage them, as a just measure in the interest of the stockholders whose just shares of profits are too often consumed by the managers of the concern to whom the citizen has entrusted his surplus earnings; with a like heavy tax upon large inheritances and corporations or persons who may show a net excess profit annually as a just tribute to the public upon excess profits and monopolies. These excess and unjust profits were taken from the public, and, in justice, should be returned to the public, through taxation.

In the law governing the assessing of income tax, a corporation should have all of its subsidiaries and holding companies considered and assessed as one concern; and thus defeat the cunning effort to deprive either the State or Nation of its just proportion of taxes.

We believe in extending equal benefits of tariff laws to the farmer and all producers of raw materials, as provided for the manufacturers; we believe in a tariff that would equal the difference of cost at home and abroad. Under such a tariff, monopoly can never arise; competition is always fostered, and the largest encouragement given to foreign trade. We condemn the Republican high protection tariff, for the reason that such tariff produces no revenue, but fosters monopoly, and destroys foreign trade, and it has been one of the most potent contributing causes of the present panic and of our army of unemployed.

The Democratic Party proclaims, as of first importance, for the betterment of all producers—the farmer, the stock grower, the fruit grower, and gardener—by extending easy credit at the lowest rate of interest, permitting them to move, hold, and market the products and by providing sure and certain markets with living profits, and for this purpose we reaffirm the platform of agricultural betterment adopted at Houston, Tex., in 1928.

The principle is fundamentally sound to encourage the ownership of farm lands in small tracts by actual farm home owners. We therefore favor legislation, State and national, that will discourage and prevent our farms becoming permanently owned or controlled by corporations, with additional provision to aid the actual home owners to acquire homes for themselves and families, with either abolition of or at least a limit to a minimum the amount of ad valorem tax that may be collected on the homes of the people. We hold that every law, State and national, should have for its ultimate purpose the fortification of the home, the protection of the family, the security of wife and mother, that they may develop and train up healthy children to become sober, moral, and law-abiding citizens, as the only sure guarantee of the perpetuity of the Republic.

We favor the conservation of our natural resources now rapidly becoming exhausted—the fertility of the soil, the forests, oil and gas, lead, copper, and zinc, and other minerals. To promote this service we favor invoking the power of "the league of States" and treaties with the States and the Federal Government defining the duties of each, as was done to decide the controversy of the source of the waters of the Boulder Dam project, as the surest plan for the conservation of these natural resources and for remuneration of enterprises developing these natural resources as the best way under the Constitution of the United States.

The Democratic Party, as a matter of common justice, favors paying speedily the remainder of the bonus due the veterans of the World War; and further, because these payments being paid in all parts of the country will prove an economic betterment to all classes of business and enterprises in all sections of the Republic.

The Democratic Party pledges to operate the Government within the revenues, and to make payment of the public debt as speedily as it is possible so to do. The payment of the public debt and stop increasing it is the surest method of extinguishing the overhead, which produces the high cost of living and increased taxation.

We stand for the principles of Jefferson; we declare the foregoing as of paramount importance, and we reaffirm the party's declaration of principles in the most recently adopted platform, as fully and as completely as if repeated here, as adopted in Tulsa in 1930, and in Houston in 1928; and, upon the foregoing declaration of principles, sincerely approved, we appeal to all Americans to unite with us upon them, and to support candidates only for public office who will honestly endeavor to carry them out.

PROPOSED ANTI-INJUNCTION LEGISLATION

The Senate resumed the consideration of the bill (S. 935) to amend the Judicial Code and to define and limit the jurisdiction of courts sitting in equity, and for other purposes.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Montana [Mr. WALSH].

Mr. WALSH of Montana. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

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

Ashurst	Couzens	Hull	Robinson, Ind.
Austin	Cutting	Johnson	Schall
Bankhead	Dale	Jones	Sheppard
Barbour	Davis	Kean	Shipstead
Barkley	Dickinson	Kendrick	Smith
Bingham	Dill	Keyes	Smoot
Black	Fess	King	Steiwer
Blaine	Fletcher	La Follette	Stephens
Borah	Frazier	Lewis	Thomas, Idaho
Bratton	George	Logan	Thomas, Okla.
Brookhart	Glass	McGill	Townsend
Broussard	Glenn	McNary	Trammell
Bulkley	Goldsborough	Metcalf	Tydings
Bulow	Gore	Morrison	Vandenberg
Byrnes	Hale	Moses	Wagner
Capper	Harrison	Neely	Walsh, Mass.
Caraway	Hastings	Norbeck	Walsh, Mont.
Carey	Hatfield	Norris	Waterman
Connally	Hawes	Nye	Watson
Coolidge	Hayden	Oddie	Wheeler
Copeland	Hebert	Patterson	White
Costigan	Howell	Reed	

The PRESIDING OFFICER. Eighty-seven Senators having answered to their names, a quorum is present. The clerk will state the amendment offered by the Senator from Montana [Mr. WALSH].

The CHIEF CLERK. On page 6, the Senator from Montana proposes, in line 7, before the word "committed," to insert the words "threatened or," so that if amended it will read:

(a) That unlawful acts have been threatened or committed and will be continued unless restrained.

Mr. WALSH of Montana. Mr. President, I rise simply to say that if the amendment should be adopted I shall ask that the bill be further amended by the insertion, after the

word "be," in line 8, of the words "committed or," so that it will read:

That unlawful acts have been threatened or committed and will be committed or continued unless restrained.

I understand that in the event of the adoption of these amendments the Senator from Nebraska [Mr. NORRIS] has an amendment to offer which will further guard against abuses of the writ, in which amendment I quite heartily concur.

Mr. HEBERT. Mr. President, the amendment of the minority applying to that clause reads as follows, and I commend it to the attention of the Senator from Montana:

(a) That unlawful acts have been threatened or committed and will be executed or continued unless restrained.

It occurred to me that the language was a little better and applied to both contingencies. I will read it again for the information of the Senator:

That unlawful acts have been threatened or committed and will be executed or continued unless restrained.

Mr. WALSH of Montana. That is exactly the same as the language proposed by me, except that I have used the word "committed" instead of "executed."

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Montana.

Mr. NORRIS. Mr. President, I have reached a complete understanding with the Senator from Montana, if it is agreeable to the Senate. I shall have no objection to this amendment of the Senator from Montana if, at the end of line 8, certain language is added, which I shall read in a moment. I desire simply to state that unless modified in some way, and this amendment agreed to, it seems to me there would be great possibility of damage and injury that we are not thinking about.

As I tried to say on Friday, we ought to be, I think, extremely careful lest an unfriendly Federal district judge do what some Federal district judges have been doing during the last 10 years, and which, as a matter of fact, has been mainly responsible for the demands for reform that have become almost universal.

For instance, to be specific, one of these district judges held that the organization of the United Mine Workers of America, standing alone and of itself, was an illegal act, and a violation of the antitrust laws of the United States. To the credit of the Supreme Court be it said that, although they affirmed the judgment, they set aside that part, and distinctly stated that no such finding was justified, and that no such conclusion could be drawn as a matter of law. I mention that only to illustrate the difficulty.

Suppose the amendment of the Senator from Montana were agreed to; and, as I said the other day, if we were going always into an unbiased and unprejudiced court, I would not object to it, because it is the language usually used in a statute affecting injunctions. But suppose there were danger of a strike, and a union had a dispute with the owners of a mine, let us say. Let us suppose they were trying to adjust the difficulties, perhaps a question of wages, perhaps the question of working conditions, perhaps both. They may not have reached an agreement, and the union finally notifies the operator of the mine that they want a conference, and the operator of the mine says, "There is no use of a conference; I have nothing to confer with you about." Finally the union serves notice on the operator to this effect, "Unless you will give us a conference within 10 days from the date of this letter to take up with you working conditions and our wages," or whatever might be in dispute, "we will order a strike." That is all that will be necessary for some of the Federal district judges. They will say, "That is a threat," and they will issue an injunction on that statement.

I only offer that as an example. There are thousands of other ways in which it might arise. So I have submitted to the Senator from Montana a proposition to strike out, at the end of line 8, page 6, the semicolon and to insert a comma and this language, "But no injunction or temporary restraining order shall be issued on account of any threat or unlawful act excepting against the person or persons making the threat"——

Mr. WALSH of Montana. It should be "threat of an unlawful act," should it not?

Mr. NORRIS. I think that is what it means. It would be all right to ask that, although as a matter of fact I do not have it that way on the paper before me.

Mr. WALSH of Montana. The Senator read it "or" instead of "of."

Mr. NORRIS. Let me read it again. "But no injunction or temporary restraining order shall be issued on account of any threat or unlawful act." What does the Senator want?

Mr. WALSH of Montana. It should be "of unlawful act."

Mr. NORRIS. This particular subsection refers to unlawful acts just as well as to threats.

Mr. WALSH of Montana. Yes; the section refers to unlawful acts committed, and the amendment proposes to add "unlawful acts threatened." The "committed" seems to be taken care of, and the Senator simply wants to take care of the matter of threats.

Mr. NORRIS. Yes.

Mr. WALSH of Montana. It should be, then, "No injunction or temporary restraining order shall be issued on account of any threat of an unlawful act."

Mr. NORRIS. I want to include everything that is included in the language. I am perfectly willing to say "threat of an unlawful act" because that is what I mean, but I was including also unlawful acts of themselves.

Does the Senator want the court to have power to issue an injunction on account of an unlawful act against somebody who is not claimed to have committed an unlawful act? Why not include unlawful acts the same as threats?

Mr. WALSH of Montana. I have no objection to including them.

Mr. NORRIS. That is all I have tried to do.

Mr. BRATTON. Mr. President, let me inquire where the proposed amendment is to come.

Mr. NORRIS. At the end of line 8, on page 6.

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

Mr. NORRIS. I yield.

Mr. KING. I want to ask the Senator, because I want to be clear as to the point he is making, whether he believes that no injunction should issue under any circumstances on account of unlawful acts.

Mr. NORRIS. No.

Mr. KING. If a man threatens to burn a bridge over which a train is to go, should not an injunction issue?

Mr. NORRIS. Yes; and this is going to permit it.

Mr. KING. I may not understand the effect of the Senator's amendment.

Mr. NORRIS. Suppose we say, "If you make a threat to burn a bridge." Senators have great concern about this bridge. Several Senators talked about it on Friday. I do not know just where the bridge is, but I think it was said to be located in Texas. Great concern was manifested about a threat to burn a bridge, and Senators said we ought to leave the law so that if anybody made a threat to burn that bridge he could be enjoined. I have no objection to that, and that is what I am trying to do; but I do not want a court to have power to issue an injunction on account of a threat made to burn a bridge against somebody who did not make the threat to burn the bridge. That is what I am trying to protect in this amendment.

Mr. WALSH of Montana. Mr. President, the Senator has not yet had an opportunity to read his amendment.

Mr. NORRIS. No; I have not yet had opportunity to read the amendment I am suggesting. That is what I am trying to do, and what I have said as preliminary is that I am afraid that if we do not do something of the kind, some Federal judge will do the very thing I am afraid of; that is, will issue an injunction because he finds that on general conditions there is a threat to strike, with all the difficulties that usually follow; that a strike is going to take place; and that there will be arson, murder, assault and battery, robbery, and everything. If a union says, "We are going to strike," he would consider that a threat. I want to provide that

although he shall have power to issue an injunction against the man who threatened to burn this sacred bridge, he shall not issue an injunction, on account of somebody threatening to burn that bridge, against somebody who has never heard of the bridge and who has not had anything to do with it.

This is the language. I will start to read it again:

But no injunction or temporary restraining order shall be issued on account of any threat or unlawful act excepting against the person or persons making the threat or committing the unlawful act, or who actually authorizes the same or ratifies the same after actual knowledge thereof.

With that language added I have no objection to the Senator's amendment.

Mr. WALSH of Montana. Mr. President, the amendment is entirely satisfactory to me and if we may have unanimous consent I shall ask that the amendment first offered by me, the amendment by which the words "committed or" shall be inserted after "be" in line 8, and the amendment now offered by the Senator may be voted on en bloc.

Mr. NORRIS. That would settle it.

Mr. WALSH of Montana. I want to add that I understand the position taken by the Senator from Nebraska perfectly, and I am entirely with him in the proposition.

Here is a great national organization, and some individual being a member of a constituent organization makes a threat that he is going to do some damage to the property of the employer. Or, we will say, even some local union makes a threat that it is going to do some damage. I do not want an injunction to go against the officers of the national organization, who perhaps have sent out instructions that every effort is to be made to preserve order and to prevent unlawful acts by anyone. Yet these injunctions go, and have gone repeatedly, against the national officers who have taken those very precautions, because some subordinate union or some irresponsible individual has made threats or actually done damage. I think the amendment offered by the Senator from Nebraska is quite proper.

The PRESIDING OFFICER. The Senator from Montana asks unanimous consent that the three amendments may be offered en bloc.

Mr. REED. Mr. President, I shall have to object to the unanimous-consent request. If I may have the floor for a minute, I would like to explain my objection.

I think the amendment offered by the Senator from Montana to include the words "threatened or committed" is entirely wise, and I want the opportunity to support it without having at the same time to seem to support the suggestion offered by the Senator from Nebraska.

If we may imagine the circumstances reversed for a moment, let us suppose that there is a group of mine owners, one of whom makes the statement that "We are going to burn down the headquarters of the United Mine Workers," and the United Mine Workers properly, naturally, file a bill to stop any such performance. Would it be said, in justice, Mr. President, that that injunction should be limited to the single one of the group who made that threat against the property of the mine union? I should say that, obviously, those associated with him, who might naturally be expected to act with him, ought to be included. But if there be one of them who has notoriously protested against this proposed illegal act, naturally the court should not include that person within the scope of the injunction.

So, if the national officers of a union are doing their best to prevent disorder and unlawful acts, no court is justified in including those national officers in any injunction directed against those who threaten disorder. It is highly unjust to include them. But the remedy for the sort of abuse of discretion, spoken of by the Senator from Nebraska, is not to change the law, but to correct the order of the court in the particular case. The remedy is not to burn down your house to get rid of vermin, and we should not spoil the law in order to prevent an occasional abuse of discretion. There is a proper method provided for correcting abuses of discretion.

By such amendments as this one proposed by the Senator from Nebraska I am afraid we will do more damage to the law than will be justified by the injustices we correct. For this reason I feel that I must object to the unanimous-consent request, because I want to vote in favor of the amendment of the Senator from Montana and against the amendment of the Senator from Nebraska.

Mr. NORRIS. Mr. President, I think I ought to use this occasion to discuss this question of threats. I am not going to object to the amendment offered by the Senator from Montana, but I am going on the theory that, after his amendment shall have been agreed to, this amendment, which has been read, can be offered following it, and that the Senate will add this amendment, so as to accomplish in the end just what the Senator from Montana wanted to accomplish when he asked unanimous consent to vote on both amendments at the same time.

Very much has been said about this threat, and I think we have overestimated the necessity of putting that in the Federal law. As I have tried to say several times, this bill is to correct some of the things done mostly by inferior Federal district judges.

The harm of an injunction ninety-nine times out of one hundred is done and the injustice is completed within a few days after the restraining order is issued. Men are frightened into submission. Even if that be not true, in the great majority of instances the men are financially unable to carry their cases to the Supreme Court of the United States. It is because we have some such judges that this legislation is necessary. I do not think I need now go into any detail and call attention to some of the actual injunctions which have been issued. We have read many of them to the Senate. I have dozens more that I could add to the list if I wanted to do so. I have had them here on my desk. But I believe we have covered that ground. Now let us realize just what we are trying to do.

The Senator from Pennsylvania says that the way to correct the situation is to correct the order of the judge itself.

The only way to correct such an order is to take an appeal. But by the time such an appeal goes to the Supreme Court of the United States in most cases the backbones of the laboring men have been broken, their organizations practically destroyed. The damage has been done, and the evil has occurred. As was said in one of the cases by the judge, "The organization of the union is itself an unlawful act," and he enjoined it because it was in conflict, he said, with the antitrust laws of the United States.

Mr. REED. Mr. President——

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

Mr. NORRIS. Certainly.

Mr. REED. The Senator agrees, of course, that such a ruling was preposterous?

Mr. NORRIS. Yes; I think so.

Mr. REED. And the Circuit Court of Appeals would have said so beyond a doubt if the case had been taken to them, would they not?

Mr. NORRIS. They ought to have said so. I do not think they have always done so. In that case the Supreme Court set aside the finding of the lower court.

Mr. REED. Of course, everyone knew that they would do so.

Mr. NORRIS. But what happened in the meantime? Two or three years' time elapsed and the poor devils who were trying to improve their conditions in the mines were whipped completely. There was nothing left of them. They had nothing to fight for. The injunction issued by the district judge had in effect wiped them off the face of the earth.

Mr. REED. The Senator does not mean that the United Mine Workers of America went out of existence?

Mr. NORRIS. No; but they lost the strike a good many times. In the Hitchman case they lost out completely long before the Supreme Court had passed on the question.

Mr. REED. But the order said that the organization was unlawful.

Mr. NORRIS. Yes.

Mr. REED. That order was to my mind preposterous.

Mr. NORRIS. I think so.

Mr. REED. It should have been set aside. It should have been appealed even more promptly than it was.

Mr. NORRIS. Exactly.

Mr. REED. How can we prevent abuses of discretion by changing the law in this way?

Mr. NORRIS. This will prevent it, I think. In other words, the Senator from Pennsylvania, it seems to me, with due respect to him and his great ability, is in this position. He says, "I am in favor of an amendment which will enable somebody to get an injunction because a threat has been made." I offer an amendment and the only object on earth that I have in offering it, and the only effect of it is to say, "Yes; issue an injunction on account of a threat; but if you do so, you must not enjoin anybody who did not make the threat or commit any unlawful act." The Senator from Pennsylvania says, "No; we can not stand for that."

Mr. REED. What I am puzzled about is this: Here is a judge who makes a perfectly preposterous order which is contrary to the law as it now stands, if I understand the law. How are we going to reform that judge by merely restating what the law is to-day?

Mr. NORRIS. We are up against a difficult proposition.

Mr. REED. If he does not observe the law in one case he may not observe it in another case.

Mr. NORRIS. But we have such judges; and as long as judges are appointed as now, and as they probably will be long after I am gone, we will continually here and there have the same kind of judges. Why, some of the great mining corporations undoubtedly were themselves the very moving spirit that put upon the Federal bench for life the very man that issued such injunctions at their behest. There is no question about it. Political influence was sufficient on the part of many of the great corporations to name a Federal judge and, of course, to name him for life. Naturally, such corporations got the injunctions they wanted, as a rule.

Mr. WALSH of Montana. Mr. President——

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

Mr. WALSH of Montana. I want to say a word in connection with a remark made by the Senator from Pennsylvania, who spoke about the correction of injunctional orders on appeal. We have endeavored in the framing of the bill to take care of the matter of appeals as best we possibly can; but no matter what we do about it, the appeal is no relief whatever, as the thing is all ended long before the appeal can be heard either one way or the other. Either the strike prevails or it does not prevail, so the matter of appeal is of no particular consequence.

This is the more important question. In practically all these cases the officers of the union are made defendants, and in many other cases the officers of the national organization are made defendants. They are all charged with being engaged in a conspiracy. When the injunction issues it is supposed that the judge has at least temporarily reached the conclusion that those people are all engaged in a conspiracy. A conspiracy is, in the public mind, a rather grave offense. So the matter of the issuance of an injunction becomes a part of the strategy of the strike. It is sought not for the purpose of bringing anybody before the court eventually and punishing them for contempt, but it is sought for the purpose of influencing public opinion. If only an injunction can be had against the national officers of the organization upon the ground that they are engaged in a conspiracy, there is a very great point made in the strategy of the strike.

Mr. REED. The Senator can readily see that if they are engaged in such a conspiracy the injunction is justified, but there ought to be proof that they are so engaged. If the Senator were on the bench and, I hope, if I were on the bench, we would not enjoin anybody as a conspirator without proof of the conspiracy. If there is a conspiracy, then the injunction ought to issue.

Mr. WALSH of Montana. We are talking in the first place about the matter of threats. When threats are made we want to confine the proceeding to those who are responsible for the threats. That is what we are seeking to do.

Mr. REED. It seems to me the courts would do that anyway. They ought to do it.

Mr. NORRIS. I think they ought to do it; I am frank to concede that. But the courts have not always done it; and, as one man expressed it, if we are going to get any relief out of an injunction bill, we must make it crystal clear, so that no judge can get away from it. If we do not, a willing judge will get away from it.

Mr. REED. It seems to me the law is crystal clear right now that no injunction should issue without proof of the existence of such a conspiracy or threat by the person enjoined.

Mr. NORRIS. All that is true. All the amendment does is to confine the judge when he issues his injunction, so that he can not issue it against me, for instance, if the Senator from Rhode Island [Mr. HEBERT] is the man who makes the threat, unless I authorize the threat or unless I agree to it after it is made and with knowledge of it.

Mr. REED. Suppose the Senator from Nebraska were in a conspiracy to burn my house, and yet the Senator from Nebraska, although he was in the conspiracy, was wise enough not to say anything threatening, but some of his fellow conspirators did do it. Then ought not the injunction to go against the Senator from Nebraska?

Mr. NORRIS. Yes. The Senator has put a case where it ought to, but we are not talking about a conspiracy here. There is nothing in this proposal about conspiracy. The Senator is getting away from the question at issue. Here is the proposal. If the court issues an injunction, not because of the conspiracy but because somebody made a threat, then he must issue it against the men that made the threat.

Mr. REED. Oh, no.

Mr. NORRIS. Oh, yes; and that is what the amendment proposes, and nothing else.

Mr. REED. One of the conspirators makes a threat——

Mr. NORRIS. Oh, no; there are no conspirators in the case we are talking about. If he gets an injunction on the ground of conspiracy, and if the Senator proves that I am one of the conspirators, then I am bound by both the actions and threats of my coconspirators.

Mr. REED. I concede the Senator ought to be bound, but under the language of his proposed amendment I rather doubt it.

Mr. NORRIS. Oh, no; I would not be touched. It has no application to such a case. Just read the language.

Mr. REED. It seems to me it very clearly has application.

Mr. NORRIS. If the language was "where an injunction has been issued on the ground of conspiracy," and then followed by this language, it would be an entirely different proposition, but the language is "where an injunction has been issued because of a threat," so that then it must run against the men who made the threat.

Mr. HEBERT. Mr. President——

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

Mr. NORRIS. Certainly.

Mr. HEBERT. The Senator from Nebraska said, in answer to the hypothetical case cited by the Senator from Pennsylvania, that in the case of a conspiracy all of the conspirators could be enjoined. I wonder if that is so in the light of section 5 of the bill as it has been agreed to. I read:

> SEC. 5. No court of the United States shall have jurisdiction to issue a restraining order or temporary or permanent injunction upon the ground that any of the persons participating or interested in a labor dispute constitute or are engaged in an unlawful combination or conspiracy because of the doing in concert of the acts enumerated in section 4 of this act.

Mr. NORRIS. In other words, we first take up section 4 and specifically enumerate a number of things for the doing of which no injunction shall be issued. Section 5 simply provides that those things which we have specifically permitted in section 4 shall not constitute a conspiracy when two or more of those people agree to do what we have already decided any one of them can do. Just go back to section 4 for a moment. Eventually I will get back to the

case before us. I am now getting away from it, not because I want to but because Senators have led me away from it. Let me read section 4:

No court of the United States shall have jurisdiction to issue any restraining order or temporary or permanent injunction in any case involving or growing out of any labor dispute to prohibit any person or persons participating or interest in such dispute (as these terms are herein defined) from doing, whether singly or in concert, any of the following acts.

Section 5 says that the doing of those acts shall not be held by a court to be a conspiracy. In section 4 we already say they are legal and that no injunction shall be issued against anyone, even though there are several of them who have agreed to unite in any one of them. Let us see what they are.

(a) Ceasing or refusing to perform any work or to remain in any relation of employment.

(b) Becoming or remaining a member of any labor organization or of any employer organization—

That applies to the other side just as well—

regardless of any such undertaking or promise as is described in section 3 of this act.

That has reference to the "yellow-dog" contract.

(c) Paying or giving to or withholding from any person participating or interested in such labor dispute any strike or unemployment benefits or insurance, or other moneys or things of value;

(d) By all lawful means aiding any person participating or interested in any labor dispute who is being proceeded against in or is prosecuting any action or suit in any court of the United States or of any State;

(e) Giving publicity to the existence of, or the facts involved in, any labor dispute, whether by advertising, speaking, patrolling, or by any other method not involving fraud or violence;

(f) Assembling peaceably to act or to organize to act in promotion of their interests in a labor dispute;

(g) Advising or notifying any person of an intention to do any of the acts heretofore specified;

(h) Agreeing with other persons to do or not to do any of the acts heretofore specified; and

(i) Advising, urging, or otherwise causing or inducing without fraud or violence the acts heretofore specified, regardless of any such undertaking or promise as is described in section 3 of this act.

Again referring to the "yellow-dog" contract.

Is there anybody who objects to any one of those recitals? Is there anything in any one of them that is unfair? This amendment simply provides that two or more laboring men who agree to do any one of the acts I have enumerated shall not be held to be guilty of a conspiracy. What is wrong about that, I ask any fair-minded man on earth? In any other case except a case involving a labor dispute one would be laughed out of court if he tried to charge a conspiracy on evidence as to any of the acts enumerated in the provisions I have read. Such a charge would apply nowhere and never has been made, so far as I know, except against men who toil, and, as a rule, against men who toil down in the bowels of the earth in the mines.

Mr. BRATTON. Mr. President——

The VICE PRESIDENT. Does the Senator from Nebraska yield to the Senator from New Mexico?

Mr. NORRIS. I yield.

Mr. BRATTON. The hypothetical case stated by the Senator from Pennsylvania on which the Senator from Rhode Island predicates his question involves the commission of an unlawful act——

Mr. NORRIS. Yes.

Mr. BRATTON. Such as the destruction of property, which is a violation of a penal statute. Of course, if several persons should conspire to do that all the conspirators could be enjoined.

Mr. NORRIS. Yes.

Mr. BRATTON. The difference is that the acts enumerated in section 4 are perfectly legal.

Mr. NORRIS. We have declared them to be so, although it ought not to be necessary to do so.

Mr. BRATTON. It should not be necessary.

Mr. NORRIS. It would not be in any other kind of a dispute except a labor dispute.

Mr. BRATTON. The hypothetical case presented to the Senator from Nebraska is an out-and-out case involving violation of a penal statute.

Mr. NORRIS. Yes, sir.

Mr. REED. Mr. President, will the Senator pardon an interruption?

The VICE PRESIDENT. Does the Senator from Nebraska yield to the Senator from Pennsylvania?

Mr. NORRIS. I yield.

Mr. REED. I do not think that section 4 or section 5 have any application to such a case as I have suggested.

Mr. NORRIS. I will say to the Senator that is just what I said. I said I was going to enter upon that particular ground because the Senator led me there. He has talked about a conspiracy, when section 5 refers to a conspiracy, and that is what the Senator from Rhode Island read as an answer. I have been trying to show all this time that it has not anything more to do with the immediate question than last year's bird's nest; we are not talking about a conspiracy but about an illegal act.

Mr. REED. Will the Senator answer my question, which is, Why would not the language of his proposed amendment make it impossible for a Federal court to issue an injunction against those members of a conspiracy who had not actually made the threat?

Mr. NORRIS. I think I have answered the Senator's question several times. It has not any relation to a conspiracy. It simply says to the court, "If you issue an injunction on the ground that somebody has made a threat to commit an unlawful act, then you must confine your injunction to the man who made the threat or the man who committed the unlawful act." That is all it does.

Mr. REED. Then it prevents the issuance of an injunction against those conspirators who are silent.

Mr. NORRIS. No.

Mr. REED. It seems to me it does.

Mr. NORRIS. The Senator assumes there are some conspirators; I am taking a case where there is no conspiracy.

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

The VICE PRESIDENT. Does the Senator from Nebraska yield to the Senator from Rhode Island?

Mr. NORRIS. I yield.

Mr. HEBERT. Let us assume that a group of individuals meet together at some common meeting place; that there is a spokesman; that all join in agreeing with the spokesman as to what shall be done, and the spokesman suggests the burning of a house or the destruction of some property; all join in; everybody there is agreed. Under the Senator's amendment, the question in my mind is whether those who attended that meeting and joined in its purposes and were in accord with the man who suggested the damage could be enjoined?

Mr. NORRIS. Again the Senator has put a case; let us take that case verbatim, as he puts it. What is the ground for an injunction on the statement the Senator has made? The ground is, under his own statement, that a conspiracy exists. It will be alleged in the petition and the evidence will go to show that certain men have conspired together. This amendment has not anything whatever to do with such a case. In it an injunction is sought on the ground that a conspiracy has been unearthed. This amendment only applies to a case where an injunction is sought against a man because he committed an unlawful act or threatened to commit an unlawful act.

Mr. HEBERT. I confess, Mr. President, that I can not see the distinction made by the Senator, although I followed him as carefully as I could.

Mr. WALSH of Montana. Mr. President, let me inquire of the Senator from Rhode Island if the case he puts is not entirely covered by the amendment offered by the Senator from Nebraska? It includes not only those who make the threat but those who approve or ratify it; and in the case he put, every man at the meeting who, as he says, joined in the thing would be approving the act.

Mr. HEBERT. But let me say to the Senator that in the case put not everybody made a threat. As I listened to the amendment proposed by the Senator from Nebraska, the court may enjoin only him who made the threat.

Mr. WALSH of Montana. Oh, no; the Senator has not paid attention to the amendment.

Mr. HEBERT. Let us have it read again then.

Mr. NORRIS. This is the part that applies to the suggestion of the Senator, and I have already read it:

> • • • an unlawful act or who actually authorizes the same or ratifies the same after actual knowledge thereof.

Mr. President, I intended——

Mr. WALSH of Montana. Mr. President——

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

Mr. NORRIS. I yield.

Mr. WALSH of Montana. The case put by the Senator from Rhode Island contemplates not only those who ratify it but those who join in it, because, according to the case he puts, they all agree to go along together.

Mr. NORRIS. I want to say just a few words further. I suppose the Senator from Rhode Island did not have reference to the bridge or some other property that was going to be burned. Anyway, I want to say just a few words about what would happen if we entirely took away the right of the Federal court to issue an injunction to restrain somebody from burning that bridge in Texas. Suppose we prohibited the issuance of an injunction where threats are made to burn bridges, or, in the case suggested by the Senator, to burn houses or buildings, and the Federal courts had no authority therefore to issue an injunction, even though the threats to burn that famous bridge were mountain high, what would happen? What terrible calamity would overtake the country; what evil thing would happen to the community where that bridge is? Certain men have threatened to burn it; and here is a Federal judge 250 miles away who is perfectly willing to issue an injunction to restrain the act, but he can not do it because Congress has taken away his right. Suppose that to be the case—the bill does not so provide, but suppose it does—is the bridge going to be burned? Are there any officers in Texas? There is a legislature in Texas; there is a governor; there are sheriffs, justices of the peace, constables, marshals, and deputies. I do not have the statute of Texas here, because I asked the clerk to get me a State statute but did not specify the State, and it so happens he got one from Pennsylvania; so I have the Pennsylvania statute; but I assume its provisions are very similar to those of the statute of Texas.

What would happen? What ought to happen? What is the right way to prevent the burning of that bridge? If the Senator from Rhode Island threatens me, do I go to a Federal court and get an injunction out against him prohibiting him from carrying out his threat? No one ever heard of such a thing; no such thing happens—unless I am a laboring man, belong to a union, and spend my life down in the earth or somewhere else toiling and working. Workers of that kind are the only ones who get hit by these injunctions on account of threats or illegal acts; no other individuals are hurt. At one end of the bridge, within 40 rods of it, perhaps, in Texas, lives a justice of the peace. One can go before him—he does not need to go 250 miles away to reach a Federal judge—and file an affidavit. The man against whom the affidavit is filed, who, it is alleged, had made threats, may be arrested and brought before the justice of the peace; the evidence will be taken; and if the justice finds that a threat has been made, he will require the defendant to put up a bond for his good appearance, generally with a specific statement that he will not commit the offense that he has threatened to commit. If he does not put up that bond he goes to jail, and he remains there until the next term of the higher court, and that court takes up the case; but whether he goes to jail or not, if the justice of the peace binds the defendant over and he gives bond, the case goes up, and the higher court tries it like any other case.

I said I obtained the statute of Pennsylvania. I do not suppose there is any doubt whatever but that there is a similar statute in every State in the Union. In addition to that, there are the State courts. Are we going to give jurisdiction to the Federal court to go into the State? If one has to have an injunction, let him go to his State court and get it; but he does not need to go to either place. Let me read the statute of Pennsylvania. Let us see what the Senator from Pennsylvania would do—whether he would have a man arrested and brought before a justice or whether he would go over a hundred miles away and get an injunction, without notice, restraining a number of men from burning that bridge.

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

The VICE PRESIDENT. Does the Senator from Nebraska yield further to the Senator from Pennsylvania?

Mr. NORRIS. Yes.

Mr. REED. I should like to tell the Senator what I would do.

Mr. NORRIS. Very well.

Mr. REED. In 30 years of practice, in one of the largest industrial districts in the country, I have always disapproved of the use of the injunction in labor matters. So far I have been able to persuade my clients not to ask for such injunctions; and in those 30 years of practice I have never once asked for or obtained any such injunction. I disapprove of them entirely. That is a direct answer to the Senator.

Mr. NORRIS. The Senator has not told me what he would do about the bridge.

Mr. REED. That is what I would do.

Mr. NORRIS. How would the Senator save the bridge?

Mr. REED. There are lots of ways of saving it without putting an impossible burden on the courts, Federal or State.

Mr. NORRIS. Yes. I am going to read what would be the method employed in the Senator's State.

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

The VICE PRESIDENT. Does the Senator from Nebraska yield to the Senator from Minnesota?

Mr. NORRIS. Yes.

Mr. SHIPSTEAD. If all the judges sitting on the Federal bench entertained the same views as the Senator from Pennsylvania, the abuse of the injunctive process would not exist.

Mr. NORRIS. And we would not be here with this bill.

Mr. SHIPSTEAD. There would be no such bill here as that now pending provided the Federal judges had the point of view the Senator from Pennsylvania has expressed.

Mr. NORRIS. I have the Pennsylvania statute of 1920. The statute was passed many years before that, but I suppose it is still on the statute books of Pennsylvania. I want to read a part of section 8086, the part that applies to the particular case, and also section 8087. Section 8086, so far as it applies to the question before us, reads as follows:

> Security to keep the peace: If any person shall threaten the person of another to wound, kill, or destroy him, or do him any harm in person or estate—

That means his property, I take it—

> and the person threatened shall appear before a justice of the peace and attest, on oath or affirmation, that he believes that by such threatening he is in danger of being hurt in body or estate, such person so threatening as aforesaid shall be bound over, with one sufficient surety, to appear at the next sessions, according to law, and in the meantime to be on his good behavior and keep the peace toward all citizens of this Commonwealth.

The procedure is outlined in the next section:

> Justice to hold hearing: In all cases of surety of the peace the justice of the peace before whom such case is instituted shall, before he binds anyone over to the next term of the court of quarter sessions, and in the meantime to keep the peace, upon the oath of another, as provided by section 6 of the act of March 31, 1860 (Pamphlet Laws, 427), enter into a full hearing and investigation of the facts; and shall only bind over the defendant when the evidence shows, to the satisfaction of the justice, that the prosecutor's or prosecutrix's danger of being hurt in body or estate is actual, and that the threats were made by the defendant maliciously and with intent to do harm.

As I said before, I do not suppose there is a State in the Union but has a similar procedure. So, after all, these great big corporations that are running around following district judges to get injunctions without notice to anybody, to set aside constitutions and statutes and everything else and put in force a new schedule of law, are not suffering so badly. If somebody has made a threat to burn their bridge they can easily protect themselves and their property fully by recourse to the State statutes. But in order that there may be no question about it we have brought in this bill, and the Senator from Montana [Mr. WALSH] has offered an amendment, and I have agreed to accept it, in the belief that the Senate after accepting that amendment will agree to the modification which I have read, and which, in closing, I want to read again.

Mr. COSTIGAN. Mr. President——

The VICE PRESIDENT. Does the Senator from Nebraska yield to the Senator from Colorado?

Mr. NORRIS. Yes; I yield.

Mr. COSTIGAN. If I understand the Senator from Nebraska, it is his contention—happily supported to-day by the Senator from Pennsylvania [Mr. REED]—that it is against sound public policy to have the injunctive writ exclusively used against the workers of the United States?

Mr. NORRIS. That is my belief; yes.

At the end, after agreeing to the amendment of the Senator from Montana, which puts the word "threatened" into the law as well as actually "committed," I add this:

But no injunction or temporary restraining order shall be issued on account of any threat or unlawful act excepting against the person or persons making the threat or committing the unlawful act——

Now, listen to this:

Or who actually authorizes the same or ratifies the same after actual knowledge thereof.

Mr. REED. Mr. President, I will talk to the Senator privately about a suggested change in the wording.

Mr. STEIWER. Mr. President, I should like to call attention to what seems to me an overlapping of provisions as between the proposal now made by the Senator from Nebraska and the language presently contained in section 6 of the bill, and to this proposition I should like to invite the particular attention of the senior Senator from Nebraska [Mr. NORRIS].

If I caught the purport and effect of the proposal which the Senator now makes providing additional language in subsection (a) on page 6 of the bill, he would limit the injunction to those who commit the unlawful act or to those who actually authorize it or ratify the act after knowledge.

Referring back to section 6 of the bill, I read:

No officer or member of any association or organization, and no association or organization participating or interested in a labor dispute, shall be held responsible or liable in any court of the United States for the unlawful acts of individual officers, members, or agents, except upon clear proof of actual participation in, or actual authorization of, such acts, or of ratification of such acts after actual knowledge thereof.

It seems to me that having already adopted the language just read, there is not very much for us to quarrel with respect to the amendment which is now suggested by the Senator from Nebraska. The only difference—and that would appear a slight one in practical operation—one provision is couched in terms of limitation upon the power of the court, and the other would seem to be couched in terms of limitation upon the jurisdiction of the court; but, as a practical matter, it seems to me just as broad as it is long. I therefore should have little objection to the proposal made by the Senator from Nebraska, provided the bill is still to contain the language just read from section 6. It seems to me, however, that there is objection to both provisions.

The Senator from Pennsylvania [Mr. REED] two or three times has put up to us the question of what might happen in case of conspiracy. The Senator from Nebraska answers that there is no conspiracy; that he assumes a case in which there is no conspiracy, and he says to the Senator from Pennsylvania, "You assume a case in which there is a conspiracy."

Let me say that there may be a conspiracy. If there is no conspiracy, then, from my standpoint, there is no objection to the amendment proposed by the Senator from Nebraska. If, however, there is a conspiracy, then I am quite convinced that the language proposed by the Senator from Nebraska would make inoperative the powers that we think we are leaving in the Federal courts with respect to injunctions. It seems to me that in those cases in which there is a conspiracy, that language is inapt in its present form.

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

Mr. STEIWER. Yes; I am happy to yield.

Mr. BRATTON. I have been interested in the case stated by the Senator from Pennsylvania, but I do not understand that this language would militate against that situation.

Let us suppose that a strike is in progress; and it is going along in a perfectly orderly way. No violation of property has been threatened, or destruction of property committed; but growing out of a peaceable strike, a group, perhaps, animated by passion or heat of the moment assemble in a hall, as the Senator from Pennsylvania or the Senator from Rhode Island illustrated, and they there agree to destroy property, although they do it in furtherance of a strike which has been peaceful and peaceable up until that time. Even under the amendment of the Senator from Montana and the amendment of the Senator from Nebraska, everybody participating in that unlawful undertaking or present in the hall in which the agreement to that end was effected could be singled out and enjoined, because there is where the illegal phase of the whole proceeding transpired.

This amendment would not limit the power of the court to enjoin effectively everyone participating in the illegal phase of the strike, but it would restrain the court from reaching back and enjoining others who have participated in the strike in a perfectly peaceable and law-abiding way. It separates those engaged in the unlawful phase of the undertaking from those engaged in the lawful aspects of it, permitting the court to seize those engaged in the unlawful part and control them, while leaving the others alone. I think that is the effect of the two amendments considered together.

Mr. STEIWER. Upon what theory would we say that everyone in the hall can be reached? Would it be upon the theory that he actually authorized the unlawful act?

Mr. BRATTON. No; that he was present and ratified it, indeed, that he was a party to the agreement.

Mr. STEIWER. But, Mr. President, he would ratify it after it was committed, when he had knowledge of it.

Mr. BRATTON. Oh, no; oh, no! If he is present in the hall and is acting in concert with the man who says, "I am going to destroy certain property," he is a party to the undertaking, and can be restrained; but under the two amendments the court can not go back to the inception of the strike and make others parties to the suit and enjoin them on the theory that the destruction is a part of the strike, which has been peaceable and law-abiding up to that point.

Mr. STEIWER. Mr. President, if the application of this amendment would be as indicated by the Senator from New Mexico, I should be entirely in accord with him, but I still am unconvinced upon the proposition that there is any way to reach the man who does not actually authorize the act or actually ratify it. The language in section 6 requires "clear proof" of authorization or ratification.

Mr. BRATTON. Suppose 50 men are in the hall, counseling together, conferring with one another, and one in the group utters the words, "We are going to destroy the property," and the others acquiesce in such declaration by their presence there, by their concert of action. Does the Senator doubt at all that a court of equity could enjoin all of them?

Mr. STEIWER. I do not doubt that under the law as it presently exists a court of equity could enjoin all of those present in the meeting; and I assume that the Senator is in accord with the idea that in the case just stated by him the court ought to have power to enjoin all those present.

Mr. BRATTON. Oh, yes.

Mr. STEIWER. I am merely attempting to say that under the language of the proposal made by the Senator

from Nebraska I have a most serious doubt whether the court would retain the power to enjoin those who are actually implicated in the offense.

Mr. BRATTON. I did not so understand the Senator. Of course, all of those in the hall who are engaged in the unlawful undertaking should be enjoined. I think all of us will agree to that; but we should not reach back 30 or 60 days before that time and join in the suit others who were parties to the original strike, which had been perfectly legal up to that time.

Mr. STEIWER. If I may interrupt, I am thoroughly in agreement with the statement just made by the Senator from New Mexico.

Mr. BRATTON. It is my understanding that the amendment proposed by the Senator from Nebraska would accomplish that end. We ought to segregate those whose conduct is peaceable and law-abiding from those who may, through heat or passion, indulge in an unlawful undertaking, even though it grows out of a strike that is peaceable at its start; and I understand that the amendment would do that. If not, it should be couched in language which would accomplish that end.

Mr. WATSON. Mr. President——

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

Mr. STEIWER. I am happy to yield to the Senator.

Mr. WATSON. I desire to ask the Senator from Nebraska if he agrees with the construction that has been put upon his amendment by the Senator from New Mexico? I had not understood it quite that way.

Mr. NORRIS. I was busily engaged with the Senator from Pennsylvania, and I did not hear what the latter part of this debate brought out. The last I heard, if I may be permitted to say so, was something that rather shocked me, because the Senator from Oregon said there would not be any way to reach the fellow who did not actually authorize or did not actually commit the act of violence; and it struck me right off that I did not suppose we wanted to reach that fellow. He is innocent. Is that what the Senator has reference to?

Mr. WATSON. Yes; that is where the question comes in. The Senator from New Mexico says that if a man is in a hall where a speech is made insisting that they go and burn a bridge, and all that sort of thing, as I understand it, if he, by his presence, acquiesces in it without openly objecting to it, then he is subject to the injunction. Am I right in that?

Mr. BRATTON. Oh, no; the Senator puts an interpretation that I did not intend. I intended to say that if a strike is in process, and it is going along in a perfectly peaceable and law-abiding way; that a group of the strikers, animated by heat and passion, assemble in a hall and agree there to do an unlawful act, to destroy property, they should be enjoined. But you should not join with them in the suit others who are engaged in the strike, but who are confining themselves to perfectly law-abiding, peaceable methods. You should segregate those who are about to commit an unlawful act, who are about to destroy property, and confine the injunction to them, leaving out of the suit and leaving untouched by the writ others who are striking but who are not disposed to resort to unlawful methods.

I did say that if there are a hundred in a hall, and they are acting in concert in the threat to destroy property, they would not all have to say severally and separately, "I am not going to destroy the property, but if one speaks the words, "We are going to destroy property," and it is clear that they are acting in concert, engaged in a common undertaking, designed to commit an offense through concert of action, then, under the amendment of the Senator from Nebraska, there would be no difficulty in joining all of them in the suit and restraining all of them from doing that which they had set out to accomplish through joint action. That is my understanding of the effect of the amendment. That is the way it would work in operation.

Mr. STEIWER. Mr. President, I am entirely in accord with the proposal if it means what the Senator from New Mexico thinks it means. The Senator from New Mexico has just stated, in effect, if not in terms, that under the conditions of the hypothetical case stated by him authorization for the unlawful act may be implied from the circumstances. Do I properly understand the Senator?

Mr. BRATTON. I think so.

Mr. STEIWER. I think that is true; but the difficulty with the language proposed by the Senator from Nebraska is that it leaves open no opportunity to indulge in any implications, because his language is, as I recall it and as I understood it, "or who actually authorizes the same, or ratifies the same after actual knowledge thereof." All I was attempting to do in addressing myself to this matter was to question the propriety of the language used in the amendment.

Mr. BRATTON. Mr. President, I am glad to get the views of the Senator. I think the amendment is a very wholesome one, because up until now it has been a common practice throughout the country to enjoin everybody connected with a strike if a part of the strikers, in the course of the strike, forgetting themselves for the moment, employ unlawful methods.

To illustrate: A strike is declared on the 1st of February by the workers engaged in a certain line of industry. It goes along peaceably and quietly and in a law-abiding manner for 30 days, and then, under the driving force of circumstances a small number of the strikers join together in an unlawful undertaking growing out of the strike.

The common practice is to join everybody connected with the strike from its inception on the ground that they conspired to effect a strike, and that as a part of the conspiracy, and growing out of the conspiracy, some of the conspirators are engaged in an unlawful undertaking; that when a conspiracy is established, every conspirator is bound by the words and acts of each and every coconspirator.

The effect of this amendment is to abrogate this general rule, to abridge the effect of an injunction in the circumstances we are discussing by taking from the court the power to issue an injunction against everybody connected with the strike, but to limit it to those and only those who are engaged in the unlawful undertaking.

Mr. STEIWER. Does not the Senator feel that the practice of courts in issuing an order which relates back and includes in its operations innocent people is a wholly indefensible practice?

Mr. BRATTON. Yes, I do; and that is why the Senator from Oregon and I both join in supporting the principle embodied in the amendment, though we, perhaps, do not agree on the exact effect of the language contained in it.

Mr. STEIWER. Does the Senator think that if there is such a judicial degeneracy in the bosom of the court, we are going to make him a just judge by anything we do here?

Mr. BRATTON. The Senator speaks of the degeneracy of the judge. The difficulty with that is that where a judge, through erroneous judgment, or through degeneracy, or for any other reason, issues one of these sweeping injunctions, it is too late to correct the injury thereafter. It must be made impossible for that type of a judge to do that sort of thing, in order to protect mankind.

Of course, one judge might grant a more sweeping injunction than another; but when he grants a sweeping injunction, even though it is unsound and untenable in equity, it does no good to talk about it afterwards. If he has driven workers off the property, compelled them to vacate houses, compelled them to do thus and so, it does no good months afterward to point out the inequities of the injunction. The remedy is to make it impossible for a judge to do that sort of thing.

Mr. REED. Mr. President, the Senator from New Mexico has been a judge, and a very able one.

Mr. BRATTON. I thank the Senator.

Mr. REED. I would like to ask the Senator whether, under the law as it now is, regardless of the bill before us, he thinks there is any warrant for the issuance of an injunction against every member of a union because a few of

them have gone into a conspiracy which threatens the destruction of property?

Mr. BRATTON. No; I do not.

Mr. REED. In other words, under the present law, a chancellor is not justified in using this weapon of injunction against those innocent persons who are not in the conspiracy to destroy property?

Mr. BRATTON. That is my belief.

Mr. REED. If certain judges have disregarded the present law and have issued such sweeping injunctions, what reason have we to think that they will not similarly disregard the law as it is declared in this bill?

Mr. BRATTON. Because judges might differ as to the general doctrines of equity in their application to different cases; but if there is a specific statute confronting a judge, taking away from him jurisdiction to grant an injunction of a certain type and removing all room for argument, it is reasonable to assume that the judge, who might otherwise grant a more sweeping injunction, would say, "Independently of statute, and in equity, an injunction of that kind should be issued, but since the statute limits my authority, since there are express words limiting it or taking it away, I can not grant an injunction which I otherwise would grant."

Mr. REED. Mr. President, if I have understood the Senator in the construction he places on this proposed amendment, it is merely declaratory of what I understand the law now to be.

Mr. BRATTON. What it should be.

Mr. REED. What it actually is, although it is disregarded frequently, or sometimes, by certain judges.

Mr. BRATTON. Yes.

Mr. REED. What I can not make out is how we are helping the worker in any way merely by declaring a second time that the law is as we know it to be to-day.

Mr. BRATTON. We are helping him in this wise: A judge may issue a sweeping injunction to-day against everybody connected with a union, and that may be wrong; it may not be justified under existing law. But the only way it can be corrected is to appeal and have the case reversed after the harm has all been done. It is errors of judgment on the part of judges in interpreting existing rules of equity which this bill would prevent.

Mr. REED. I confess I can not see how reiteration of the present law is going to make judges virtuous who are not virtuous to-day.

Mr. BRATTON. Let me say this: The Supreme Court of the United States held that the injunction in the Hitchman case was improvidently issued. There the harm was done through a wrong concept of the trial judge, believing that in equity he had the right to issue the injunction which he did issue. That caused the harm there. The Supreme Court later reversed the case, but it did not correct the harm. Does the Senator think that that judge would grant a similar injunction hereafter in the face of this bill if it should be enacted into law?

Mr. REED. I am quite sure he would not grant a similar injunction hereafter, in the face of the decision of the Supreme Court. That is just as effective as a statute. I do not think any Federal judge whose attention was called to that case would ever make that mistake again. If he did, he ought to be impeached.

Mr. BRATTON. Trial judges do make mistakes of judgment, they grant injunctions from time to time based upon different facts presented to them, and they are frequently reversed, the higher courts holding that the injunction should not have been granted; but in each case the harm is achieved, it is completed, it has worked its ravages, before the appellate court corrects the mistake, and this bill is designed to lay down a mandate to judges, confining the issuance of injunctions in labor disputes. It sets up mileposts for judges to follow, rather than leaving them in the whole field of equity, each judge deciding for himself what he is justified in doing in equity.

Mr. REED. Mr. President, if the proposed amendment of the Senator from Nebraska is to be construed as it has been construed by the Senator from New Mexico, I can not see that any reasonable person could dissent from it. It does not seem to me, however, that if it is to be construed in that way, it is necessary, because it merely is declaratory of the law as it exists to-day.

Mr. WALSH of Montana. Mr. President, I want to call the attention of the Senator from Pennsylvania to the fact that many of the provisions of the bill declare the law as it is to-day. For instance, subdivision (e), giving publicity to the facts involved in any "labor dispute, whether by advertising, speaking, patrolling, or by any other method not involving fraud or violence."

Mr. REED. We are not talking about that section at all.

Mr. WALSH of Montana. Oh, yes, we are. We are speaking, of course, about the injunction which shall be issued under the provisions of section 7, but the Senator says we ought not to put that in because that is the law now. But we have put a lot of things in the bill which are the law now.

Mr. REED. I quite see that; but I do not see the use of it. We do not make it any more the law by saying it again.

Mr. WALSH of Montana. We have done it, and we think it will have some influence upon the action of judges when we declare the law. So there is no sound objection to this particular amendment offered upon the ground that it is the law already, because we have declared in a number of instances in the bill what is the law already.

Mr. REED. If that is what the amendment does, I do not object to it very much, merely because it is a reiteration of what we now know the law to be. I was apprehensive, however, that the purpose of offering it was to change the law. If it is not, of course I do not intend to prolong the discussion further.

Mr. WHEELER. Mr. President, I would say the purpose of it is to change what some judges have said the law to be. I think the Senator from Pennsylvania and myself would both agree that the law ought to be as it is set forth in this amendment; but the trouble is that a lot of judges—not one, not two, but innumerable Federal judges—have issued practically blanket injunctions, and they have issued them against an organization because some one individual in the organization, who might not have been what we would call a legitimate member of the organization, has made some threatening statement.

Mr. REED. We need not debate the propriety of that. I agree that it ought not to be done—that no one ought to be enjoined for any act unless he has threatened or joined or acquiesced in some one else's threat.

Mr. WHEELER. If the Senator will familiarize himself with the decisions in numbers of these cases he will find, regardless of whether or not it has been one individual or two individuals, when as a matter of fact the labor organizations came into court and disclaimed absolutely in their testimony that the man or men spoke for them in the slightest degree, yet the courts have gone on and issued injunctions because of the threats made by some individual.

As I said to the Senator the other day, it is rather a common practice that has grown up in the country for large employers of labor to employ some detective and have him join a labor organization. Then this man, not at the instance many times of the employer, but because of the fact that he wants to make his employer think he is earning his money, goes out and makes or causes to be made some inflammatory statement. Upon the basis of such a statement an injunction is sought and a lot of innocent people are cited into court and are punished and perhaps even confined in jail.

The purpose of the provision now before us is to let the courts know that the Congress of the United States has said that in its opinion this is the law, and that it shall not be permissible any longer for the courts to follow the practice they have been following in the past. It is only a question whether or not the Senator from Pennsylvania believes that no man should be enjoined unless he himself is a party to the threat.

Mr. REED. Or makes himself a party to it or approves it. Surely I agree to that.

Mr. WHEELER. If the Senator agrees to that, then there can not be any legitimate opposition to the amendment, it seems to me, because it is stating what in common justice ought to be the law and what many of the courts have claimed is not the law.

The VICE PRESIDENT. The question is on the amendment of the Senator from Montana, which will be reported.

The CHIEF CLERK. The Senator from Montana proposes, on page 6, line 7, before the word "committed," to insert the words "threatened or," and in line 8, after the word "be," to insert "committed or," so it will read:

(a) That unlawful acts have been threatened or committed and will be committed or continued unless restrained.

The amendment was agreed to.

Mr. NORRIS. Inasmuch as I want my amendment to be considered in conjunction with the one just adopted, I read its exact language. Strike out the semicolon at the end of line 8 and insert it just after the language we have just agreed to; after the word "restrained," in line 8, insert a comma and these words:

But no injunction or temporary restraining order shall be issued on account of any threat or unlawful act excepting against the person or persons making the threat or committing the unlawful act or actually authorizing or ratifying the same after actual knowledge thereof.

I had the understanding that the two amendments were going to be acted on together. Inasmuch as the Senate is not going to agree to them in that way, I wish now to enter a motion to reconsider the vote by which the amendment of the Senator from Montana was just agreed to. If the amendment which I have just offered is agreed to, I shall then withdraw that motion, but if my amendment is rejected, then I shall insist upon my motion.

The VICE PRESIDENT. The motion of the Senator from Nebraska to reconsider will be entered.

Mr. STEIWER. Mr. President, I should like to make one or two further observations in connection with this matter. I confess that if this language is to be applied in the way the Senator from New Mexico [Mr. BRATTON] has suggested, I would be hearily in accord with its adoption. But it seems to me there is involved in this proposal, and also in section 6 of the bill as it stands, a situation to which we ought to give our very critical attention. I realize the good purpose and the high motives which cause the proposal to be made. I also believe, if I may be indulged in holding a belief in respect to these matters, that we have not fully considered the result of that which we propose to do.

We have assumed that in every labor dispute the injunction will be sought by the employer against the employee. I know that in most instances that is the actual occurrence, but it is entirely conceivable, and sometimes it has happened in the past, that the employees seek injunctive relief against the employer. Let me invite the attention of the Senate to a case with which many are very familiar; I refer to the clerks' case against the Texas & New Orleans Railroad Co.

In that case the employees obtained injunctive relief under the provisions of the railway labor act of 1926. The relief they obtained was against the interference of the railroad company with the employees' right of designating representation of their own choosing. The thing they asserted was that the railroad company had sought by intimidation or coercion to bring about the creation of another organization and recognition of agents or representatives who were not in fact agents and representatives of the employees of the railroad company. The contention of the employees in that case was sustained. It was not only sustained by the lower court and upon appeal to the circuit court of appeals, but was sustained in the Supreme Court of the United States. The decision was written last year by Chief Justice Hughes.

I want to ask Members of the Senate whether or not it is the desire here to repeal by implication the beneficial provisions of the act of 1926, and if not, then what remedy is left to the employees in case of interference or intimidation, as the case may be, upon the part of the employer? What chance would there be for injunctive relief, if the court is bound to find, as a jurisdictional basis for the injunction, that unlawful acts have been committed, or that they are threatened, so far as that is concerned? The relief granted was not based upon unlawful acts; it was based on interference and coercion.

I do not understand there was anything unlawful in the action of the railroad company in the clerks' case. There was an invasion of the right of the employees, it is true; there was an attempt upon the part of the railroad company to deny to the employees the full right of association and the very important right of being represented by agents of their own choosing. So far as I am concerned, I would like to see that right of the employees maintained and would like to know that it may be protected in a court of equity.

Mr. NORRIS. Mr. President——

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

Mr. STEIWER. I yield.

Mr. NORRIS. Is the Senator afraid that, having agreed to this amendment, thereafter the employees will not be allowed to select some one of their own choosing?

Mr. STEIWER. I am not afraid of that, Mr. President. It is not a question of fear upon my part. It is a question of conviction growing out of my understanding of the language.

Mr. NORRIS. Does the Senator think, if this amendment is agreed to, that always hereafter the laboring man will not be allowed to select anybody of his own choosing?

Mr. STEIWER. Oh, no; I do not think that, and I did not say that. I do think, though, that if the employer seeks to invade that right of the employee, there will be no remedy by injunction in behalf of the employee. That is what I said, and I challenge anyone to controvert that——

Mr. NORRIS. I controvert it.

Mr. STEIWER. I challenge anyone to controvert it successfully if he will examine the language before us and compare it with the beneficial provisions which are contained in the act of 1926. How would the employees point to unlawful acts? Where would they point even to a threat of an unlawful act? If the court should construe the language differently from the way I construe it—as the court may very well do, because there is nothing infallible about my judgment in the matter—how, then, would the court make its injunction order effective in behalf of the employee? Who would be enjoined by the order of the court? Would it be one superintendent, the man who was guilty of the unlawful act? Would it be one special agent or one depot agent? In the clerks' case to which I have referred the whole organization was enjoined, the railroad company itself was enjoined, and the most sweeping effect was given to the provisions of the act of 1926. Finally the court required, as a condition of the vacation of that injunction order, that the railroad company purge itself by ceasing to recognize those who were not the actual representatives of the employees and required the railroad company to recognize those who had been selected by the employees as their agents.

I am thoroughly in accord with the general expression made here that a court ought not, in issuing an injunction order and in designating those enjoined, to go back a month or two, as was suggested by the Senator from New Mexico [Mr. BRATTON], and include as parties a lot of innocent people who were not involved in anything that was unlawful and who possibly had not even thought of making a threat against anybody. I am thoroughly in accord with that. But it seems to me further consideration ought to be given to the language and that we should find a way to safeguard the rights of the employees in courts of equity with respect to injunction processes without adopting language that is so sweeping that the courts would lose the power to do that which was done upon behalf of the employees in the clerks' case to which I referred a little while ago.

The inclusion in line 6 of the amendment proposed by the Senator from Montana [Mr. WALSH], in my opinion, im-

measurably strengthens the good purposes of the bill. The inclusion of the language in line 8 as suggested by the Senator from Nebraska [Mr. NORRIS], if it could do what he proposes for it, would also, in my opinion, strengthen the provisions of the bill. But I still insist that the language in that proposal embraces too much territory and that it goes so far in limiting the injunctive relief to an order against the person who actually commits or threatens the commission of an unlawful act and to the person who actually authorizes or ratifies that act that the relief upon behalf of the employees will be most severely restricted and that we will in effect and by implication make a substantial modification of the act of 1926.

Mr. BLAINE. Mr. President, the Senator from Oregon [Mr. STEIWER] has, I think, built up an entirely imaginary case. There is no basis for his conclusion, at least none based upon the Texas case. That was a case in which the railway clerks sought an injunction against the Southern Pacific Railway Co. to enjoin that company from interfering with the clerks respecting their self-organization and the designation of representatives of their own choice. That is all there was to that case. It was an action against a single company by the clerks' organization or representatives of the clerks' organization.

Mr. STEIWER. Mr. President, will the Senator yield for a question?

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

Mr. BLAINE. I yield.

Mr. STEIWER. If the Senator will refer to section 6, he will note that—

> No officer or member of any association or organization, and no association or organization participating or interested in a labor dispute, shall be held responsible or liable in any court of the United States.

All I am attempting to suggest is that if the injunctive process shall be limited to those who actually commit an unlawful act or threaten to do so the injunction will have to be against the agents of the railroad company and not against the company itself, because I believe that the term "organization" would include the company almost in express terms.

Mr. BLAINE. It seems to me that a corporation can function only through its officers and agents. A corporation can not itself speak; it has no life other than a corporate life; it has no voice and can only act or refuse to act through its officers and agents. I do not think there is any question about that.

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

Mr. BLAINE. I want to pursue this matter, if I may be permitted to do so, until I conclude respecting the decision of Judge Hutcheson in the Texas case. That was the action about which the Senator built this imaginary situation that might happen. I wanted to point out that that case had reference, as I have said, only to an injunction to restrain the railroad company from interfering with the right of the clerks to self-organization and to choose representatives. That was under the railway labor act of 1926, and that particular provision I desire to read into the RECORD at this point.

Mr. WHEELER. Before the Senator gets through will he let me——

Mr. BLAINE. Let me read the quotation while I have the matter in mind:

> Representatives, for the purpose of this act, shall be designated by the respective parties in such manner as may be provided in their corporate organization or unincorporated association, or by other means of collective action, without interference, influence, or coercion exercised by either party over the self-organization or designation of representatives by the other.

It was under that provision of the railway labor act that the injunction was sought and obtained, the injunction providing against interference with the right of the employees under a substantive law, and permitting the employees to exercise their choice in the selection of representatives. That clearly does not sustain the conclusions to which the Senator has come in his discussion of this question.

Mr. STEIWER. Will the Senator yield there?

Mr. BLAINE. I yield first to the Senator from Montana.

Mr. WHEELER. I merely want to call the attention of the Senator from Oregon to the fact that the only way a corporation can be represented is through its agent. If the agent does something that is not authorized by the corporation, the corporation can not at the present time be enjoined. The only time it could be enjoined, the only occasion when the railroad employees could enjoin it, would be when the agent of the corporation was doing something that he was authorized to do by the corporation itself.

Mr. REED. Does the Senator mean to say that the principal is liable only for acts which are authorized?

Mr. WHEELER. I mean acts which the agent is doing in the ordinary scope of his employment.

Mr. REED. That is different.

Mr. WHEELER. The scope of his authority—that is the way in which I meant to make the reference—but this case is entirely different from what the Senator contends. All we are contending with reference to the labor unions is that the labor unions shall not be enjoined because of the fact that somebody belonging to a labor organization does something that he is not authorized to do or something that is not within the scope of his employment.

There is absolutely nothing to the Senator's argument to the effect that this is going to affect the laboring people or to keep them from enjoining some corporation. They do not want to enjoin any corporation and they do not want to enjoin any individual unless that corporation or individual is actually the one that is causing the unlawful act. We do not find, let me say, any labor organization complaining about this bill. As a matter of fact, I think every labor organization in the United States that has had its lawyers scan it is in favor of the bill, and they are entirely familiar, let me say to the Senator from Oregon, with the provisions of the bill.

Mr. STEIWER. Now, if I may intrude upon the Senator from Wisconsin——

Mr. BLAINE. Unless the Senator has a question to ask me, I yield the floor.

Mr. STEIWER. I want to ask one question of the Senator from Wisconsin.

Mr. BLAINE. Very well.

Mr. STEIWER. Does the Senator contend that the phrase "association or organization" is applicable only to an employees' association or an employees' organization and is not applicable to an employers' association or an employers' organization? In other words, is this bill to be construed as working one way only or does it work as to both employer and employee without discrimination?

Mr. BLAINE. I can conceive of no case where an employee would bring an action under this act along the line the Senator has suggested. The action would be brought against the employees or their association or their organization. There are no employees going to bring any action under this act against the employer in any labor dispute as defined in this act.

Mr. STEIWER. That is true, Mr. President. The basis of his right would be either the transportation act of 1926 or some other act, but this measure defines the jurisdiction of the court. Regardless of what the right of the employee may be, if Congress by this bill defines the jurisdiction of the court so that the relief of the former act can not be accorded, how, then, could the laborer hope to get any injunctive relief in any case?

Mr. BLAINE. It is a very simple case—the Texas case involving the railroad clerks. They have certain rights under substantive law; those rights can be enforced only through an equity proceeding; and there is no penalty imposed by the railway labor act against the violation of the provision I just read, and that is the only provision that is of any great consequence, at least in this discussion. There is no remedy by which the employees may recover damages; the only remedy they have is by injunctive process; and

they would allege that there is no remedy at law. To me it seems very clear that the subject the Senator is discussing is entirely separate and apart from the railway labor act. I can not see how it is applicable to this proposed act.

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

Mr. BLAINE. I yield the floor.

Mr. NORRIS. No; I want to ask the Senator a question. I am greatly moved by what the Senator from Oregon says. I can see that there might come a great injustice. He speaks of organizations of employers and employees' organizations. One of them consists of the coal-mine operators, we will say, in the United States, and the other of the laboring men working for them. The Senator from Oregon wants to know whether we propose to give the coal-mine operators and coal combinations the same right that we propose to give to the laboring men. That is a serious question. The Senator from Wisconsin must not cast it aside without due consideration, because these great monopolistic combinations control property running into the billions in value; and are we going to turn them over to the tender mercies of a few fellows down in the earth who are digging coal, and not give them the right to commence in the Federal courts an action for an injunction to enable them to obtain their rights? Why, before we get through we will have deprived these large corporations of their rights under the Constitution; we will have nullified all the provisions of the Constitution. We ought to hesitate before we take away from these suffering companies the blessed right to have an injunction issued by a Federal judge, holding office for life, who, perhaps, forsooth, has obtained his job upon the recommendation of the very men and the very corporations who are asking the injunctions at his hands. We ought to be careful and see that we do not take away from that judge the right to make good to those who set him on a pedestal, made him a tyrant for life, and a monarch of all he surveys. We have got to be careful.

Mr. BLAINE. Mr. President, I have concluded my statement, and I am quite sure that there is no logical argument by which the Senator from Oregon can construe the provisions of section 6 to deny the working men any rights they may have under any substantive law, either statutory or courtmade; certainly not with respect to the substantive law written into the railway labor act.

Mr. STEIWER. Mr. President, an effective answer can be made to the last suggestion in just one sentence. In the railway clerks' case there was no unlawful act; there was not even the threat of an unlawful act. The remedy sought by the employees was based merely upon a coercion by the employers and the denial of the employees' right to be represented by agents of their own choosing. If that right is asserted again in a court of the United States after the enactment of this bill the court can not issue an injunction in their behalf, because the jurisdiction of the court will depend upon a finding that there is an unlawful act or the threat of an unlawful act, and the remedy provided or implied in the act of 1926, in my humble judgment, will be gone. I do not care now to pursue that suggestion further.

I should like, however, in view of the statement of the Senator from Montana [Mr. WHEELER] a little while ago that he was in favor of the effort here made, to say that I also am in favor of it. I shall not permit myself to be dissuaded from voting for this bill merely because some of the details may not meet my own ideas of what the legislation ought to be. I shall be induced to vote for the bill because of my antipathy toward the antiunion contract; because of my entire willingness to see the National Legislature go so far as it may constitutionally go to curtail the use of that device in industrial disputes. I shall be induced to vote for the bill because of my entire willingness to place in the law limitations upon the power of the Federal courts so that the abuses complained of may be abruptly stopped.

Mr. President, having made that declaration, let me add, in utter good nature, that I regard the statement just made by the Senator from Nebraska [Mr. NORRIS] as wholly unfair to me. He assumed, apparently in all seriousness, that I had spoken for the coal operators and said ironically that we ought to give greater consideration to the large coal-mining operators, and he also said ironically that he was impressed with my contention. Let me say, if it is necessary to say it, Mr. President, that at no time did I hint that anything should be accorded to the coal operators or any other operators or employers in this country, nor did I say anything that would fairly imply such a result. The only concern that I voiced here is concern lest rights may be taken away from employees by language which we may improvidently use. I asked the question of the Senator from Wisconsin, it is true, whether he regarded the bill as working both ways, and that question was pertinent because most of the discussion heretofore has concerned injunctions obtained by employers against employees; and I was trying to direct the discussion to certain considerations that affect the right of employees themselves in their effort to obtain injunctions in proper cases against the employer. I say, therefore, that the ironical jest of the Senator from Nebraska is unfair to me, and yet I have no disposition to answer it in kind. The language which I employed, the sentiments which I have expressed are known to all Senators in this Chamber at this time.

Mr. REED. Mr. President, I desire to echo what the Senator from Oregon [Mr. STEIWER] has just said. This is a 2-edged sword that we are dealing with; and I am afraid there will be many a workingman who will not thank the sponsors of this bill for section 6 or for the section that we are now discussing.

In effect section 6 changes the law of agency in any action arising out of a labor dispute, either in equity or at law. The words "association or organization" in section 6 were probably meant by the sponsors to apply only to labor organizations; but under any fair reading of that section the court will hold that they apply similarly to any employer who is incorporated, or to any association of employers; and some one bringing a suit against an employer some day because of high-handed and outrageous acts of corporate officers will find his suit defeated because he has been unable to prove authorization by the corporation itself.

I think it is only fair to give warning now that this is a 2-edged sword, that this gun is loaded at both ends, and we may be taking away very substantial rights from employees when we are only thinking about limiting the unfair use of the injunctive process.

Mr. JOHNSON. Mr. President, may I implore my brethren not to waste time over the idea that this bill is going to curtail the rights of some workingman. May I suggest that an academic argument as to the effect of a gun loaded at both ends in a United States Federal court, one end of which may do incalculable harm unto a laboring man, is an argument with which we need not concern ourselves very seriously at the present time.

Of course, I can understand that the Senator from Nebraska [Mr. NORRIS] and the Senator from Wisconsin [Mr. BLAINE] and the Senator from Montana [Mr. WALSH] would bring to us here a bill the purpose of which undoubtedly is to prevent the individual who is working by himself, and who has neither power nor money nor influence, from obtaining an injunction against the coal barons or the railroad companies or some combination of employers; but, sir, I think we waste our time in dealing with a subject of that sort.

Let us go on and pass this bill. I recognize the difficulties in the way ultimately of having it administered as we would like to have it administered; but, sir, if it is nothing more than a gesture by the United States Senate, if it is nothing more than an endeavor as a deterrent to a United States court, let us pass this bill at least and put ourselves upon record as against the inhuman and outrageous injunctions that have been granted in the past against workingmen; and let us not worry ourselves in the slightest about the injunctions that workingmen might, forsooth, have at some far day in the future against their employers.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Nebraska [Mr. NORRIS].

The amendment was agreed to, as follows:

On page 6, line 8, after the word "restrained," insert a comma and the words:

But no injunction or temporary restraining order shall be issued on account of any threat or unlawful act excepting against the person or persons making the threat or committing the unlawful act or actually authorizing or ratifying the same after actual knowledge thereof.

Mr. SHIPSTEAD. Mr. President, in view of the discussion which has taken place here in the last 15 minutes, I desire to call the attention of the Senate to an opinion given by a workingman at one time when he said that he understood that a court of equity was called a chancery court because, he said, the workingman never had a chance in that court.

Mr. BLAINE. Mr. President, I desire to propose an amendment to the pending bill and ask that it be printed in the RECORD and lie on the table.

The amendment intended to be proposed by Mr. BLAINE was ordered to lie on the table and to be printed in the RECORD, as follows:

Amendment intended to be proposed by Mr. BLAINE to the bill (S. 935) to amend the Judicial Code and to define and limit the jurisdiction of courts sitting in equity, and for other purposes, viz: Add a new paragraph to section 8, to read as follows:

"(b) If at any stage of the proceedings under this act it shall appear to the court or be specifically alleged by the defendants or either of them that the complainant or any detective or other person directly or indirectly employed by him in connection with industrial relations has incited, promoted, or encouraged the labor dispute giving rise to the proceedings or any unlawful acts in connection therewith, all proceedings hereunder shall be suspended and any restraining order or temporary injunction shall be inoperative until a hearing and determination has been had to determine the facts with respect to such allegations, and the court shall thereupon require that issue be joined and that a hearing thereon shall be immediately held.

"Testimony relating to such issue shall be taken in the same manner as is taken in equity proceedings within the jurisdiction of said court.

"After the taking of such testimony, if the court finds against the complainant on the issue joined the court shall make a finding of fact and shall assess against the complainant, and the defendants shall recover threefold the loss, expense, and damage caused by the issuance of such restraining order or temporary injunction, together with all reasonable costs, including a reasonable attorney's fee, incurred in the action instituted by complainants, and where there is more than one defendant, the amount assessed and recovered shall be apportioned among the defendants according to their respective interests as may be shown in said proceeding, and any restraining order or temporary injunction issued in the action instituted by complainants shall be dissolved as a part of the judgment for damages and costs on the special issue joined.

"A review of such findings and the judgment rendered in such matter may be had in the same manner as is now provided for a review in equity proceedings of which said court has jurisdiction."

Mr. HEBERT. Mr. President, there was addressed to the Vice President by Mr. Paul Howland, on behalf of the American Bar Association, a letter in reference to the pending bill, which I ask to have incorporated in the proceedings of to-day in the CONGRESSIONAL RECORD and referred to the Committee on the Judiciary.

There being no objection, the letter was ordered to be printed in the RECORD and referred to the Committee on the Judiciary, as follows:

CLEVELAND, *February 20, 1932.*

Re S. 935

Hon. CHARLES CURTIS,

Vice President of the United States,

United States Senate, Washington, D. C.

SIR: We have been advised that S. 935 will be up for consideration by the Senate on Tuesday, the 23d of this month. We feel that the position taken by the American Bar Association with reference to legislation of this character should be called to the attention of the Senate.

This position of the American Bar Association is evidenced by the formal action taken at its annual meeting at Memphis in 1929, and reported in volume 54 at page 93 of its annual report. This action consisted of the approval of the following resolution:

"That the association authorize continued opposition to all legislation radically limiting the jurisdiction of Federal courts, or decreasing the power thereof."

The full report of the committee touching upon this subject will be found at page 373 of said annual report.

Again, in the annual report of the American Bar Association, volume 55 for the year 1930, on page 68, the association adopted the following recommendation of the committee on jurisprudence and law reform:

"Your committee recommends continued opposition to all legislation radically limiting the jurisdiction of Federal courts, or decreasing the power thereof, adhering in this respect to the instructions of the association at its Memphis meeting in 1929."

Again, on page 70, the association adopted the following recommendation with reference to S. 2496, then known as the Shipstead bill:

"Your committee recommends the defeat of S. 2496, known as the Shipstead bill, limiting the jurisdiction of Federal courts sitting in equity or labor disputes, and fixing the public policy in relation thereto, on the ground that it is legislation with reference to a particular class and not uniform in its operation; that it surrounds the courts with so many limitations and conditions that it destroys the judicial power and renders the court helpless to restrain unlawful acts until after the damage has been done."

At the annual meeting of the American Bar Association held at Atlantic City in September, 1931, the committee on jurisprudence and law reform reported to the association upon this general subject, as follows:

"Your committee will continue its opposition to all legislation limiting the jurisdiction of Federal courts, or decreasing the power thereof, adhering strictly to the instructions of the association at Memphis in 1929 and at Chicago in 1930."

Yours respectfully,

PAUL HOWLAND,

Chairman Committee on Jurisprudence and Law Reform of the American Bar Association.

RECESS

Mr. WATSON. I move that the Senate take a recess until 12 o'clock noon to-morrow.

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

The motion was agreed to; and (at 4 o'clock and 35 minutes p. m.) the Senate took a recess until to-morrow, Tuesday, March 1, 1932, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

MONDAY, FEBRUARY 29, 1932

The House met at 12 o'clock noon.

Rev. Francis J. Hurney, of the Church of the Immaculate Conception, Washington, D. C., offered the following prayer:

We pray Thee, O Almighty and Eternal God of Might, Wisdom, and Justice, through whom authority is rightly administered, laws are enacted, and judgment decreed, assist with Thy Holy Spirit of counsel and fortitude the President of these United States, that his administration may be conducted in righteousness and be eminently useful to Thy people, over whom he presides, by encouraging due respect for virtue and religion, by a faithful execution of the laws in justice and mercy, and by great charity and devotion toward all those who to-day are in dire need. Let the light of Thy divine wisdom direct all the deliberations of this national body and shine forth in all the proceedings and laws framed for our rule and government, so that they may tend to the preservation of peace, the promotion of national happiness, the increase of industry, sobriety, and useful knowledge, and perpetuate to us the blessings of equal liberty.

We recommend likewise to Thy unbounded mercy all our fellow citizens throughout these United States, that they may be blessed in the knowledge and sanctified in the observance of Thy most holy law, that they may be preserved in union and in that peace which the world can not give, and after enjoying the blessings of this life be admitted to those which are everlasting. Amen.

The Journal of the proceedings of Saturday, February 27, 1932, was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Latta, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and a joint resolution of the House of the following titles:

On February 20, 1932:

H. R. 6304. An act to transfer Lavaca County from the Houston division to the Victoria division of the southern judicial district of Texas.

On February 23, 1932:

H. R. 81. An act granting the consent of Congress to the Catawissa Railroad Co. to reconstruct, maintain, and operate a railroad bridge across the Susquehanna River at or near Catawissa, Pa.; and

H. R. 7247. An act authorizing the Rhode Island State Board of Public Roads and the State Highway Department of the State of Connecticut to construct, maintain, and operate a free highway bridge across the Pawcatuck River near the location of the present Broad Street Bridge between Westerly, R. I., and Stonington, Conn.

On February 24, 1932:

H. J. Res. 271. Joint resolution amending section 1 of the act entitled "An act authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes," approved July 3, 1930, relating to the Mississippi River between the mouth of the Illinois River and Minneapolis.

On February 27, 1932:

H. R. 9203. An act to improve the facilities of the Federal reserve system for the service of commerce, industry, and agriculture, to provide means for meeting the needs of member banks in exceptional circumstances, and for other purposes.

EMERGENCY ROAD BILL

Mr. WARREN. Mr. Speaker, I ask unanimous consent to address the House for five minutes.

The SPEAKER. Is there objection.

There was no objection.

Mr. WARREN. Mr. Speaker, the Secretary of Agriculture, Mr. Arthur M. Hyde, gave out a statement, appearing in all of the newspapers this morning, upbraiding the House of Representatives for passing the emergency road construction bill by 96 majority. I am to-day handing out to the press the following reply to Secretary Hyde:

Secretary Hyde knows as much about Federal-aid roads and unemployment as he does about agriculture. For a long time the American farmer has taken his measure, and now laughs at his silly utterances. The charge that the emergency road bill was railroaded through the House is utterly false.

On December 4, 1930, President Herbert Hoover, transmitting a Budget estimate to Congress for an emergency relief appropriation calling for an expenditure of $80,000,000 for roads, said:

"The test of the value of such relief is the ability to pay wages between now and the end of the fiscal year, and I therefore urge that this estimate be given early consideration."

Acting on the President's recommendation, the measure was not permitted to go to the legislative Committee on Roads, but Chairman WILL R. WOOD, of the Appropriations Committee, conducted hearings, lasting only two days, and rushed it through the House under an unanimous-consent agreement with less than two hours' discussion and by unanimous vote.

If there was need for this expenditure in 1930, there is a double necessity for it at this time. We have followed almost verbatim the procedure used at that time, except that our hearings extended for three days and there was nearly six hours' discussion in the House. I repeat that all the evidence shows that this fund when matched by the States will give employment directly and indirectly to 1,000,000 people. Chairman WOOD and other Republican leaders vested with responsibility favored same in 1930 and urged it as an unemployment aid. This year, when divested of responsibility, Mr. WOOD and his associates for partisan reasons opposed the very thing they are all on record as favoring.

Let the Senate pass the measure and, as has been intimated, let the President veto it. We will confront them with their own words.

It is a piece of unmitigated gall for Secretary Hyde to upbraid the Democratic House in passing the first piece of legislation that will give a job to a single human being in America when his own party sat by impotent and suggested nothing. He speaks of the deficit, and I remind him that all of it was created under the present administration, and it remained for the Democratic House to endeavor to balance the Budget when the administration refused to even attempt it.

[Applause.]

Mr. DYER. Mr. Speaker, I ask unanimous consent that the statement of the Secretary of Agriculture, referred to by the gentleman from North Carolina, may be inserted in the RECORD at this point.

The SPEAKER. Is there objection?

Mr. BLANTON. Mr. Speaker, reserving the right to object, and I shall not, I call the gentleman's attention to the fact that, in spite of vigorous opposition by Republican leaders, many of his colleagues on the Republican side of the aisle supported this measure last Saturday, which is the only bill passed thus far that guarantees any real relief to unemployment.

Mr. DYER. I am not criticizing. I simply make this request.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The statement of Mr. Hyde is as follows:

STATEMENT BY SECRETARY OF AGRICULTURE ARTHUR M. HYDE
FEBRUARY 28, 1932

Yesterday the Democratic organization in the House railroaded through a bill for $132,000,000 for roads. The bill was produced on Friday and pushed through, under very stringent rules, on Saturday. A bare 24 hours' notice was given. No consultation was held with the Treasury, which must propose methods of taxation to meet the expenditure. No advice was sought from the Ways and Means Committee as to how they are to meet so large an increase in expenditure and balance the Budget.

The bill was passed in entire disregard of the assurances given some weeks ago to the country by the Democratic leadership in the House that they would oppose all authorization bills, and after they had severely trimmed the Budget recommendations for funds for departmental services. From the regular road appropriations for this department, for instance, they deducted, with great parade of economy, the sum of $10,000,000. They now propose to spend $132,000,000 for the same purposes. At a time when the country is crying for economies of administration and expenditure they pass a bill which requires more expenditures than all of the economies which have painfully and laboriously been achieved by the Appropriations Committee.

The bill purports to be a bill for the relief of agriculture and of unemployment. So far as agriculture is concerned an expenditure of a maximum of $200,000,000 for crop-production loans has already been passed. I should like to call attention also to the fact that, as to the $132,000,000 road bill, the farmer will gain in only part of the fund and will be compelled to pay, directly and indirectly, a considerable portion of the additional taxes which the bill will necessitate.

The Treasury Department and the Ways and Means Committee have been working in complete harmony and with courageous determination to balance the Budget and to preserve unimpaired the credit of the United States Government. This is a matter of vital concern to every person in the country. It is the cornerstone of renewed prosperity. The price to be paid is increased taxation, but not one penny more should be levied in taxes than the needs of the situation imperatively demand. Already increases in corporation, income, and estate taxes have been proposed to the maximum limit. Even these are not adequate. It has been found necessary to resort to a manufacturers' sales tax. Therefore, the increased burden imposed by this bill must be met, if met at all, by further increases in taxes upon commodities and services. The farmer is a large purchaser of such commodities and will have to pay his part of such increased taxes.

An excessive increase in road expenditures from the Federal Treasury this year would undoubtedly endanger the stable development of the Federal-aid program in the future. Excessive emergency support of Federal aid in some years will probably result in insufficient support in other years and thus impair the whole program. That would be disastrous. An assured annual program is much more important to the proper development of our highway system than any possible emergency and artificial stimulus which is of necessity temporary in its nature.

The $132,000,000 provided by this bill will give, directly and in itself, employment to about 35,000 people. This out of 6,000,000 unemployed. True it will create some indirect employment, but the number so benefited will certainly be less than the number directly affected. By extracting $132,000,000 additional funds from agriculture and industry, we shall impose still further strain upon the country and shall deprive more people of employment indirectly than we can employ directly.

The bill has more of the aspects of the pork barrel than of relief from unemployment. Our experience last year is in point. The Federal Government made an appropriation which resulted in an expenditure of $155,000,000 additional Federal funds for road building. The States and local districts reduced the expenditure of their own funds by three-fourths of this amount. In practical operation we expended $155,000,000 more Federal funds, but secured an increase in total funds expended—local, State, and Federal—of only $33,000,000. The net gain in employment from Federal funds was disappointing. The net result was a larger and disproportionate drain upon the Federal Treasury.

The allocation of the fund would be made under the law regulating road funds, rather than upon a per capita basis. The benefits of the fund, therefore, would be unequally distributed. The States having the least population would receive the largest per capita allocation. The States having the greatest population and the largest unemployment problem would receive the smallest per capita allocation. The bill does not go to the problem of unemployment on the basis of need.

But further than all this, if there is to be economy in public expenditures and relief from burdens of taxation upon the people, economy must begin. The President has forcefully said, "We can not squander ourselves into prosperity." The bill ought not to be enacted.

TREASURY AND POST OFFICE DEPARTMENTS APPROPRIATION BILL

Mr. BYRNS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 9699, making appropriations for the Treasury and Post Office Departments, for the fiscal year ending June 30, 1933, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 9699, with Mr. HOWARD in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. There remain 80 minutes of debate, according to the unanimous agreement made on Saturday last, 40 minutes on either side.

Mr. WOOD. Mr. Chairman, I yield 15 minutes to the gentleman from New York [Mr. LAGUARDIA].

Mr. LAGUARDIA. Mr. Chairman, there are several matters in this bill that I intended to discuss, but a subject has come up which I believe requires a definite reply; and I shall defer taking up the matters in the bill until we get under the 5-minute rule, at which time I expect to offer some amendments.

I had occasion a few days ago to call attention to the disgraceful conditions brought about in the aviation industry by the Century Air Lines in their attempt to so reduce the wages of skilled experienced pilots and the danger to aviation involved through the avarice of this company. The gentleman from Illinois [Mr. ARNOLD] called attention to the testimony of one E. L. Cord before the Committee on Appropriations. Had that testimony been given by any reputable operator of an air line, had it been given by any citizen who has a proper regard for the safety of the traveling public, and the rights of labor, the testimony would have been very impressive. In fact, after the testimony was given, many Members of the House looked into the terms of existing air mail contracts. No sooner had Mr. Cord left the Committee on Appropriations than he went back to Illinois and started reducing wages, which gives an entirely different aspect to his reliability and the value of his proposition. In other words, he seeks to get Government contracts by lowering the rates and plans to make up the difference out of the pay of pilots.

As far back as last May the Century Air Lines (Inc.) indicated the kind of tactics they were willing to employ against competitors. These tactics will, in turn, indicate the caliber of men operating this company. Just as they came to Washington seeking to get contracts away that are now held by other companies by any means fair or otherwise, just as they are willing to disregard safety by underpaying and overworking pilots, so last May they even went so far as to arrange for the use of violence in competing against reputable companies. Yes; they actually recommended the use of violence and the employment of thugs. I made this charge a few days ago, startling and shocking as it is, by reading a letter written by the traffic manager of the Century Air Lines to their own terminal manager at Detroit. I am going to read it again. The reason I do so, and shall continue to do so, is because this man, E. L. Cord, has the brazen effrontery to deliberately misrepresent facts, to deliberately misinform the public in an attempt to deceive the Congress, in an attempt to deceive the Post Office Department, in an attempt to deceive the public, and in a desperate effort to hide their own contemptible shame, to conceal their own disgraceful conduct, and to pose as persons who have been unjustly criticized. Just let me read this letter again:

CHICAGO, *May 16, 1931.*

Mr. GEORGE H. PFEUFFER,
Terminal Manager, Detroit, Mich.

DEAR SIR: Any number of people, including executives of the Cord Corporation, have advised me that Thompson is making a practice of telling our passengers, who are on the bus with their passengers on the 1.30 schedule, that they should ask for refund of their ticket and get out on the first ship—which is Thompson's—and that you have no hesitancy in refunding their money to them so that they can do this.

I can not understand why it should be necessary for anyone to tell you not to permit this, but rather arrange to offset it and, if possible, give Thompson a dose of their own medicine, but it seems that some one must tell everybody just what to do.

Why don't you get some good, hard-boiled scrapper and ride him on that bus all day long. If he hears anyone making a suggestion to any passenger about Thompson, have this tough beat him up. It was necessary to do this in the early railroad days and also in the taxicab and bus developments, and apparently it is necessary for us to adopt this sort of tactics.

But, in any event, as manager of Detroit, I should think you would have the interests of the company sufficiently at heart to do something aggressive to offset this condition. Why don't you run your show in such a manner that Thompson would be ahead to induce you to work for them instead of for Century, and make your terminal more profitable and satisfactory than any other terminal that Century has, inasmuch as Detroit is the best source of traffic that we enjoy.

Get after this situation right now, and let me hear from you what has been done about it.

Yours very truly,

CENTURY AIR LINES (INC.),
By W. F. BLISS.

In the face of this, this man E. L. Cord has the audacity to send out a statement to the press. Here it is:

E. L. Cord clarifies pilot controversy in patriotic interview.

He refers to himself as "E. L. Cord, president of Century Air Lines (Inc.)," the same company referred to in the letter I have just read, instructing their manager to employ thugs to beat up people. I suppose that was for patriotic reasons.

In other words, this low type of citizen who advocates the employment of thugs to do violence is now trying to get profits by employing scabs and hiding it all in a patriotic appeal. He says that his labor troubles are the result of "anarchistic activities," and he refers to his pilots as "reds." When he says that, he knows that he is making a deliberate, vicious, and malicious false statement. Gentlemen, over 50 per cent of the pilots referred to as "reds" by this miserable person are ex-service men who served as flyers in our Army during the World War and rendered actual flying service for their country. Forty-five per cent of the pilots in the pilots' organization are now members of and affiliated with the reserve forces of the United States Army or Navy. [Applause.]

Among the pilots now on strike are such boys as Eddie Hamilton, Dean Burford, Duke Skoning, Bledsoe Payne, Kenneth Cool, C. H. Thomas, Wheaton, James Benedict, Paul Meng, and others, all veterans of the war. Because they refused to work under indecent conditions, which would impair the safety of the public, he refers to them as "reds." They did not go on strike. They were locked out after they had agreed to arbitration. They were discharged by this same Cord after he went back on his own word to arbitrate. Mr. Cord has absolutely no regard for the truth. He mailed a copy of this "patriotic interview" to every Member of Congress. He said, among other misstatements:

The impression has been given that the readjustment in pilots' compensation on the Middle Western lines reduces them to only $150 per month. This is not true.

Gentlemen, that statement was made by Mr. Cord himself when a committee of the pilots conferred with him on Sunday, January 31, 1932, in Mr. Cord's own office, in Chicago, Ill. The committee consisted of five, and I will nail his lie right now. This committee consisted of Messrs. Dean Burford, Eddie Hamilton, A. B. Thomas, Duke Skoning, and R. Williams. Two of these gentlemen are in the gallery this minute. Those men represented the pilots. They went there and Mr. Cord told those five men, who are ready to face him any time, anywhere, and who are ready to testify under oath, that he first suggested a reduction of 40 per cent, and that eventually he was going "to take the romance out of aviation" and bring them down to $150 a month; and yet he has the audacity to send out this "patriotic interview," as he calls it. There is not a meaner employer of scab labor in the entire United States than this man, who disregards the truth and calls it a "patriotic interview."

Do you know what he offered the boys? Three dollars an hour for day flying and $5 an hour for night flying. Suppose a boy is on a 2-hour or a 3-hour flight, he would get $9 for that day. He would have to lay over at the terminal until the next day and then come back on the third day, and if that does not make it less than $6 a day I do not know what does. If he is on a three or four hour night flight, according to the regulations of the Department of Commerce, he can not fly back the next day. Imagine attempting to have a pilot fly four hours every night.

The regulations of our Department of Commerce would not permit any such condition, and this man comes before a committee of Congress, criticizes the Post Office Department, criticizes existing contracts, and says he can do the same work for 50 per cent less, and he figures the 50 per cent less by taking it out of wages. He went from Washington with the idea that we were going to enact special legislation for his discredited company. In all likelihood we would have enacted legislation if an exposure had not been made on the eve of consideration of his proposition. He is known now—and his company is known now—they are not the kind of men and company to intrust the development of aviation.

He said before the committee that he had no opportunity to bid. I have here seven contracts that were opened since he has been operating, in which he or his company did not bid. Why? Again, a matter of truthfulness. I think the gentleman from New York, Mr. MEAD, will bear me out in that.

If the Cord Corporation was really interested in aviation in 1927, as they state on page 369, why did they not bid on the following routes:

No. 27, Bay City-Chicago, established July 17, 1928.

No. 28, St. Louis-Omaha, established May 1, 1929.

No. 29, New Orleans-Houston, established January 23, 1929.

No. 30, Chicago-Atlanta, established November 19, 1928.

No. 32, Pasco-Seattle, established September 15, 1929.

No experience was required of the bidders on any of these routes, although it may have been a factor in making the award between two equally low bids. Six months' experience was required of bidders on the following:

No. 33, Atlanta-Los Angeles, established October 15, 1930.

No. 34, New York-Los Angeles, established October 25, 1930.

The Cord Corporation calls attention to these two routes, but has never said that it wished to bid on them at the time they were ready for installation. At the time it had never flown an airplane over a line of its own and did not on its own showing until March 23, 1931.

To give you an idea of how unsafe it is for any passenger to travel on the Century Line planes at this time, the man at St. Louis who is in charge of checking the planes as they come in, that is, as the pilot leaves the plane, checks the oil, the fuel, the controls and the entire plane, is working 17 hours a day, and he had no assistants. That was one of the causes of the protest of the pilots. Since the strike those conditions have been changed in St. Louis, only during the lockout. Of course they expect to go back on the 17-hour basis later.

Pilots insist on having good mechanics. That, too, was a part of the protest of the pilots, that the Century Air Lines were paying assistant mechanics $60 a month and senior mechanics $100 or $110 a month and overworking those men. I do not need to tell my colleagues how skilled, accurate, and how careful must be the work on the motors and the rigging of the planes. As compared with the prevailing rate for similar skilled work, on other operating companies, it was 30 or 40 per cent less. It was at that time that the pilots protested to the company, and since then there has been some temporary change, only during the lockout, in the hope of beclouding the issue.

I submit that we can not, in this early stage of development of aviation, permit anyone to obtain Government contracts who plans to operate his company in this manner. I hope that I express the sense of this House when I say that we shall expect and insist that all operators of airplane companies having contracts with the Government shall operate their planes safely and skillfully and shall treat their pilots and labor decently, in accordance with the compensation we are paying them. [Applause.]

Mr. PARSONS. Will the gentleman yield?

Mr. LAGUARDIA. I yield.

Mr. PARSONS. Will the gentleman include in his statement the wages paid by different organizations operating under contracts with the Government, and also to pilots and mechanics?

Mr. LAGUARDIA. Yes; I shall be very glad to do so, and I thank the gentleman for his suggestion.

Pilot's hours and pay

Air mail carrier	Hours per month	Pay per month
Pan American, Caribbean division	80	$835
Boeing, Chicago-Cheyenne	81	756
Pan American, Mexican division	75	650
Western Air Express	105	625
Colonial	105	625
National parks	85	550–625
Varney Air Line	85	575
Eastern Air Transport	85	575–600
National Air Transport, Chicago-Dallas	85	575
Cord Corporation [1]	70	210

[1] Pay $3 per hour; $5 per hour for night flying, but does not do any night flying because Department of Commerce will not approve inexperienced pilots for night duty.

The above will indicate immediately the rates paid by reputable operating companies and the rate offered by the Century Air Lines when the present trouble started.

Now this matter of wages, gentlemen, was brought up in the Committee on Appropriations and the figures which I have just quoted are corroborated by the Postmaster General and will be found on pages 288 and 289 of the hearings before the subcommittee having charge of this bill. Let me read just one or two lines which tell the traffic story:

Mr. THATCHER. You say that they pay [salaries paid pilots by Cord Corporation] the pilots less than the others are being paid?

Mr. BROWN. What was the last figure that they offered their pilots?

Mr. GLOVER. From $200 to $250 a month; $250 was the maximum.

Mr. THATCHER. What is the average?

Mr. BROWN. The average paid to the air mail pilot is about $600 a month. It runs from $500 to $700.

* * * * * * *

The CHAIRMAN. I do not think $600 a month is too much.

Mr. BROWN. I do not, gentlemen. I have been around with them quite a bit.

Mr. PARSONS. I think that will be very interesting to the membership.

Mr. LAGUARDIA. Now, please do not get the idea that I am oversentimental in consideration of the pilots. Before we permit a man to take command of a ship at sea, we require that he must have many years' experience, must have served an apprenticeship, must have served as third mate, second mate, and first mate, before he gets a skipper's license. With the present development of steam and the art of shipbuilding, the responsibility is not as great as it was years ago, although the responsibility is great. We must take every precaution in the case of heavier-than-air planes. Flying is still in its infancy. The responsibility of a pilot, with 10 or 12 passengers, is enormous. He must navigate, besides piloting the plane; he must attend to the motors, watch his fuel, oil, temperature of motors, should be well trained, and understand meteorology. To take underpaid, inexperienced men or boys who have just obtained their license, as the Century would like to do, and put them in control of passenger planes, I say is unsafe. It is not only unsafe to the people who travel in the air but it is unsafe to the people below, and we ought to put a stop to it immediately. [Applause.]

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. ARNOLD. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. MEAD].

Mr. MEAD. Mr. Chairman, I am extremely interested in the post-office section of this bill and as a member of

the House Post Office and Post Roads Committee, I have a number of amendments which I shall take up under the 5-minute rule. There are a number of matters, however, that I would like to discuss with you right now.

Following the discussion of my distinguished colleague from New York concerning the air mail situation, let me say that on to-morrow our committee will begin hearings in connection with the forming of a new air mail policy. The Comptroller General has criticized the present policy and a great many Members in the House have evidenced an interest in this important question.

The two matters which I desire to discuss with you affect the application of the rule which has been adopted with every appropriation bill passed up to this time. That rule pertains to promotions and automatic increases in salaries. I want to impress upon you the fact that the situation as it applies to the Post Office Department in the field service is entirely different from the departmental service here in Washington.

The amendments which I will offer in connection with that particular feature of the bill are as follows: First, in order to make more certain the intent of Congress in requiring the department to fill vacancies by appointing substitutes and to prevent, if possible, any excuse for defeating the purpose of the legislation by a technicality I will suggest this amendment in line 25, on page 67:

Or when substitutes are employed regularly to the extent of 44 hours a week.

The second amendment I will offer on page 66 will add another proviso, the language of which is as follows:

This limitation on promotions shall not apply to any postal employee receiving $2,000 or less annually.

The facts in connection with the suspension of automatic promotions are as follows: There are 11,586 employees in the first and second class post offices affected by this amendment. The amount saved by depriving them of their annual increase in salary amounts to approximately $1,000,000. The men affected for the most part are married, with consequent family responsibilities. They are scattered all over the country in every first and second class post office. The average length of service of the men affected by this amendment, whose salaries would be reduced unless we adopt the amendments, are about eight years, most of that time as substitutes, during which their salary was very, very meager.

In a letter from one of the representatives of the postal groups this matter is explained more clearly than I can possibly hope to explain it to you. Therefore, with your indulgence I will read the letter. This letter was addressed to me as chairman of the Post Office and Post Roads Committee and also to the chairman of the Committee on Appropriations [Mr. BYRNS].

NATIONAL FEDERATION OF POST OFFICE CLERKS,
OFFICE OF THE SECRETARY-TREASURER,
Washington, D. C., February 5, 1932.

HONS. JAMES M. MEAD AND JOSEPH W. BYRNS,
House of Representatives, Washington, D. C.

DEAR CONGRESSMEN: In behalf of the National Federation of Post Office Clerks, I am asking that no limitation be placed in the postal appropriation bill on promotions or appointments in the postal field service for the next fiscal year.

May I suggest that you incorporate the following proviso into the bill to continue the automatic salary promotions:

"*Provided*, That this limitation on promotions shall not apply to any postal employe receiving $2,000 or less annually."

There are valid reasons for this suggestion, which I herewith respectfully call to your attention. The salary progression of post-office clerks and city letter carriers from an entrance grade of $1,700 annually to the top grade at $2,100 is fixed by a law which stipulates that they be promoted successively $100 each year, contingent upon satisfactory service. There are approximately 7,000 clerks and 4,400 city letter carriers in these four automatic salary grades at present. Most of them worked five years or longer as substitutes before appointment to the regular force at $1,700, which means they have been in the service at least eight or nine years. This period is in reality the employees' apprenticeship. For the most part, they are family men with the consequent responsibilities. To deprive them now of earned promotions would be expensive economy—resulting in a very small money saving and a large loss in service morale.

It sounds impressive to say that Congress will stop all promotions as an economy measure. There may be cases where this can be justified. Yet in this instance there would be a breach of contract on the part of the Government and the economy is aimed directly at the lowest-paid groups—those least able to stand it.

The total saving effected by denying these earned promotions is approximately $1,000,000, which is to be withheld from 11,000 wage earners scattered throughout the country, and which ordinarily would be spent in the usual channels of trade. In view of the billions appropriated by Congress to stimulate business, it is rather petty to now suspend this legitimate expenditure in the form of earned wages and increased purchasing power. Congress should not be put in the position of stimulating only big business and throttling little individuals.

President Hoover has called attention to the importance of dissipating fear and restoring public confidence as an aid to economic recovery. The suspension of the earned promotions of men receiving $2,000 or less annually—men who have been in the public service for seven or eight years—is not calculated to establish confidence and security among the postal employees. It is certain to have the reverse effect and to this extent retard the reconstruction program. If every dollar hoarded means a destruction of from $5 to $10 of credit, as the President states, then withholding these promotions is equivalent to governmental hoarding at the expense of a low-wage group and can not be defended morally or economically.

There is another phase of the proposed legislative limitation that is of great importance to 25,000 substitute post-office clerks and city carriers. I refer to the restriction on the filling of vacancies which will likely prevent appointments of substitutes to regular positions throughout the next fiscal year. Any such policy in the field Postal Service would be disastrous and manifestly unfair to the substitutes.

Postal work must be performed daily without delay. It can not await a return of prosperity. If a substitute is required to do the work of a regular clerk or carrier at a lower rate of pay—as would be the case—it means a lowering of wage standards. It is true there would be a money saving by this practice, but it would be another breach of faith and a further hardship upon the substitutes. For the substitute would have the work and responsibility of a regular without the pay or leave privileges and the benefit of other protective laws.

Post-office substitute employees, numbering 23,000 in all, are now undergoing severe trials. Many of them are dependent upon the charitable donations of their associates. If no vacancies are to be filled until July 1, 1933, it means a continuation of this present very bad condition, which is due to a large extent to restrictive administrative policies of the Post Office Department. The substitutes did not benefit as they should from the 44-hour week law enacted at the last session of Congress. Instead of a 4-hour Saturday, as Congress intended, we have regular clerks in Chicago, Newark, and other large offices working six hours on Saturdays and who then are required to take two hours off during the week when the time is of no value to them. This perversion of the law affects the substitutes adversely.

An accurate picture of the general substitute-employment situation was personally brought to your attention in Nashville last November by a delegation of post-office substitutes. Since then, except for the extra Christmas work, these conditions have grown steadily worse.

The present departmental policy is against filling vacancies, and, inasmuch as this is wrong in principle, as we see it, it should not be sanctioned now by Congressional action. If this is done there will be a tightening up of this restrictive administrative policy that will prevent the appointment of substitutes for the next 17 months.

Furthermore, it implies there is little expectation of an early business revival as the result of the costly reconstruction measures passed by Congress, despite public protestations to the contrary. For, if postal vacancies are not to be filled for 17 months, this indicates a distressing lack of confidence on the part of Congress in the efficacy of its remedial measures for economic stimulation.

For the reasons herein stated I sincerely hope that the House Appropriations Committee will not include in the postal appropriation bill any restriction on filling vacancies in the field service, and also modify the provision limiting promotions to exclude those employees receiving $2,000 or less annually.

Very sincerely yours,

THOS. F. FLAHERTY,
Secretary-Treasurer National Federation of Post Office Clerks.

Now, Mr. Chairman, I want you men to consider this matter very seriously before you vote upon these amendments. I want you to consider the pathetic plight of men who for the last 5, 6, 7, or 8 years have been reporting every day and every night to the large post offices throughout the country. Many of them have been given one hour or one day and in some cases, perhaps several days' work each week. They have reported and reported, day in and day out, year in and year out, and if any of those men were fortunate enough to have secured a regular appointment within the last two or three years this rule aims to penalize them.

The lowest-salaried men in the Postal Service, those who were substitute clerks and carriers until the last two or three years, and the laborers who are now in the service, are the only ones to be punished by the application of this rule.

The bill indicates very clearly that the postmasters, assistant postmasters, supervisors, and others in supervisory positions are to be exempt, but it shall apply with undue severity, to the lowest-paid men in the Postal Service. I sincerely hope the amendments I shall offer at the proper time will be adopted by the committee and the House.

[Here the gavel fell.]

Mr. WOOD of Indiana. Mr. Chairman, I yield myself 10 minutes.

I do not wish it to be understood that I hold any brief for the Cord Co., concerning which the gentleman from New York [Mr. LAGUARDIA] spoke a few minutes ago and about which he made quite a bitter speech a few days ago. I will say, however, that Mr. Cord and his associates, who appeared with him before our committee, impressed me very much not only with their reliability but their sincerity. Whether or not they could make the contract under which they proposed to carry the air mail, both foreign and domestic, at practically half the amount we are now paying, I am not able to say, and the committee did not have time to make the investigation which would be necessary in order that it might be informed on that matter, but I do hope and believe that the testimony they gave before our committee will eventuate in a large saving to the Government of the United States on existing contracts for carrying the air mail.

It is only fair, I think, to submit to this Congress a letter that I received from Mr. Cord, dated February 26, which reads as follows:

WASHINGTON, D. C., *February 26, 1932.*

Hon. WILL R. WOOD,
House of Representatives, Washington, D. C.

MY DEAR MR. WOOD: Referring to the statements made by Mr. LAGUARDIA on the floor of the House some days ago in which he charged me, personally, with beating down of pilots' wages to a point of $125 to $150 a month and which Mr. LAGUARDIA stated was less than that earned by the truck drivers in New York, and to his statement that our airplanes were unsafe and now operated by inefficient and incapable pilots, I beg to advise that our present scale of pay permits the pilot to earn from $300 to $400 per month; that the ability of our pilots is determined by the Department of Commerce and that all of them are duly authorized to fly transport ships by that department and are individually inspected by the inspectors of that department before any passengers are permitted to be carried. Our midwestern lines, the lines to which Mr. LAGUARDIA referred, are now being operated by 17 pilots who have had an experience from 1,100 to 8,800 hours each, as certified by the department license they carry. The department requires only 200 hours' experience.

I attach copies of two articles written and run in the Los Angeles Times as to the situation on the Pacific coast, showing conclusively that malicious attempts have been made to destroy a legitimate business.

For your information, these air lines were started in the early part of 1931, when few new projects were being attempted. These lines have carried more than 25 per cent of all the passengers who have ridden by air in America since their inception. These lines directly employ nearly 400 people and consume vast amounts of raw materials. For instance, the gasoline consumption alone amounts to 10,000 gallons per day.

The articles in the Los Angeles Times show conclusively the confidence that most of our employees have in us.

Very truly yours,

E. L. CORD.

This is from the Los Angeles Times of February 22:

AIR LINE PILOTS HIT UNION RULE—ORDER TO REPUDIATE FAITH IN CORD TO BE IGNORED—BENWAY, CENTURY-PACIFIC VETERAN, CITES AMITY—EFFORT TO FORCE ISSUE INTO CONGRESS REVEALED

Demands were made yesterday from the Chicago headquarters of the Airline Pilots' Association, branch of the American Federation of Labor, that local pilots of Century-Pacific Airlines repudiate the statement they issued here last Saturday expressing satisfaction with wage and working conditions and confidence in E. L. Cord, backer of Century-Pacific.

The demand, according to E. L. Benway, veteran air skipper, and until yesterday acting chairman of the association's executive council in Century-Pacific, will be ignored.

SUGGESTIONS CITED

Benway announced he resigned yesterday from the executive post in the association's Century-Pacific membership.

At the same time he revealed that the Chicago headquarters of the association have made demands on the local flyers which he termed "rank attempts to get us to bite the hand that's feeding us."

"The association during the past few days has attempted to make the Century pilots fight Mr. Cord," Benway explained.

"We were told that as members of the association we must wire our congressional Representatives in Washington and 'knock' Mr. Cord and Century.

DUE TO CHICAGO ROW

"The way it looked to most of us is that the association is trying to 'cut Mr. Cord's throat' so that Century-Pacific will be unable to get any of the air mail contracts the 'big three' are dividing in Washington.

"We don't want to be traitors to a group, but why should we bite the hand that's feeding us, and double-cross our employers because of some association's demand?"

The local fight with union forces, as represented by the association, resulted from 21 Century pilots being discharged from the Chicago line, also controlled by Cord, because they protested a salary cut.

EXPRESS CONFIDENCE

"Perhaps there was a mistake made in cutting the Chicago boys, but that undoubtedly would have been straightened out if the union had not stepped in and gotten 'tough' about the matter," declared Benway.

"And now the association is trying to push us into a battle. We don't want to battle; we are satisfied and our employers are gentlemen trying to do the right thing.

"We issued that statement Saturday expressing our confidence and satisfaction and we intend to stick by it."

Nineteen of the thirty-one Century-Pacific pilots signed the statement. It was learned that all but one flyer on the line belong to the association.

FEW MAY RESIGN

Five or six of those who did not sign may resign from the company, it was indicated yesterday.

The balance of the pilots who did not sign will follow with the majority, according to those in touch with the situation.

The Airline Pilots' Association was formed last spring for the purpose of binding skyline skippers together professionally, but with no indication that it intended to become a labor organization.

A charter of the American Federation of Labor was granted to it quietly last December. Many of the pilot members, prior to the Chicago tiff, during which unionism and its methods of force and picketing first cropped out, revealed they were unaware that the American Federation of Labor had become involved in the Nation's latest mode of transportation.

Then there is another item in the Times of February 23, which reads as follows:

[Los Angeles Times, morning, February 23, 1932]

UNION SUSPENDS AIR-LINE PILOTS—NINETEEN AT LOCAL AIRPORT TELEGRAPHED NOTICE—ACTION INDICATES OUSTER BY FEDERATION OF LABOR—CENTURY-PACIFIC EMPLOYEES STAND BY COMPANY

Suspension of 19 of the 26 pilots of Century-Pacific Airlines from the Airline Pilots' Association, aeronautical arm of the American Federation of Labor, was revealed here yesterday in a telegraphic notice filed from Chicago union air headquarters and signed by the Central Pilots' Executive Council of the association.

The notice resulted from the 19 local pilots going on record here in an expression of confidence in E. L. Cord, backer of the Pacific Coast group and of Century Airlines of the Middle West, and pointing out their satisfaction over Century-Pacific wage and operating conditions.

PILOTS DEFY UNION

Defying the Chicago union forces which, some of the pilots declared, tried to force them to wire derogatory statements to Washington that would reflect on Cord and Century-Pacific in its efforts to obtain air mail contracts, the local pilot group refused to repudiate their official statement supporting their employers and the company.

The local situation was precipitated by the labor union in Chicago involving Cord's Century Airlines. Pilots on the middle-western line were discharged when they objected to a salary reduction.

Stepping into the situation with usual union tactics, the Airline Pilots' Association attempted to cultivate strife in the ranks of the local organization. It was revealed that the supposedly professional association was actually a branch of the national labor-union organization and its purposes and activities were brought to light.

TO BE EXPELLED

With receipt of the suspension notice yesterday—which, it was pointed out in the telegram, means that the pilots will be expelled as soon as the association can get its board of directors together—the local situation was clarified.

"This means that the 19 men who stood by us are out of the association of their own volition, because they realized that to stand by their company probably would mean losing membership in the association," it was said by O. R. Fuller, president of Century-Pacific.

"The remainder of the 26 men will have to quit the union or quit the company is our understanding of the ultimatum sent them by the union.

"Century-Pacific will not interfere with them. It is their own problem.

"We have been fair to all our men and their expression of confidence in us and the company is indicative of their treatment.

"A fight by other interests to monopolize air-mail contracts evidently has resulted in the union forces being used as a tool to drag our pilots here into a situation in which they are not involved."

I thought it was only fair that the other side of this proposition should be stated. I know nothing about the merits or demerits of the fight that precipitated this trouble. I do know, and many of you know, that the racketeers and the plug-uglies in Chicago, as well as in many other cities, require and deem it absolutely essential that this corporation have protection for its property, whether that property be on the ground or in the air, and there is abundant proof that attempts have been made to destroy such property.

[Here the gavel fell.]

Mr. ARNOLD. Mr. Chairman, I yield 10 minutes to the gentleman from Georgia [Mr. PARKER].

Mr. PARKER of Georgia. Mr. Chairman, first of all, let me state that I can not yield to anyone for any purpose until after I shall have finished making my remarks. When I am through, if I have some time left and if I feel so inclined, I may then yield for questions.

On last Thursday the gentleman from Massachusetts [Mr. UNDERHILL] saw fit to make a personal attack on me from the floor of the House. His remarks, as revised and extended by him, are recorded on pages 4863 to 4869, inclusive, of the CONGRESSIONAL RECORD published for that day (February 25, 1932). He is a veteran of six successive Congresses, and in addition to having challenged me to combat he has also chosen the weapon—"mud pies." I hope to be able to sling them with as good aim and telling results as he has done himself. He claimed to be displeased at what I had said in a speech before this body on February 19. At that time I promised to reply to him one day during this week. I also promised to prove to you that I made no statement here on Friday, February 19, that is not absolutely true.

In the first place I wish to say to this self-appointed regulator of my conduct that little do I care what he thinks or says concerning me or my party. He hails from Massachusetts. I suppose his ancestors landed on Plymouth Rock. It is a great pity that Plymouth Rock did not land on him instead of permitting his ancestors to land on it. I do not believe he made his attack upon me on account of what I said, but I am rather inclined to the opinion that it was because I had the temerity to speak at all.

Another reason why he assailed me is probably due to my forgetfulness. I forgot to ask the gentleman from Massachusetts, my self-appointed guardian, if I might have the privilege of addressing the House. But the straw that broke the camel's back, perhaps, was the introduction into the RECORD by me of a short but timely editorial clipped from a newspaper published in my district.

My speech of February 19 and the editorial referred to, which was extended in the RECORD by unanimous consent, consumed a page and a quarter of space in the daily issue of the CONGRESSIONAL RECORD. This is the only space I have used since Christmas, despite the fact that others have talked almost daily, and despite the further fact that a Member of the other party in another body used 160 pages of space on one occasion at a cost to the Government of approximately $8,000.

I am well acquainted with the opinion of the gentleman from Massachusetts to the effect that a new Member of Congress should be seen and not heard, but I know of no rule of the House on which he can base this opinion. His attitude in the matter is dictatorial and undemocratic. He is notorious for his matchless egoism and conceit. His arrogance is inexcusable, and his pernicious activity on the floor of this House invites attention to his intolerance.

I wish to advise the gentleman from Massachusetts—and any others who believe as he does—that so long as I shall hold a commission from the Governor of the sovereign State of Georgia to represent the people of a great congressional district in this House of Representatives that I shall avail myself of the privilege of addressing the House when I feel inclined to do so. Before coming here I had been elected by my people to municipal, county, and State offices. I was sent here to represent the people of the first congressional district of Georgia in the Congress of the United States. My rights and privileges here are equal to those of the gentleman from Massachusetts. I shall continue to forget to ask the gentleman from Massachusetts for permission to address you. I also reserve the right to ask unanimous consent to extend in the RECORD such documents as I may choose to have so recorded.

In this connection I will state for the benefit of the gentleman from Massachusetts that if some newspaper in the country will publish an editorial concerning him and his service, and will base the editorial on facts, I will gladly ask that it, too, be extended in the RECORD.

The gentleman from Massachusetts refers to me as a new star in the legislative firmament, a new leader in Congress, and he speaks of the beginning of my career in statesmanship. In reply I want it distinctly understood that I make no claims to greatness. I am not a star in any kind of a firmament. I am not a leader. If I were leading this group, we would be traveling in a direction other than the one pointed out by the occupant of the Whie House and his official spokesman.

Before leaving this phase of my subject, however, I want to say that I prefer to be here in the early morning of my career rather than in its late evening, as I understand is the case with the gentleman from Massachusetts. I am told that great rumblings are already being heard in his district which indicate that he is soon to be taken out of the picture, feet foremost, and pointing toward "the rising of the sun."

I was almost moved to tears as I listened to the Republican gentleman from Massachusetts wax eloquent in his defense of my party. What I have had to say about my Democratic colleagues and what I shall say of them in the future is purely a family affair. It is something that should not concern the gentleman from Massachusetts and I do not believe him to be sincere when he claims that it does concern him.

May I pause at this point long enough to ask a question: When did the Democratic Party reach the point in its existence that it would request—or even be willing to permit—a Down-Easter Republican aristocrat from Massachusetts to defend it against any charge? When that time comes I will quit the party.

The gentleman from Massachusetts questioned my statement that other Democrats are thinking as I think and that some of them are beginning to talk as I talk. To prove the truthfulness of that statement, I refer you to that manly "broadside" delivered two days later by no less a person than that peerless Democrat, Hon. JOHN N. GARNER, the Speaker of this House.

With this off my chest, I come to the main issue. The truth, the whole truth, and nothing but the truth is simply this: The gentleman from Massachusetts is disturbed about what I had to say with reference to the President's attitude toward the relief of our distressed people, the millions of men, women, and children, American born, who are loyal to a flag that is emblematic of liberty, freedom, and justice and has waved over the land of the free and the home of the brave for more than 150 years, and whose Government should be of the people, by the people, and for the people.

Am I to be blamed because a system of government of the people by commissions and for the privileged classes and foreigners has not met with the approval of the people? Have I distorted the facts in saying "our President proclaimed from the housetops that the Government should not contribute $1 for relief?" If I have, please inform me in which of his utterances he has ever taken a different position. Can the gentleman from Massachusetts make you believe that the American Red Cross is an official agency of the United States and that the Government can claim credit for its activities, and at the same time state to you that a call from this great organization is heeded by the people as a moral obligation upon their voluntary generosity?

In 1921 there was pending a resolution to appropriate $20,000,000 to buy food for people; not Americans, not

people who had a right to look to our Government for assistance, but people who were living in Russia. Mr. Hoover, who was then the Secretary of Commerce, said:

Public charity is not to be an avenue through which this problem can be solved.

Again he said:

It does not look to be a very great strain on the population to take $20,000,000 for a purpose of this kind.

But listen to him in December, 1930, nine years later, after he has become the country's Chief Executive, and when American women and children are hungry and in want:

In order that the Government may meet its full obligations toward our countrymen in distress through no fault of their own, I recommend that an appropriation should be made to the Department of Agriculture to be loaned for the purpose of seed and feed for animals. Its application should, as hitherto in such loans, be limited to a gross amount to any one individual and secured upon the crop. The Red Cross can relieve the cases of individual distress by the sympathetic assistance of our people.

The phraseology of the legislation itself limited the use of the money thus loaned for the purpose of buying seed and feed for work animals. No animals were included but horses, mules, oxen, and asses. Not one dime of the money could be legally spent for feed for the milch cow. None of it could be used in the purchase of feed for swine. Not a penny could be used in raising poultry. Nothing was authorized to buy feed for the faithful dog; and if, perchance, the borrower used a portion of the loan for the purpose of buying human food for his overworked wife or his undernourished children, he subjected himself to trial and the payment of a fine of a thousand dollars.

The recommendation of the President for an appropriation to be made to the Department of Agriculture to be loaned for the purpose of buying seed and feed for animals was not a recommendation for relief of the hungry Americans who needed human food, not feed for animals.

I still maintain that I did not misrepresent the attitude of the President in my remarks of February 19, and what I said then I reiterate now, without the slightest fear of successful contradiction.

Mr. WOOD of Indiana. Mr. Chairman, I yield five minutes to the gentleman from New York [Mr. FISH].

Mr. FISH. Mr. Chairman, I have had placed to-day on the Clerk's desk a petition asking for the discharge of the Committee on Agriculture from consideration of Senate Joint Resolution 60, authorizing the Federal Farm Board to turn over to the American Red Cross 40,000,000 bushels of wheat to be processed into flour by the Red Cross and distributed throughout the land wherever there is want or hunger or undernourishment.

There is no need for this to be a partisan issue. I want to give an opportunity to every Member of the House, Democrats and Republicans, to sign this petition and turn the Government-owned wheat, or at least a part of it, over to the Red Cross.

The wheat now owned and controlled by the Government costs the taxpayers of America 15 cents a bushel per year for storage or $6,000,000 for this 40,000,000 bushels of wheat referred to in Senate Joint Resolution 60, introduced by Senators CAPPER and WHEELER, or $24,000,000 for storage per year for all the wheat owned by the Government.

Many of us in the House of Representatives—most of us, in fact, Republicans and Democrats alike—will go back to our constitutents this fall and tell them that we have voted billions to relieve corporations, to relieve the railroads and banks and insurance companies, but we will be forced to admit under political pressure that we have done almost nothing to relieve the distress, the hunger, and the undernourishment among the hundreds of thousands, if not millions, of American citizens who are unemployed through no fault of their own. We voted for a moratorium to relieve the economic and financial situation in Germany and other foreign countries. How can we consistently go home to our own constituents, many of whom are suffering from malnutrition and are hungry, and ignore the urgent needs of our own people who ask for bread from the Federal Government and are given a stone?

For the Federal Government in this emergency to donate its own wheat to relieve millions of hungry American men, women, and children is not a dole. That is no unemployment insurance or placing a premium on idleness. It is the duty of all government in great emergencies to feed their own people. It would be monstrous to call that fundamental responsibility a dole. It comes before and beyond the Constitution and is the reason for the Government itself. We must provide in great national crises for the welfare, health, and lives of the American people. The Congress in 1921 appropriated $20,000,000 for foodstuffs to relieve the starving Russian people, and the House passed a bill in 1924 by a 2 to 1 vote to provide foodstuffs for the hungry German women and children. Can we consistently continue to ignore the plight of our own people? I believe, my colleagues, that I am rendering a political service to every Member of this House by giving him or her an opportunity to sign the petition at the desk, asking for the discharge of the Committee on Agriculture, irrespective of partisanship, to show that you realize that there is undernourishment, hunger, and destitution in America and that the Congress of the United States is not deaf, dumb, and blind to the suffering and privation of millions of unemployed American citizens.

Let me say to those Members of the House who may be reluctant to sign any kind of a petition that the rule for discharge of committees is a rule of the House. You may not have voted for the rule, or you may not have liked it, but it is just as much of a rule to-day as any other rule of the House of Representatives. Every other legislative body in the world has some sort of a workable rule to control and discharge committees, and properly so; otherwise there would be no representative government, as the committees become the masters instead of the servants of the House. So there should be no fear on the part of any Member of the House that he or she is doing anything irregular or against the party organization or even contrary to the existing rules of the House.

I rose for the single purpose of announcing, free from partisanship of any kind, that the petition to discharge the Committee on Agriculture of Senate Joint Resolution 60, which passed the Senate two months ago by a unanimous vete, is now on the desk, and those of you who believe that there is hunger in the land and that the American people in this affliction are entitled to some consideration at the hands of the Government and wish to cast a vote in this emergency to help relieve the hungry and destitute without expense to the taxpayers—as a matter of fact, saving $6,000,000 to the taxpayers—you have that opportunity by signing the petition at the Clerk's desk.

I want you to sign the petition on its merits, and I can assure you that if you go home this fall and tell your people that you have simply voted to relieve big corporations, railroads, and banks, as we all have done, and have ignored the suffering and undernourishment among our own people and have failed to do anything at all by your voice or vote or signature to relieve human misery in America, we will all be held strictly accountable by our constituents, and properly so. [Applause.]

Mr. ARNOLD. Mr. Chairman, I yield 15 minutes to the gentleman from Georgia [Mr. LARSEN].

Mr. LARSEN. Mr. Chairman, I want to take the time allotted me to discuss the merits or the demerits of the bill now pending. There has been a great deal said by some gentlemen discussing the air mail service in regard to the proposition made by the Cord Co. for air mail contracts, especially with reference to their offer to render the service at a much lower rate than is now being paid.

Some gentlemen seemed to be impressed with the remarks of the gentleman from Illinois [Mr. ARNOLD] when discussing this matter. The gentleman said that he did not wish to be considered as criticizing the Postmaster General. Well, I think the effect of his remarks is such, when taken literally, as to cause reflection on the administration of the Postmaster General.

Mr. Manning, spokesman for the Cord Co. before the committee, repeatedly said that the policy of the administration

was such that it created a monopoly in favor of certain companies now enjoying contract privileges.

I do not think so, but so far as I am concerned, as compared with the Cord Co., I am in favor of giving monopoly to those who have it, if such it be.

Who is the Cord Co.? I am not here to criticize any member of the Cord Co., except in the capacity in which they placed themselves before the committee considering this legislation. So far as I know, they are all excellent gentlement, but that does not alter the fact so far as their relation goes, to this matter.

The committee inquired into and discussed the financial responsibility of the Cord Co. I did not hear one word or one question from any member of the committee—and I heard all of the remarks made—except as to financial responsibility. They were shown to be worth more than $50,000,000. We have a report in the record, filed by Mr. Lyndoh L. Young, attorney for the Cord Corporation, in Washington, and we let him tell us who they are and what they are.

He says that the Cord Co. was organized by Mr. E. L. Cord and Mr. L. B. Manning, and is a corporation with $56,000,000 assets, $15,000,000 of which is in cash or its equivalent. He also says that they operate in every one of the 48 States. If it stopped at that it might be all right, but he goes on in the last part of the sentence and says, "as well as in 40 foreign countries." Here is a giant corporation with $56,000,000 to back it, $15,000,000 in cash and Government securities, that wants to come in and take contracts from American owned, controlled, and operated companies—small companies with capital of perhaps from one to three million dollars.

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

Mr. LARSEN. Yes.

Mr. McMILLAN. This great concern has been in progress for a number of years, as I understand it, and to-day they want to get this contract. Why was it not possible for them to come in two or three years ago when these other companies were bidding and participate in those bids?

Mr. LARSEN. I think that is a very pertinent question.

Mr. UNDERHILL. Is this the company that wants the contract to Cuba?

Mr. LARSEN. Yes; as I understand. Mr. Cord and Mr. Manning organized in the automobile industry in 1924 with a million and a half dollars. They have now increased the assets of the Cord Corporation to approximately $56,000,000. They went into airplane construction and operation in 1927, some two or three years before the contracts of which they now complain were made. Of course, they had the privilege of bidding on the contracts when let, and they were let, at least in several instances, to the lowest bidder. There were two important bids, one for the service between New York City and Los Angeles, Calif., and the other from Atlanta, Ga., to Los Angeles. These two big contracts were let nearly two years ago for a period of four years, and no reason appears why they could not have bid on them. Why did they not bid then if they wanted the contracts? They made no bid and made no complaint until December of last year. They never came before the Postmaster General, according to their own statement, until December, 1931. When they came before the committee they said they were willing to carry this mail for approximately half of what the Post Office Department is now paying. Of course, they ought to be able to do that, after the other company has gone out into the undeveloped field and built up a passenger service and established the line. They certainly should be able and willing to make concession and carry the mail for much less than the other company, which has borne the expense of development.

Suppose the Government says to a homesteader, we will give you a lot of land for $1.25 an acre, and you are to live upon it for three years and make certain improvements, which he necessarily has to make in order to live there. Then suppose that the homesteader has stayed there for two years; do you not think you could find plenty of men who would say to the Government, if you will run this fellow off and give me the land, I will be willing to pay $10 an acre for it? The propositions are analagous. They came here and made complaint before this great committee, and the committee questioned only as to financial responsibility—not as to foreign operation and holdings, not as to foreign entanglement, foreign stockholders, or anything else. The Postmaster General has been criticized before the committee and before this Congress because he is not willing to give this Cord Co. the contracts and take them away from the companies now serving.

Mr. ARNOLD. If the gentleman has any information along that line, I would be glad to have him put it into the RECORD.

Mr. LARSEN. I shall read it to the gentleman. He must have the information himself, because it is contained in a letter addressed to Mr. BYRNS, the chairman of this committee, by an attorney who lives in the city of Washington. I read from page 369 of the hearings authorized to be printed by your committee:

> The Cord Corporation is operating in 1,186 communities, in every State in the Union, as well as 40 foreign countries, with total assets of approximately $56,000,000, of which amount approximately $15,000,000 is in cash and Government securities. Cord Corporation has no bonds, bank loans, or preferred stock. Its net earnings and those of its subsidiaries for the year 1931 will exceed $4,000,000. The Cord Corporation has a labor pay roll of $50,000 per day, and at the present time has 10,000 employees. The company's stock is held by approximately 15,000 stockholders residing in each State in the Union and 13 foreign countries.

The record does not show how many of these employees are in the 40 foreign countries, but there must be a large number.

Here is the corporation that comes in and talks about a monopoly—with all of these foreign holdings. It operates in 40 foreign countries and has stockholders in 13 different foreign countries. They come here and plead like babies—talk about giving a monopoly to these American institutions—they are pleading for a monopoly to be given to a half-American, half-foreign corporation—a hybrid. Evidently the gentleman from Illinois did not read this part of the record.

Mr. ARNOLD. Has the gentleman a list of the stockholders of these concerns now carrying the mail, so as to see whether or not there are any foreign stockholders among them?

Mr. LARSEN. I do not think the record shows any such information, but as the gentleman was a member of the committee considering the matter, before he criticizes the department and condemns the Postmaster General, he ought to have secured that himself, and if the gentleman had put it into the record I would now be able to read it to him.

Mr. ARNOLD. Does not the gentleman know that the stock of all of these concerns is dealt with on the New York Stock Exchange and that, of course, stockholders are scattered throughout this country and abroad as well?

Mr. LARSEN. That is the explanation the gentleman from Illinois would give, but it is not the explanation that the attorney for the Cord Corporation gave, and it is not what the record shows. Never mind the stockholders wherever they may reside. I am talking about the business operations of this concern. The transactions on the exchanges did not put the Cord Co. into business in the 40 foreign countries. We might well interest ourselves in the few American concerns who have contract privileges secured in an orderly way under the Constitution of this Government.

How did the Cord Co. make the $56,000,000 in about six years, with such an insignificant beginning as a million and a half? What do you think of the transactions of a company which makes such progress in the short period from 1924 to 1931? They start out with $1,500,000 and make $56,000,000. No wonder industrial labor has nothing but its daily wage! The Postmaster General said one reason he did not want to employ this concern was because they were not properly equipped. They do not have satisfactory men to man the ships; the pilots are underpaid, or words to that effect. First-class pilots are usually paid from

$600 to $700 per month, but the Cord Co. pilots are said to receive less than half this amount. First-class pilots are usually Annapolis, West Point, or Kelly Field men, highly trained. This, in part, explains how they made the $56,000,000. Some of the Members manifest great interest in labor organizations and seem to sympathize with the laboring man. If you are a friend of labor, show it to-morrow when we offer an amendment to this portion of the bill. Let us see just what you think about taking care of labor.

Mr. McMILLAN. Will the gentleman yield?

Mr. LARSEN. I yield.

Mr. McMILLAN. Are not the pilots of this Cord Corporation now out on strike as a result of the salaries paid them?

Mr. LARSEN. Yes; I understand that is true. One Member said the other day some of them would be striking up in the air.

Now, who is this Mr. Stinson who was killed on one of these Stinson improved planes? The Stinson Airplane Corporation is a part of this Cord Co. Mr. Stinson, the gentleman who was killed, was president of this subsidiary corporation. How did he come to be killed? Because, we are told, he was on a plane that was not properly equipped. It did not have 2-way radios, or Weather Bureau service. They could not ascertain what the weather conditions were in the direction they were traveling. That is one of the most important things in connection with aviation. The Postmaster General does not give any contract unless the company has proper equipment, such as weather reports, 2-way radios, and in most cases automatic pilots and every device that makes for safety for human life.

The ship that fell in California the other day, killing seven passengers, was apparently wrecked simply because it did not have proper equipment. They had no radio and no weather service and underpaid pilots. They were without proper equipment. They should not have undertaken such service, and yet some Members want the Postmaster General to give contracts to companies like that.

There is another important feature to which I wish to call attention, and that is military defense. What is the best second line of defense we can have in the military? Certainly there is none better than up-to-date, well-regulated, commercial aviation. When a man completes military training in any of our governmental military schools at most he never has exceeded a thousand hours' flying experience. Recently I endeavored to help a young man in my district. He had had two years' flying experience in Government service at Panama, but it was disclosed that he had only been in the air approximately 700 hours.

When I went to the authorities of one of these air mail line companies what did I find? They said, "We can not consider him for position of pilot unless he has had 3,000 hours." That is three times as much experience as the Government training afforded him, and at best he could only qualify as copilot. Where did Lindbergh come from? First, perhaps, from Kelly Field, but later, when equipped for oceanic flight, from this identical line of service. Where did he get his training? He got it in the air fields carrying the mails for this country. It is a second line of defense. It is that line of defense which in military emergency means more to this Nation than any other line of defense we could have, unless it be in the Army itself.

One purpose of this speech is to ascertain why the unusual haste of the committee in getting this bill reported out. We went before the committee and told it we understood the Postmaster General when before the Bureau of the Budget asked for $20,000,000 for air mail service, but that the Budget cut it down to $19,000,000. The Postmaster General said the Director of the Budget left the impression with him that when that money gave out he could come back and get more. How? By creating a deficit. But no honorable officer could afford to do that. Why? Because the provisions of the Watres Act are such as to prevent it. No officer administering such laws in our country has a right to create a deficit except to meet an unforeseen emergency. This was not unforeseen, because the Postmaster General knew it would not be sufficient. He had just cut down 10 per cent, and he said a $19,000,000 appropriation would make him cut 5 per cent more and would not afford sufficient funds to carry out the existing program.

As the chairman knew, we went before the Bureau of the Budget, and the Director informed us they were studying the bill; that they had discussed it with the President, and they were going the next day to see if they could get the President to agree to $20,000,000, provided their investigation that day warranted it. What happened? That very afternoon, this great committee realizing that we had appeared before the Bureau of the Budget, realizing that three of its own members had been before the Bureau of the Budget, all at once reported out the bill. The subcommittee would not wait. Then the whole committee reported it out before the matter could be wound up by the Bureau of the Budget.

Now, I am not criticizing anybody, but I am just giving you the facts. You are entitled to know them, and I want you to know what happened. This great committee said, "Well, we can not make it twenty million because the Budget has not approved it." I imagine you were all here Saturday afternoon, and if you were I would like to have you contemplate for a minute what members of that great Appropriations Committee did regarding the $120,000,000 road bill that had not been approved by the Budget. We were voting on roads Saturday afternoon. There are 35 members of that great Committee on Appropriations. They could not vote sufficient air mail appropriation in this bill because the Budget had not approved it, and yet they could only muster 9 men out of 35 who were willing to vote against that $120 000,000 for roads. Oh, it depends on what it is convenient to do. They are not afraid of the Budget. That is not the trouble. Gentlemen, face the facts. We have a great territory in the Southeast and in the Northwest that now stands greatly in need of air-mail development. Airports have been built at great cost to municipalities and individuals. All over the Northwest, all over the Southeast, all over every section of this country further development is needed. Municipalities have invested millions of dollars in it. Now the committee wants to cut down appropriations. It is the only industry in this country that has been built up during and in spite of the depression, and now they want to butcher it. We will offer an amendment to-morrow, and we want all to vote for it. [Applause.]

[Here the gavel fell.]

Mr. WOOD of Indiana. Mr. Chairman, I yield five minutes to the gentleman from Connecticut [Mr. LONERGAN].

Mr. LONERGAN. Mr. Chairman and my colleagues, I heartily indorse the action of the gentleman from New York [Mr. FISH] when he asks the membership of this House to sign a petition to take from the Agricultural Committee of this House Senate Joint Resolution No. 60, which provides for the giving, when milled, of 40,000,000 bushels of wheat owned by the Grain Stabilization Corporation. Forty million bushels of wheat when milled will supply bread for 10,000,000 people for one year. In this country we have 354,000,000 bushels of wheat ready to be sold, 154,000,000 bushels of which are owned by the Grain Stabilization Corporation and 200,000,000 bushels of which are owned by private interests. We have in this country 8,000,000 people out of employment. The cost of wheat ownership to the United States Government is $2,000,000 per month.

Since we convened on the first Monday in December we have been occupied with giving relief to sister nations; dealing with the great problems which confronted the Federal farm loan banks on their bond issues; creating the Reconstruction Finance Corporation; and passing legislation that is expected to release secondary frozen assets in our banking system.

We have been dealing with these problems for business. Five or eight years ago the business of this country would not come and plead with the Congress of the United States for relief, but now we find railroads, financial institutions, industry, and some insurance interests and other interests pleading with the Government of the United States for financial assistance.

Each one of the 435 Members of this House represents a large group of people who are in distress. They are in actual need. They are asking themselves what their Representative

is doing to give them immediate relief. Here is an opportunity to give those people immediate relief in one way.

I am against the doctrine of paternalism; but we are dealing with something that represents an emergency, just as much as we dealt with problems representing emergencies during the period of the war. Just as necessity knows no law, an emergency knows no principle. No law or principle should keep any government from helping those in distress.

My friends, those of us of the old-fashioned type of democracy—and I so classify myself, coming from New England—can put aside our convictions on paternalism, because it is not paternalism when we care for the hungry.

The world has never seen a situation like this. We live in a land of plenty. We have an oversupply of food, an oversupply of fuel, and an oversupply of clothing; yet there are millions of people in distress, crying for the actual necessities of life. In this country, my friends, we have not overproduction, but we have underconsumption. One of the important things needed in our economic life is to devise a proper system of distribution. The country needs sane, social legislation.

I wonder if we realize, my friends, that from Maine to California, and particularly throughout the industrial regions of this country, the citizenship of this country has behaved well during this distress? [Applause.] A high recommendation of the stability of American citizenship. [Applause.] But let us realize that we are sitting on a keg of dynamite. We can not expect too much from human beings. The petition on the Speaker's desk should be signed by 145 Members, the number required under the rules of the House, and Senate Joint Resolution 60 should be passed without delay. On December 11, 1931, I introduced House Joint Resolution 119, covering the same subject.

[Here the gavel fell.]

Mr. ARNOLD. Mr. Chairman, I yield five minutes to the gentleman from Pennsylvania [Mr. HAINES].

Mr. HAINES. Mr. Chairman, I have not heretofore attempted to address the House, preferring to be a hearer rather than a talker. I also appreciate the fact that as a new Member in this distinguished body I am in a great school of training, and desire to be taught rather than to impress myself upon the Congress. I believe, too, that just as men are obliged to train for any profession by going to preparatory school, college, and university, so must a new man coming into these legislative halls be trained in the fine art of legislating laws. I am not a lawyer, neither a college nor university graduate, and am willing to admit that the parliamentary rules of this body have somewhat confused me, but the more I hear and observe the more I am convinced that this form is the best in legislation.

I am a small business man, not one of the group of larger operators in the field of industry but rather one of that group that is rapidly disappearing, and unless this small group is offered more encouragement and is given more consideration and sympathetic patronage on the part of the masses the foundation structure of our great Nation will be destroyed, for I do believe that our Nation became a great one by reason of the opportunities men have had in the past to establish small business enterprises for themselves. Millions have done this. A few have succeeded and stepped in advance; but the great mass of small merchants and industrialists in every line of endeavor have been able at best to make a livelihood for themselves and those whom God has given to them and who, to me, are the most priceless possessions of all, while a few have been able to lay aside small sums of money to hand to their children and their posterity.

Many of these, which I choose to call the great middle class of our citizenship, have been able to educate their children and by self-denial given their children the advantage of advanced schooling. I doubt not that the great mass of the membership of this Congress come from these homes. The spectacle in this present day, however, differs very much from those of the past in that this great middle class are rapidly being denied the opportunities that our fathers enjoyed through the granting of special privileges and the mergers of all types of business into huge corporations and chain stores, with advantages very often that will not permit this middle class to continue operating their business or factory. I have noted with much satisfaction the keen interest manifested by every Member of this body for the well-being of our citizenship, and I know that every Member of Congress is intensely interested that our citizenship shall enjoy the blessings of prosperity. Whether it is within the province of Congress to enact legislation that will restore that prosperity I am unable to predict; but I know that my colleagues in this branch of Congress want to do what they believe to be best for all our people. I think the greatest mistake we can make at this moment is to play politics at the expense of human misery, for is not it true, my colleagues, that as a body of legislators we must be united in purpose? I do not know, Mr. Chairman, whether the present administration is to blame for the economic ills that now confront us, nor do I care about that. What I am interested in right now is that we shall find some way out of our present difficulty. I do not believe that any of our people are starving, but I do know that many of them are subjects of charity and many of them in dire need and distress at this time. What I am concerned about to-day is that these people shall get back into industry, and when I say this I only repeat what others have expressed on this floor during this present session of Congress.

I know that there are college and university graduates in the bread lines of our Nation, men with finest sensibilities, and this must indeed be humiliating to such, and yet through our present economic structure in this Nation, we have forced many men and women out of industry. I have voted with you to pass measures here aimed at a readjustment of these economic evils but with much misgiving each time, believing that we have not gone to the core of the source of our present difficulties.

To me it is most tragic that we have the great army of unemployed. I will confess to you, Mr. Chairman, that I have no cure for our present trouble, but I do believe that we have not taken into consideration the present and still growing tendency toward mass production and installation of labor-saving machinery in our manufacturing plants with regard to the great army of men and women that such machinery replaces. Machines that make the burdens of labor easier for a human being are fine and I do not want to go on record as opposing these, but I do want you to know that when industry installs a machine that will deny an opportunity for faithful employees, many of whom have been helping the employer amass a fortune, to have employment, it is time that we, in our ambition and great interest for our fellow man, awaken to the great danger that threatens us, and to me it is no surprise that we have this great army of unemployed when I go into the manufacturing plants of our Nation and see what labor-saving machinery and mass production has done to our people.

I can not help but say, Mr. Chairman, that when a machine supplants human hands in industry, and by that act takes bread and butter from the mouths of our people, throws them out of employment, makes them walk from plant to plant hunting a "job," if you please, then it is time, Mr. Chairman, that the machine be made to contribute to the support of those who are denied a livelihood by reason of the machine. This may sound socialistic to you, my colleagues, but I assure you it is not; it is simply a fact that every Member of this Congress will learn if he will go into the factories of to-day and see what machinery has done to eliminate human hands from industry. I believe there is a way out of this, but it will require courage on the part of each one of us and to be intensely interested in providing a way out.

It may be a shorter day and a shorter week. If this can not be accomplished it may even mean setting aside of some of this machinery and go back to the days of yesterday until we do have the problem solved. I represent a great manufacturing district in that it has a diversified industry, and know of what I speak.

Men have come to me telling me that because of the installation of machines—very often one machine doing the work of half a dozen human beings—they were no longer

needed in industry. I have had some men come to me saying that because they had reached an age in excess of 50 they were no longer being considered in industry.

My colleagues, if this be true, then it is time that you and I become interested. My own experience as a manufacturer is that men at 50 are as valuable as men younger, at any rate more dependable as a rule—and at 50 very often the heads of families that need them, perhaps more so than at any time in their history.

I read a year or two ago that in one city in the installation of the dial-telephone system eleven hundred persons were discharged. These had to get into other channels of industry, and if you carry this throughout the Nation one will get an idea of the vast number of persons displaced in this business alone.

This is true largely in every industry. When the machine is installed it usually means unskilled labor and lower wage scales, unless, of course, the machine requires one to be skilled.

Now, Mr. Chairman, I hope I am not understood as being against improved machinery or labor-saving machinery, for I am not. I know the great strides we have made as a Nation, by reason of the invention and genius of our people, and that making machines has added many thousands to the pay rolls of industry. I realize, too, that much of the unemployment in our country is in the ranks of the unskilled, much of which remains unskilled by reason of no need being developed for them. I really think, Mr. Chairman, that one of the ways for us to solve this employment situation, or rather unemployment, is to stop and right-about face in an investigation to learn more about this great question.

I know what machinery has done to my industry. I am a cigar manufacturer and am qualified to speak about this industry more so than others. In 1910 we had 22,519 registered cigar factories in the United States. In 1922 we had 11,576 and in 1929 only about 6,000.

In this industry I verify my previous statement that the middle-class, smaller business man is being rapidly driven out of industry, for, mark you, Mr. Chairman, many of these cigar factories were not large, but they did offer an opportunity to those who owned them to manufacture and sell their product and have some degree of prosperity. The number of cigars manufactured annually varied very little from 1910 to 1929, in round figures about six and one-half billions. Note, please, while the same quantity of cigars were being manufactured, there was such a large decrease of cigar factories, or more than 16,000. I do not have the figures of the number of men and women less in these 6,000 cigar factories than were employed in the 22,519 factories back in 1910, but I am confident there is a tremendous decrease, and men and women have been thrown out of employment and denied the opportunity to follow a trade they were taught, by reason of machines taking the place of human hands.

It so happens that a man perfected a machine that would make a cigar. The cigar it produces is far from perfect, however, and much inferior to the cigar made by human hands. About 20 per cent of the cigars it does produce are unfit for regular brands and are usually packed under fictitious brands commonly called "seconds." These machines are virtually owned by one concern; at any rate, the American Tobacco Co., which owns the American Cigar Co., also owns the concern manufacturing the cigar machines.

Mr. Chairman, I do not want to take the time of Congress to go into the history of this machine and what it has done to the cigar industry other than to say that the man whose genius produced this machine is reported to have remarked: "If I had had the least idea of the trouble that machine would cost, it would never have been made." These machines were first being produced in Hanover, Pa., a part of the district I represent. Due to a fire the plant was moved to Brooklyn, N. Y., in March, 1902. The same American Tobacco Co., headed by Mr. James B. Duke, owned cigarette-making machines.

The difference between the latter and the cigar machine is that you can go in the market and buy a cigarette-making machine but you can not buy a cigar-making machine. These are leased, and the terms of that lease at one time were upon a royalty basis of $1 per thousand cigars, with a down payment of $3,500 at installation, with a guaranty that they use the machines 17 years, to buy all their own parts and hire mechanics to keep them in order and in first-class condition, and to pay the royalty upon a minimum basis of 1,000,000 cigars per year. There are probably more than 6,000 of these machines in use right now upon which royalty is being paid.

The economics of the machine, however devastating, are quite simple. Before surveying its wider aspects, let us take a brief look at the affairs of the company which makes the machines. This company is The International Cigar Machinery Co., two-thirds of whose stock is owned by American Machine & Foundry Co., largely owned by the America Tobacco Co., or Duke interests.

With 6,000 machines in use, it can make about $5,000,000 profit, upon the basis of the rental charges, and now probably one-third of the cigars manufactured are being made on machines.

With the entire production of cigars in the country made on machines it would require about 20,000 machines with an enormous profit, and all at the expense of the men and women in industry; for, if you please, there is no need for the skilled mechanic who was paid up to $22 per thousand previous to machines supplanting human beings skilled in this trade, whereas the machine builds this cigar for less than $6 per thousand. Now, what is the result of all this machinery in industry? It has brought down the wage scale in every section where cigarmakers were employed, down to the level of competing with the machine. If I had the time I could give you the entire history and development of the machine and what it has done to the industry; the many, many men and women who have been denied a living wage; the many, many small cigar manufacturers who have been driven from this business; and how that, in doing this, one man, the man who was largely responsible for the machine coming into the cigar industry, amassed a great fortune, and his home on Fifth Avenue remains one of the most perfect, and his young daughter reputed to be the richest young girl in the world. I admire men who can accomplish all this, and do not want to be misunderstood as trying to create a bad feeling toward men who were wise enough to see the possibilities and also to have the courage to undertake that in which they believed; but what I am deeply concerned about is that in other lines of industry the same results have been obtained, and all of this has had a tendency to break down our economic structure for permanency.

I do, however, here indict the American Tobacco Co. for being unfair in their competition and the destructive advertising campaigns they have waged in the newsprint and radio.

Their "spit" campaign was a shame in the eyes of all fair-minded, honest Americans, for this campaign was waged against that group of small manufacturers who never had a prosperous era, but were content to produce quality cigars and sell them to the trade at honest prices. There never was a greater shame cast upon business than that campaign, and for me to discuss this any further is repulsive, as was the advertising to the great group of well-thinking people. One of the greatest evils of our present day is destructive competition, and you will find that the cigar and tobacco jobbers and retailers in this country are the victims of very unfair business ethics, making very little if any profit. We have been deeply interested in the farmer, and do you know, Mr. Chairman, that in Kentucky right now, tobacco is being sold at one-fourth of a cent a pound? My colleague representing a constituency in that State only recently told me that the tobacco was on the hands of these farmers, and they did not know what to do with it and were thinking of using it as a fertilizer.

When I am told that the American Tobacco Co. had profits above $41,000,000, and that they paid a bonus, above the salary, to Mr. George Hill, of more than $2,000,000, and when I know that it costs probably 8 cents a pound to grow tobacco, is it any wonder that I am concerned and here charge

bad faith on the part of men using machines largely in the manufacture of their product, for which they have created a national demand?

During all this time these same machine cigar manufacturers, and who produce billions of cigarettes, tell us that they can not stand additional taxation, and if additional taxation is placed upon them, it will reflect in the price they can pay the farmer, and then excite the retailers of this country to the point where they write Members of Congress to oppose additional taxation on cigarettes. Why, Mr. Chairman, two unskilled mechanics and a machine produce 750,000 cigarettes in 10 hours. The cigarettes are packed and every other necessary packing, stamping, and so forth, is done by machinery, so that there is no need for much labor, and during the year 1931 the parent company, the American Tobacco Co., raised the price of cigarettes with no justification whatever, as all raw materials had declined, and if you will take the time to investigate the prices they paid the growers of tobacco you will agree with me that four companies closely interlinked, and who are the only buyers the farmer has for his tobacco, have not kept faith with the farmer any more than they have with men and women in industry.

Mr. Chairman, I have some information taken from trade papers that illustrates clearly some of the evils of the machine supplanting human hands in industry. On February 19, 1931, an extract from Tobacco, a trade publication, I read, headed as follows:

ON COMPLETE MACHINE BASIS

According to a bulletin recently released by the American Cigar Co., that corporation has invested a lot of money in cigar machines. More than $6,158,750 has been used to place the American Cigar Co. on a complete machine basis and current relative production costs have been reduced thereby as the production has been increased. It is the demand of the concentration in general industrial conditions, and that's all there is to it.

No thought or concern for those displaced in industry is even indicated here.

United States Tobacco Journal, February 16, 1931, carries an item from Garfield, N. J., advising that the American Cigar Co.'s plant at 18 Passaic Street, there, which has been operated there for the past 15 years, will shortly be closed. The work at present handled there will be divided between the plants at Camden and Philadelphia. On June 26, 1930, the Milan branch at Milan, Tenn., the last of the cigar factories operated by hand in the South by this company, received official notification to cease manufacture of cigars. The factory had been opened in 1925, and was the major factor in the growth of the town. This followed the closing of other plants in Kentucky and Tennessee, all because machines had been installed in other plants replacing human hands in industry. An item from Fulton, Ky., under date of February 27, 1930, states that "factory closed down last Tuesday and will move to new location where cigars will be made on machines instead of handmade." In December, 1930, a news item from Tampa, Fla., states that American Cigar Co. moves M. Valle plant to Trenton, N. J., with the statement that "folks who have the interest of the city at heart dislike to see this industry leave."

And so on, Mr. Chairman, I could cite instance after instance where in the industry with which I am most familiar, machinery has played havoc, causing much unemployment. In my own town, where a great many cigars are produced, our people employ all native white Americans, who own 90 per cent of the homes of the community; there is no outside capital employed in this town, local cigar and furniture manufacture supplying employment even during this time of depression. But, Mr. Chairman, in the cigar factories of my community no machines are used, and as a result I have no hesitancy in saying we give more for the money to the smoker and keep human hands employed in industry. I should dread to think what would happen in my home town if the cigar manufacturers would install these machines.

They are patriotic gentlemen, interested in the welfare of their employees, and, Mr. Chairman, if we are to restore prosperity we must employ men and women and not have them be subjects of charity, and the same soul loyalty to the wage earner must be given as business expects from you and me here in Congress.

I hope, Mr. Chairman, that this Congress will have the courage to get to the root of our present unemployment. I know it requires courage to do it and that there are those who will frown upon any movement that will disturb the present efficiency in factory production. I believe that what I have cited in my own industry can be paralleled in every other line of manufacture; and while I do not want to say we should tax machinery, we should at least expect that where machines take work away from human hands without an opportunity for them to be reemployed something should be done whereby the machine will be made to contribute to the support of those it has supplanted. I trust, however, that our industrial leaders will be patriotic in this matter and either work more shifts, shorter days and weeks, so that men now unemployed might get back jobs that will enable them to look every man in the eyes without being humiliated by reason of being obliged to go to the board of charity in the local community for food and clothing.

This every red-blooded American is ashamed to do, but let us thank God for the fine group of our American citizens in this land who have been interested in the welfare of their neighbors and who will continue to show their interest in humanity. We have been tackling these problems from the standpoint of helping large corporations, banks, railways, and so forth, now let us manifest the same interest in the American workingman. [Applause.]

Mr. WOOD of Indiana. Mr. Chairman, I yield five minutes to the gentleman from Massachusetts [Mr. UNDERHILL].

Mr. UNDERHILL. Mr. Chairman, a few days ago the gentleman from Georgia notified the House that he would reply to some remarks which I had made on the floor of the House. Although I did not hear the whole of his speech, what I did hear showed me that the mountain had labored and brought forth a mouse. There was nothing in his remarks which was worthy of a reply or even worthy of consideration, except one thing. That was so characteristic of the gentleman in his disregard of facts that I want to inform him that instead of being a "Down-East aristocrat" I am a son of the South, and proud of it; that my college cheer is "Rah, rah, night school," and that my trade is that of blacksmith. If he can connect his statements with the facts I would like to have him do so.

Mr. LINTHICUM. Where was the gentleman born?

Mr. UNDERHILL. In Richmond, Va., suh. The gentleman made some remarks the other day, extemporaneously, in which he did better than he did to-day. The remark he made, and to which I refer, was a quotation from an editorial in the Atlanta Constitution, which he said used the language, "To hell with Massachusetts," which he indorsed and in which he concurred.

Mr. Chairman, I do not believe the people of Georgia subscribe to any such doctrine as that. Massachusetts needs no defense from me, but in all fairness, and in all kindness, too, I do want to show the gentleman what happened in Massachusetts when Georgia was in distress and the Red Cross requested assistance for a stricken people.

In 1927, the year of the great Mississippi flood, at the call of the Red Cross, the citizens of Massachusetts voluntarily subscribed $812,000 for the relief of the stricken area. In 1926, when his State suffered from a destructive hurricane, Massachusetts again voluntarily raised $148,000; and in 1928, when the worst hurricane in recent years came along and Florida and Georgia were laid low, Massachusetts subscribed once more almost $300,000 for relief; and in the drought of 1930, she subscribed $674,000, a total of very nearly $2,000,000. Not one single dollar of this amount was spent within the confines of the State of Massachusetts, but every cent went to the stricken area represented, in part, by the gentleman from Georgia.

When the gentleman says, "To hell with Massachusetts," I wonder if he is old enough to think back to the time of Henry W. Grady, when he was editor of that paper—and it was a great paper in his day—and wonder if the remark he attributes to the Constitution is correct. I have some doubt

of it, because he has not said anything which is a fact yet. If they are correct, all I have to say is, "Oh, how are the mighty fallen." In contrast, I quote from the great speech Henry W. Grady, a truly great American, editor of the Atlanta Constitution, made in Boston, Mass., when he said, amid tremendous applause:

Standing hand to hand and clasping hands we should remain united, as we have been for 60 years, citizens of the same country, members of the same Government, united now, and united forever.

[Here the gavel fell.]

Mr. LARSEN. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for one-half minute.

The CHAIRMAN. The House has closed the time for general debate.

Mr. LARSEN. I do not think anybody would object to this.

The CHAIRMAN. The Chair is compelled to enforce the rule even though he does not like it.

Mr. LINTHICUM. Mr. Chairman, a parliamentary inquiry. When the great Speaker, Champ Clark, was Speaker of the House he said anything could be done by unanimous consent.

The CHAIRMAN. Very true, as stated by the gentleman from Maryland, the House can do anything by unanimous consent, but it does not follow that the Committee of the Whole House can do anything by unanimous consent.

The Clerk read as follows:

OFFICE OF THE SECRETARY

Salaries: Secretary of the Treasury, $15,000; Under Secretary of the Treasury, $10,000; three Assistant Secretaries of the Treasury and other personal services in the District of Columbia, $135,180; in all, $160,180: *Provided*, That in expending appropriations or portions of appropriations contained in this act for the payment of personal services in the District of Columbia in accordance with the classification act of 1923, as amended, with the exception of the Assistant Secretaries of the Treasury the average of the salaries of the total number of persons under any grade in any bureau, office, or other appropriations unit shall not at any time exceed the average of the compensation rates specified for the grade by such act, as amended: *Provided*, That this restriction shall not apply (1) to grades 1, 2, 3, and 4 of the clerical-mechanical service, or (2) to require the reduction in salary of any person whose compensation was fixed, as of July 1, 1924, in accordance with the rules of section 6 of such act, (3) to require the reduction in salary of any person who is transferred from one position to another position in the same or different grade in the same or a different bureau, office, or other appropriation unit, (4) to prevent the payment of a salary under any grade at a rate higher than the maximum rate of the grade when such higher rate is permitted by the classification act of 1923, as amended, and is specifically authorized by other law, or (5) to reduce the compensation of any person in a grade in which only one position is allocated.

Mr. LOZIER. Mr. Chairman, I move to strike out the last word and ask unanimous consent to proceed for 10 minutes instead of 5 minutes.

The CHAIRMAN. The gentleman from Missouri asks unanimous consent that he may be privileged to proceed for 10 minutes. Is there objection?

There was no objection.

Mr. LOZIER. Mr. Chairman, the administration is getting ready to give to the small banks, especially in rural sections, another punch below the belt. For 10 years these banks have been mercilessly exploited by the big city banks, with the full knowledge and tacit approval of the administration. The plan was to limit the activities of the country banks, make them absolutely subservient to the big city banks, milk them of their liquid assets, and transfer their cash to the great centers of wealth and population, where it could be utilized and manipulated for stock jobbing and piratical financial ventures.

Mr. UNDERHILL. Mr. Chairman, I do not wish to interrupt the gentleman's flow of eloquence. The gentleman is always interesting, but I understood we were now reading the bill and all remarks should be confined to the bill. I think the gentleman is going rather far afield, and I would like to ask the gentleman if it is his intention to do so?

Mr. LOZIER. It is my intention, Mr. Chairman, to discuss the bill and the policy of the Treasury administration with reference to fiscal matters of the Government which are directly involved in the pending Treasury appropriation bill.

The CHAIRMAN. The gentleman from Missouri will observe the rules and proceed in order.

Mr. LOZIER. The first step was to persuade the country banks to discontinue lending their funds to the people in their respective communities, and banks were especially warned against making loans to farmers on their lands, livestock, and farm commodities, on the specious plea that these last-mentioned securities were not liquid, while claiming loans based on stocks and bonds could be quickly converted into cash.

The scheme worked. Under pressure from the big city banks, and yielding to thinly veiled coercion from the Federal Reserve Board, the country banks reluctantly discontinued making loans to their patrons and filled their portfolios with beautifully printed certificates of watered stock, issued by overcapitalized and highly speculative corporations. The cash, Government bonds, and other easily convertible assets were exchanged for these so-called liquid securities. When the exchange had been consummated and the country banks loaded with these highly speculative securities, the big financial interests "got from under" the stocks and bonds they had wished on the country banks and country investors, and these securities quickly became congealed and their market price fell to unprecedented low levels.

Now, after rural banks had been reduced to impotence by this ancient and none too honorable practice, to make matters worse, the administration sought to increase the allowable credit balances of postal savings banks, so as to draw from the banks a considerable part of their remaining deposits.

But Congress balked and the administration will be forced to abandon its postal savings banks' program. Now when the banks are making a desperate effort to serve their patrons and resume their normal functions, including an extension of credit to farmers, up bobs Uncle Sam and puts on a campaign to sell baby bonds, the inevitable effect of which will be to take from the small banks and country communities a considerable part of what little cash they have left.

Secretary Mills has announced that the issue of these bonds will be "unlimited." That is to say, in marketing these securities, they will not only be offered to the so-called hoarders, but all classes of investors will have an opportunity to purchase. This really means that people who are not now hoarders, but who have misgivings as to the general banking situation, will be attracted by these Government securities, and notwithstanding the low interest rate, will be tempted to withdraw their savings or other deposits and invest the proceeds in baby bonds. Under existing economic and psychological conditions the loss of a little interest will not arrest this movement. By marketing these bonds through banks the Government seeks to bring them immediately and directly to the attention of the customers of the banks who have funds on deposit. And can you imagine the effrontery, audacity, and unmitigated gall of the Hoover-Mills crowd in asking the banks to cut their own throats by encouraging their depositors to withdraw their deposits and buy these bonds?

If the administration had deliberately planned to deplete bank deposits, injure and in many cases destroy country banks, and gobble up what little cash yet remains in rural sections, no more effective scheme could have been devised to accomplish this sinister and cynical purpose than the baby-bond plan. The net result of the Hoover-Mills plan will be to withdraw from rural communities millions of dollars that are now so badly needed to strengthen banks and serve their patrons, and concentrate these funds either in the big city banks or in the United States Treasury. This baby-bond program will absorb bank deposits that otherwise would be available for loans to farmers and other vocational groups.

Every baby bond purchased represents so much money withdrawn from local banks and sent into some distant city, where it can not possibly help the people in the community where the money was earned and where its owner lives.

Under the baby-bond plan the man who is inclined to hoard is given an opporunity, and directly encouraged and invited to withdraw his money from the bank and lend it to the United States Government. In substance the Government says to the people, "You fellows who are suspicious of banks, but lack the intestinal courage to hide your money in socks and mattresses, may now withdraw it from the banks and invest it in baby bonds, which is safer than hoarding and more patriotic." Moreover, not only hoarders but all who have money are encouraged and invited to invest in these governmental securities.

The plan will take $10 out of the banks from moneys on deposit for every dollar it calls out of hiding. Persons who are afraid or ashamed to hoard will be encouraged to invest it in baby bonds. In a few months it will very substantially reduce bank deposits. In this critical period it puts the Government directly in competition with legitimate banking.

This latest Hoover freak formula will enable hoarders to cripple banks under the specious plea that they are performing a patriotic service by furnishing the Government money with which to meet its obligations, when in truth and fact the real purpose is to get their money out of local banks and put it in the till of Uncle Sam, in exchange for Government securities. If this money is left in the local banks it will help create a fund out of which loans can be made to farmers and other bank patrons, thereby enabling banks to resume their normal functions of extending credit as well as receiving deposits.

Reduced to its last analysis this Hoover-Mills baby-bond policy may well be defined as a plan to further deplete the deposits of country banks, and defer indefinitely the making of loans to farmers and their other customers. Seemingly, the administration is indifferent to the welfare of the small banks of the Nation. The scheme to issue baby bonds in denominations of $50, $100, and $500 will reduce the circulating medium and bank deposits in thousands of rural communities. The plan will draw infinitely more money out of the banks than it will draw from places where it is now being hoarded.

There are those who are unduly suspicious and want to hoard but have not done so because they realize the risk, possible loss, or theft of their funds if withdrawn from the banks and buried or concealed in trunks, socks, clocks, and fruit jars. But now the administration comes to the aid of the hoarder and furnishes a dignified excuse for depleting bank deposits and investing the proceeds in Government securities, which, so far as the local community is concerned, has the same effect as hoarding.

The interest on these baby bonds is so low that when the mask is removed the plan is nothing more or less than a refined but absolutely safe system of hoarding. Instead of the money being concealed under the floor or buried in the ground, it is by the baby-bond system withdrawn from local banks and buried in the United States Treasury. In effect, the Government proposes to safely hoard the funds and pay a nominal interest for the privilege.

Please bear in mind that these baby bonds are not issued under the Reconstruction Finance Corporation act, the Steagall-Glass bank credit liberalization act, or under any recent legislation, but are issued under the war-time second Liberty loan act of September 24, 1917 (40 Stat. 290, as amended; U. S. C., title 31, sec. 753). The securities issued by the Reconstruction Finance Corporation will be the obligations of that corporation and not in reality Government bonds, although the credit of the Government is behind them. The baby-bond program of the Hoover administration will neutralize and tremendously reduce the beneficial effects of the Reconstruction Finance Corporation act and the Steagall-Glass bank credit liberalization act.

It was never contemplated that the Government, in marketing its securities, would rob the rural communities of their banking capital or assets, or actively compete with legitimate banking institutions by soliciting deposits in postal-savings banks or by absorbing bank deposits through the sale of baby bonds under the pretense that these securities are issued to call hoarded money back to the channels of trade and commerce.

I am wondering what other shortsighted and half-baked policies the Hoover administration is incubating to ravish the American banking system, milk rural communities of the little cash they have left, postpone indefinitely the extension of credit by banks to farmers, and by these and other ill-considered methods intensify the nation-wide distress under which the American people are staggering. [Applause.]

Mr. STAFFORD. Mr. Chairman, I ask recognition in opposition to the pro forma amendment.

I rise to gain information as to the operation of the proviso so far as it may differ from the general provision at the end of the bill forbidding filling of vacancies in various cases. Wherein does this phraseology differ from the general provision as carried in the present bill?

Mr. BYRNS. As the gentleman from Wisconsin knows, this provision has been carried for many years for the purpose of holding the clerks within the grade to a salary that is the average of the grade. I do not know that there is any particular reason for carrying this language if the section relating to vacancies is to be carried in the bill, except that there may be transfers to different grades, and I can see no reason why this should not be carried, because it will hold their salaries down to the average of the grade.

Mr. STAFFORD. Until about nine years ago, as the gentleman well knows, and especially during the time that I had the special pleasure to serve with the gentleman on the subcommittee on the legislative, executive, and judicial appropriation bill, we designated the number of clerks to be employed in each bureau and the number of clerks that might be authorized. During my enforced retirement from this body the Congress adopted a new method whereby the Congress votes lump-sum appropriations for the respective bureaus and the promotions are made based upon the classification act. My query is whether there has been any investigation to show whether the appropriation for clerical hire as now administered is greater under this new method of promotion by classification than under the old system, whereby we designated the respective number of individuals in each class.

Mr. BYRNS. The amount for clerical hire is undoubtedly greater. The gentleman realizes that that is due to the action of Congress in making increases. But the gentleman knows that under the old rule, to which the gentleman has referred, where specific provision was made for a certain number of increases, that the promotion was made in the sum of $200 each. Then Congress passed a classification act, which did away with all that practice and changed the whole procedure. Personally I felt at the time that it was not going to do away with favoritism, and I do not think it did in all cases.

As the gentleman knows, we found, after the passage of the classification act, that they began to boost salaries, especially the larger ones, and if something had not been done, it would have soon developed that everybody in the grade would have been drawing the top salary.

Mr. STAFFORD. They would be in classes 1 and 2, instead of many in classes 3 and 4.

Mr. BYRNS. Yes. I do not think it ought to be eliminated, even though it may not be entirely necessary, in view of the section the gentleman refers to. There may creep in transfers in various grades where this may be necessary.

Mr. STAFFORD. Under the old system, can the gentleman give us the average pay for clerks in the departments? Has the gentleman any information as to what the average pay is in the respective departments, as compared with the average pay under the old system, where the clerks were segregated by classes and designated by number?

Mr. BYRNS. The answer to the gentleman would depend largely on what he terms clerical service. The average salary of all Government employees is somewhere around $2,100 a year.

Mr. STAFFORD. I mean the clerical services in grades 1 and 2 and 3 and 4. I understand the gentleman to say they average $2,100, and I am certain under the old system that the average was below $2,000.

Mr. BYRNS. I think in grade 1, $1,800, and the lowest grade, $1,200.

Mr. STAFFORD. And under the new method the average salary is $2,100, whereas under the old method it was somewhere around $1,600. So no one can deny that the Government has been very generous in providing a higher rate of pay for the respective grades.

Mr. BYRNS. The gentleman understands that the $2,100 average that I have given him was in all the grades, post-office employees as well.

Mr. STAFFORD. Can the gentleman give me the average pay in the respective grades?

Mr. BYRNS. No; I can not.

[Here the gavel fell.]

Mr. UNDERHILL. Mr. Chairman, I move to strike out the last word, so that I may ask one or two questions of the chairman of the committee, which will serve to give me some very necessary information. I have reference to Post Office appropriations rather than to Treasury appropriations. Perhaps in his reply to my question the gentleman can bring something of value to the new committee on economy.

I notice, first, that the one big thing which the newspapers throughout the country have dwelt upon as necessary to balance the appropriations for the Post Office Department is to abolish the franking privilege for Congress. The total amount that it cost the Post Office Department to carry congressional mail is $530,298. I find that it costs the Post Office Department $34,566,247 above receipts to carry the daily newspapers of the country. Also, that it costs to carry the weekly and monthly publications ten and a half million dollars more than the Government receives for that service, and for all other publications, $26,344,744 additional. Then it costs the Post Office Department to carry the country publications eight and a half million dollars more than it receives, and that the amount which it costs the Post Office Department to carry publications exempt from zone rates is seventeen and a half million dollars more than it receives, or a total of $96,674,617 more to carry publications that are criticizing the Congress for spending $530,298 to answer their constituents when they write to them from Washington or when they send them information which they request. If the newspapers and magazines are going to continue to harp on that subject it might be a good idea for the Committee on Appropriations or Post Office Committee to jack up their rates so that we could balance the Post Office appropriations at least to the extent of some $96,000,000.

We are always talking about taking the Government out of business and keeping it out of business, yet we continue to extend the business of the Post Office Department. The business of the Post Office Department is carrying the mail and the dissemination of information, but I find that on C. O. D. packages we lose $5,321,838, that on insurance we lose over $3,041,944, and that on money orders we lose over $11,294,374, and on special deliveries $166,630. If the Post Office Department is going into or is in private business, why should it not receive enough for service which is outside of its province and legitimate functions to cover the cost? Why should it not receive in insurance premiums enough to cover the cost of insurance? Why should it not receive enough to cover the cost of transportation and delivery of express and freight matter?

I call the attention of the Economy Committee to the fact that that is a pretty good place to start to save a lot of money for the Government. Now, to my question, in the consideration of this bill when these items are reached, is there any possibility of adopting an amendment which will to a certain extent equalize the tremendous burden of expense of carrying the advertising pages of newspapers and other periodicals, cover the cost of insurance, parcel post, or express and freight business, thus cutting down the appropriation through the adoption of rates that will bring in somewhere near the cost of such service?

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

Mr. BYRNS. Mr. Chairman, of course that is a matter of legislation. The postal rates are fixed by law, and as the Appropriations Committee is an appropriating and not a legislating committee, it has no authority to enter into the matter of rates for any particular character of mail matter. The best thing, it seems to me, for the gentleman to do, if he desires to have an increase in these rates, is to introduce a bill and have it referred to the Committee on the Post Office and Post Roads. I am sure that committee will give it attention. The gentleman knows that efforts have heretofore been made to bring about such a change without success.

Mr. UNDERHILL. If any individual Member should advocate a bill to make the newspapers and other publications pay what they really ought to pay, does the gentleman from Tennessee suppose that he would remain in Congress very long?

Mr. BRITTEN. Mr. Chairman, I ask unanimous consent to proceed for five minutes out of order.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. BRITTEN. Mr. Chairman, I have just returned from a trip West. I came to town this morning and have taken real pleasure in signing the petition to discharge the Committee on the Judiciary from further consideration of a resolution for a resubmission of the eighteenth amendment to the people of the country under constitutional methods.

Without any desire or intention to promote an argument for or against beer or wine or any alcoholic beverage, I say to my friends in the House that as I see the situation in the West, many thousands of people who might go along with the average prohibitionist are highly incensed at the attitude which refuses to allow the people an opportunity to express an opinion upon this question.

I think the prohibition cause, if it has any merit in it to-day, is being destroyed by the prohibitionists themselves. What the people of the country want is an opportunity to vote, through State conventions, or otherwise, and they are incensed because Members of Congress will not even grant them that privilege. I hope my friends from Illinois—and I am talking to the Illinois delegation particularly—will sign this petition to give that opportunity to the people of their State. If the general election were to-morrow, we would lose Illinois by 600,000, and FRED BRITTEN and the other Republican candidates would be swept right off the board, through no fault of their own. Illinois is no different from many other States. It is a great Republican State and a great agricultural State. The people of Illinois want an opportunity to vote on this prohibition question, to vote on it under the Constitution as it should be voted on, and you gentlemen who are drys are hurting your cause by the position you are taking.

There is no more burning question before the American public to-day than the now dejected noble experiment on prohibition. A modification of the Volstead law is demanded from every corner of the Nation. It will benefit the farmer, the laborer, and the Federal Treasury alike. It will do more to destroy unlawful sale of alcoholic beverages than all the laws in the land put together. It will put the notorious beer baron out of business. No Member of this House can in fairness and justice refuse to sign the petition favoring a resubmission of the eighteenth amendment to the people.

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

The Clerk read as follows:

Distinctive paper for United States securities: For distinctive paper for United States currency, national-bank currency, and Federal reserve bank currency, not exceeding 2,000,000 pounds, including transportation of paper, traveling, mill, and other necessary expenses, and salaries of employees, and allowance, in lieu of expenses, of officer or officers detailed from the Treasury Department, not exceeding $50 per month each when actually on duty; in all, $770,000: *Provided*, That no part of this appropriation shall be expended for the purchase of such paper at a price

per pound in excess of 38 cents: *Provided further*, That in order to foster competition in the manufacture of distinctive paper for United States securities, the Secretary of the Treasury is authorized, in his discretion, to split the award for such paper for the fiscal year 1933 between the two bidders whose prices per pound are the lowest received after advertisement, but not in excess of the price nxed herein.

Mr. TREADWAY. Mr. Chairman, I offer an amendment which I have sent to the Clerk's desk.

The CHAIRMAN. The gentleman from Massachusetts offers an amendment, which the Clerk will report:

The Clerk read as follows:

Amendment offered by Mr. TREADWAY: On page 9, line 25, after "$770,000," strike out the remainder of line 25 and all of lines 1 to 8, both inclusive, on page 10.

Mr. TREADWAY. Mr. Chairman, the amendment I offer, striking out these two provisions, is simply for the purpose of restoring the language of the existing law and the method of awarding contracts for the purchase of distinctive paper for the Government.

These are new provisions inserted in the bill, whether or not carefully worded so as to be in order I will not endeavor to say, but they bring up an interesting subject that was debated here last week and which I shall not refer to at this time. I will simply say that the language, as it will read if my amendment is adopted, is the same as that under which this contract has been awarded over a period of many years. The Government is amply protected in the amount to be paid out by the fact that the committee has seen fit to reduce by $150,000 the aggregate of the appropriation. In the last appropriation bill the amount for this distinctive paper was $920,000. It has been reduced to $770,000. With that reduction, of course, I have no complaint, as I am a thorough believer in the program of economy for the Government.

In the next two paragraphs, where the committee arbitrarily limits the price per pound to be paid for this paper, I must say that we are taking chances of not getting any distinctive paper for the purpose of printing our money. Certainly we all want a little of that available. There is no evidence whatsoever submitted to the committee that it can secure this whole contract for 38 cents per pound. I have looked through the hearings carefully, and while one bidder, a year or two ago, offered to take a portion of this contract at 38½ cents a pound, there is nothing to show that the committee at any point secured evidence that the Treasury Department could obtain the entire 1,200 tons required of distinctive paper at a price of 38 cents. Therefore the department may find itself in the position where, after the bids are opened, no bidder will furnish the paper at 38 cents a pound. Then where will the department be? They will be faced with the clause prohibiting the Government paying more than 38 cents a pound, and still the Government can not get the paper at that price.

The second proviso which I have asked to have stricken out contains this language: "That in order to foster competition in the manufacture of distinctive paper for United States securities." There positively is competition to-day, Mr. Chairman. Anyone who wants to go to the expense of setting up an enormous plant, sufficiently equipped with special machinery and other facilities to be able to supply the Federal Government with 1,200 tons of this distinctive paper, has the privilege of submitting a bid. The Government never has said that only one bidder may bid on this paper. A half dozen bidders have tried it at various times. One year the Comptroller General authorized a small portion of the contract to be let to a separate bidder. All well and good. That can still be done. I personally would be willing to see inserted here language that would actually authorize that sort of thing, but when the language reads "in order to foster competition," which already exists, it implies there is no competition. The fact that only one concern is competent to supply the quantity required does not prove the existence of a monopoly. The market is wide open to competition. There are hundreds of paper makers scattered throughout the country. They are not confined to New England. In New York, Wisconsin, and the West there are many paper mills. They know exactly what is required to produce this distinctive paper. If they see fit to spend several million dollars to equip a plant, they can do so. There is no secret about making this paper. At one time it was controlled by a patent, but that patent has long since expired, and the market is wide open.

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

Mr. TREADWAY. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

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

There was no objection.

Mr. TREADWAY. So that if the paper manufacturers of the country desire to compete for this contract, they have that opportunity and have had it right along.

In addition to that, various paper manufacturers have stated that the price at which this contract has been let in years past was not exorbitant, and that in no sense was there any effort to gouge the Government. Nevertheless, some people now impute such an effort to the present contractor. It is purely a business proposition. This country sees fit to encourage big business. We ought to have the best quality of product conceivable, and yet, all at once, in order to satisfy a grudge against a paper concern, certain persons attack that concern. There was an effort to establish a Government mill for the production of distinctive paper here in the District of Columbia, which was fought and defeated, and this is another effort to nurse that same grudge.

All I ask is fair consideration of the method under which this contract has been let for years past. Why is there any occasion to change that policy? By adopting the amendment which I have offered we simply continue the present system of letting this contract.

Mr. BYRNS. Mr. Chairman, for a great many years, as the Members of the House know, the Government has been wholly at the mercy of a monopoly when it comes to providing distinctive paper. The Crane Co. for years and years, located in the district represented by my friend the gentleman from Massachusetts [Mr. TREADWAY], has had a monopoly in the supplying of this paper. There have been no other companies manufacturing this particular kind of paper, which is peculiar in its texture, of course, and different from that which is provided in ordinary commercial use, which have been in a position to take care of their regular trade and at the same time to supply the full amount needed by the Government. In a case of that kind the committee felt it was necessary, in order to protect the Government, that some limitation should be thrown around the amount which the Government was required to pay. Under the law the Government must go through a more or less foolish process in this particular instance of asking for bids and making advertisements.

In the end there is only one bid, and, of course, there is nothing to do but to accept that bid.

A year ago the Government, in its effort to see if something could not be done to get a little cheaper paper, called for bids based upon the total amount, which was 1,420 tons, if I remember correctly, with the proviso that bids would be accepted for 400 tons or less. There were just two bidders, the Crane Co. and the Collins Manufacturing Co., also of Massachusetts. The Collins Manufacturing Co. submitted a bid for 400 tons at 38½ cents per pound. The Crane Co. submitted a conditional bid. It said:

If we get all of the contract, we will furnish this paper for 43 cents a pound, but if we do not get it all the rate will be 48 cents per pound; in other words, we will bid for the remainder of the paper at 48 cents per pound.

The bids were received and submitted to the Comptroller General, and he very properly, I think, decided that the Crane Co.'s bid should be accepted, because it meant a saving of money to the United States to accept all of it at

43 cents a pound rather than to accept 400 tons at 38½ cents a pound and 1,020 tons at 48 cents a pound. So the Government is paying to-day 43 cents a pound for distinctive paper.

The estimates were based upon 42 cents a pound, it being thought by the department that on account of falling prices there would be a reduction in the cost of paper, but your committee felt that was not a sufficient decrease. Here was a company, mind you, that offered a bid of 38½ cents per pound for 400 tons, and your committee felt that in view of the attitude of the Treasury Department to the effect that the cost of paper should be at least 1 cent less in 1933 than it was in 1932 it was entirely justified in fixing not exceeding 38 cents a pound as a reasonable price for the sale of this paper.

Mr. TREADWAY. Will the gentleman yield?

Mr. BYRNS. Yes.

Mr. TREADWAY. Would the gentleman be kind enough to tell us where, in his knowledge, a fixed price has been set rather than an aggregate sum in the appropriation?

Mr. BYRNS. I have no knowledge of any fixed price, but I will say this to the gentleman: If we made this appropriation without fixing the price, there would be no limitation on the company and it could bid any amount it pleased, and being the only company its bid would have to be accepted.

Mr. TREADWAY. I have not figured it out, but may I ask the gentleman what figure was used in reaching the estimate of $770,000?

Mr. BYRNS. Thirty-eight cents a pound.

Mr. TREADWAY. So you are fixing the amount at 38 cents a pound in your appropriation?

Mr. BYRNS. Yes.

[Here the gavel fell.]

Mr. BYRNS. Mr. Chairman, I ask unanimous consent to proceed for three additional minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. BYRNS. If we were to limit this to $770,000 and not fix an upset price of 38 cents a pound, the gentleman can well see that this sole bidder could come in and bid 40 cents a pound. That company would get the contract and it would have the right to furnish paper to the extent of this $770,000, at 40 cents a pound. We have fixed it at not exceeding 38 cents a pound, and $770,000 will take care of the whole situation if the bid is made upon that basis.

Mr. STAFFORD. Will the gentleman yield?

Mr. BYRNS. Yes.

Mr. STAFFORD. I understood the gentleman from Massachusetts to ask whether there was any comparable case where the Government fixed the price of articles which it purchased. I know the gentleman from Tennessee will recall that the price was fixed in the case of the purchase of typewriters. The price of the typewriters was more or less controlled by a trust, and the committee fixed a flat price at which typewriters should be purchased, which resulted in a saving of hundreds of thousands of dollars to the Treasury of the United States. This is an instance that is comparable to that, because this one company virtually has the Government by the neck.

Mr. BYRNS. And I am reminded, I will say to my friend—and I thank him for calling my attention to the case of the typewriters—that the price of smokeless powder was fixed several years ago by Congress because it was a monopoly. Because of that action the price was brought down from 65 cents to something a little over 50 cents.

Mr. STAFFORD. I think that action was taken at the instance of the then chairman of the Appropriations Committee, Mr. Sherley, who was interested in that subject.

Mr. BYRNS. I believe so.

Mr. TREADWAY. Will the gentleman yield further?

Mr. BYRNS. Yes.

Mr. TREADWAY. Is it not a fact, as the gentleman from Wisconsin has intimated, that there was more or less collusion in the case of the manufacturer and the sale of typewriters? The debate on the floor showed that there was an agreement and collusion among the typewriter concerns to stick the Government, but here you have a wide-open market and there is no question of any agreemnt being reached between the paper manufacturers.

Mr. BYRNS. I would not want to charge there was collusion, yet there was some indication of it; but I will say to the gentleman that is no worse than having one man who has the Government at his mercy and can charge any price he pleases. So I think this is peculiarly a case where the Government, in protection of itself, ought to fix the price.

Mr. STAFFORD. And it is a case where the Government can more easily be held up.

Mr. BYRNS. I think so.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts.

The amendment was rejected.

The Clerk read as follows:

Collecting the revenue from customs: For collecting the revenue from customs, for the detection and prevention of frauds upon the customs revenue, and not to exceed $10,000 for the securing of evidence of violations of the customs laws, including expenses of transportation and transfer of customs receipts from points where there are no Government depositories, not to exceed $79,200 for allowances for living quarters, including heat, fuel, and light, as authorized by the act approved June 26, 1930 (U. S. C., Supp. V, title 5, sec. 118a), not to exceed $1,700 for any one person, not to exceed $5,000 for the hire of motor-propelled passenger-carrying vehicles, and not to exceed $500 for subscriptions to newspapers, $22,700,000, of which such amount as may be necessary shall be available for the cost of seizure, storage, and disposition of any merchandise, vehicle and team, automobile, boat, air or water craft, or any other conveyance seized under the provisons of the customs laws, when the proceeds of sale are insufficient therefor or where there is no sale, and $494,470 shall be available for personal services in the District of Columbia exclusive of 10 persons from the field force authorized to be detailed under section 525 of the tariff act of 1930: *Provided*, That no part of this appropriation shall be expended for maintenance or repair of motor-propelled passenger-carrying vehicles for use in the District of Columbia.

Mr. BYRNS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

On page 11, line 2, strike out the word "and," and on the same page, in line 3, after the word "newspapers," insert the following: "and including the purchase, exchange, maintenance, repair, and operation of motor cycles."

Mr. BYRNS. Mr. Chairman, I may state to the committee that the Bureau of Customs has had three automobiles at its disposal here in the District of Columbia. This bill takes these three automobiles from the bureau. They need the motor cycles for their messengers, and all the amendment is intended to accomplish is to give them a couple of motor cycles instead of the automobiles we have taken from them. I will then offer another amendment which will restore one of these automobiles for the use of the customhouse in the District of Columbia, which is really a field position.

Mr. JOHNSON of Washington. Will the gentleman yield?

Mr. BYRNS. Yes.

Mr. JOHNSON of Washington. The one here in the District of Columbia is local?

Mr. BYRNS. It is local, but the machine is used at the District office over in Georgetown.

Mr. JOHNSON of Washington. How about the whole of Puget Sound, where there are many cities, all with a head office at Seattle, for instance, called the district of Puget Sound?

Mr. BYRNS. This does not affect Puget Sound.

Mr. JOHNSON of Washington. It does in principle, because it is local.

Mr. BYRNS. This is not local in that sense, I may say to the gentleman. This is for the customhouse over in Georgetown. It is necessary for him to come over here to the bureau every day, and it is also necessary for the examiners here in the District to go around and make various examinations. Having taken three automobiles from him, we felt it was perfectly fair to leave him one for official use only.

Mr. JOHNSON of Washington. That is a gain of 1—taking 2 and giving 1.

Mr. BYRNS. Yes.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Tennessee.

The amendment was agreed to.

Mr. BYRNS. Mr. Chairman, I offer another amendment.

The Clerk read as follows:

Amendment offered by Mr. BYRNS: On page 11, in line 15, after the word "Columbia," insert the following: "except one for use in connection with the work of the customhouse in Georgetown."

Mr. BYRNS. Mr. Chairman, this is the amendment to which I referred a moment ago.

The amendment was agreed to.

The Clerk read as follows:

The offices of comptrollers of customs, surveyors of customs, and appraisers of merchandise (except the appraiser of merchandise at the port of New York), 29 in all, with annual salaries aggregating $153,800, are hereby abolished. The duties imposed by law and regulation upon comptrollers, surveyors, and appraisers of customs, their assistants and deputies (except the appraiser, his assistants and deputies at the port of New York), are hereby transferred to, imposed upon, and continued in positions, now established in the Customs Service by or pursuant to law, as the Secretary of the Treasury by appropriate regulation shall specify; and he is further authorized to designate the titles by which such positions shall be officially known hereafter. The Secretary of the Treasury, in performing the duties imposed upon him by this paragraph, shall administer the same in such a manner that the transfer of duties provided hereby will not result in the establishment of any new positions in the Customs Service.

Mrs. KAHN. Mr. Chairman, I make a point of order against the section, beginning in line 16, page 11, and running through line 8, on page 12, that it is legislation on an appropriation bill and therefore out of order.

The CHAIRMAN. Does the lady desire to be heard on the point of order?

Mrs. KAHN. No; I think it is self-evident. I do not think it needs any argument.

Mr. BYRNS. Mr. Chairman, the committee acknowledges that the provision to which the point of order has been made, abolishing these offices of appraisers, comptrollers, and surveyors of customs, is legislation on an appropriation bill and changes existing law.

Under the provisions of clause 2 of Rule XXI, known as the Holman rule, legislation is in order upon an appropriation bill if it conforms to that rule.

The pertinent portion of clause 2 of that rule is as follows:

No appropriation shall be reported in any general appropriation bill, or be in order as an amendment thereto, for any expenditure not previously authorized by law, unless in continuation of appropriations for such public works and objects as are already in progress. Nor shall any provision in any such bill or amendment thereto changing existing law be in order, except such as being germane to the subject matter of the bill shall retrench expenditures by the reduction of the number and salary of the officers of the United States, by the reduction of the compensation of any person paid out of the Treasury of the United States, or by the reduction of amounts of money covered by the bill * * *.

The committee contends that the paragraph in this bill to which objection has been raised is in order under the provisions of the Holman rule.

Under previous decisions legislation to be in order under this rule must be germane to the bill and must retrench expenditures in one of the three methods set forth in the rule, namely, (1) by reduction of the number and salary of officers of the United States, (2) by the reduction of the compensation of any person paid out of the Treasury of the United States, or (3) by the reduction of the amounts of money covered by the bill.

Under previous decisions of the House it has also been held that it is not enough merely to reduce the number and compensation of officers of the United States or the compensation of any person paid out of the Treasury, but the legislation must retrench expenditures in doing that. On this point Chairman Saunders, in a decision on December 9, 1922, said:

The many rulings on this question are fairly uniform. They all hold that when, on the face of the bill, the proposed new legislation retrenches expenditures in one of three ways the point of order should be overruled, and the rule is generally laid down that the construction should be liberal in favor of retrenchment of governmental expenditures.

Under previous decisions it has also been held that the retrenchment in expenditures must not be conjectural or speculative but must show on the face of the legislation. In this connection Speaker Kerr held:

In considering the question whether an amendment operates to retrench expenditures, the Chair can only look to what is properly of record before him—that is, the pending bill, the specific section under consideration, the law of the land, so far as it is applicable, and the parliamentary rules and practice of the House; and beyond these he is not permitted to go in deciding the question.

In discussing the question of the saving, Chairman Saunders also said:

The Chair can only act upon the proposition which is presented on the face of that proposition.

In presenting this paragraph under the Holman rule the committee believes that it answers all of the requirements laid down under sound decisions:

(1) It is germane; (2) it reduces the number and salary of officers of the United States; (3) it retrenches expenditures; (4) the retrenchment is not speculative or argumentative but is specific; (5) every part of the legislation is essential.

1. Germaneness: The bill makes appropriations for the Customs Service, and customarily carries salaries for the offices proposed to be abolished.

2. Reduction of offices and salaries: The paragraph provides for the abolition of 29 offices established by law and now in existence, with salaries aggregating annually $153,800. Under the provisions of the paragraph these offices are eliminated commencing with the date of approval of this bill. The incumbents in them will at that time be removed from the pay roll.

3. Retrenchment of expenditures: The paragraph retrenches expenditures by the elimination of these offices and the saving of the salaries. That is complete on the face of the legislation.

4. The retrenchment is not speculative: The definiteness of the saving can not be controverted. The bill abolishes the 29 positions. They will be gone. The duties are transferred specifically to other positions in the service. The work will be continued. No added expense will come from this transfer, because the paragraph provides that the Secretary of the Treasury shall make the transfer and carry out the legislation without adding any new positions. The retrenchment is specific, definite, and complete. There is no escape from saving $153,800, and in making up this bill the committee has taken out that amount.

5. Every part of the legislation proposed is necessary to the reduction: The legislation is divided into the following parts:

(a) Abolition of the positions; (b) transfer of the duties to positions now in the service; (c) change in title of existing positions after the transfer to make the title accord to the new duties transferred to them; (d) require the Secretary to administer the transfer of duties in such a way as not to establish any new position.

The necessity of all portions of the legislation and its intimate relationship to the effectiveness and conclusiveness of the retrenchment must be apparent. Without all of the parts the legislation would not be effective.

The CHAIRMAN. I am afraid the Chair is not in harmony with the position of the lady from California. It would seem to the Chair that this paragraph is safely enfolded in the embrace of the Holman Rule. For the benefit of the lady from California the Chair will say that to be in order under the Holman rule three things must concur—first, it must be germane; second, it must retrench expenditures; and, third, the language embodied in the paragraph must be confined solely to the purpose of retrenching expenditures.

The Chair finds upon examination of the paragraph that it is germane to the portion of the bill wherein it is inserted. The paragraph on its face definitely reduces the number of officers of the United States by 29 and thereby saves $153,800, thus retrenching expenditures.

The remaining question for the Chair to determine is whether there is any language in the paragraph that is legislation which does not contribute to the retrenchment of the $153,800.

The Chair has examined the paragraph with considerable care in order to determine whether the legislation is coupled up with and essential to the reduction of money. The Chair finds that the paragraph abolishes a number of positions, that it transfers the duties heretofore performed by the officers holding those positions to positions now in the service, that in order to accomplish that it confers upon the Secretary of the Treasury authority to designate the titles of the employees now in the service who are to perform the additional duties, that it requires the Secretary to administer the transfer of duties in such a way as not to establish any new positions. It is apparent to the Chair that all the legislation to be found in the paragraph is necessary to accomplish the purpose of retrenching expenditures. The Chair thinks that the paragraph clearly comes within the provisions of the Holman rule and overrules the point of order.

Mr. DYER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DYER: On page 11, line 17, after the word "appraiser," add the letter "s," and in line 18, after the words "New York," add the words "and the port of St. Louis, Mo.," and in line 23, after the words "New York," add "and the port of St. Louis, Mo."

Mr. DYER. Mr. Chairman, the Appropriations Committee, in this bill, by this provision, if agreed to by the committee and the House, is undoing something that has been in existence in this country for many, many years. The appraisers of merchandise have been very essential and very beneficial.

I wish to refer a moment to a quotation from a statement by Captain Eble, Commissioner of Customs, made at Portland, Oreg., in July of last year, in which he said:

The most important work incidental to collecting the customs revenue is performed at the appraiser's stores.

Mr. Chairman, the appraiser's office is revenue-producing; and when we take into consideration the vast amount of revenue to the Government through the workings of this office, the incidental expense of the appraiser is negligible.

They are attempting by this bill to do away with the salary of the appraiser at St. Louis, amounting to $4,600. This is the only item that would be saved, as to St. Louis, if you agreed to the bill as reported by the Committee on Appropriations.

Let me give you some figures in regard to the collections of this office to see whether or not its elimination is justified.

The duties collected in St. Louis in 1927 were $2,917,000; in 1928, $2,870,000; in 1929, $3,230,000; in 1930, $3,039,300.

During 1931 there was collected at this port $2,094,319, and this was in a year when business was very poor all over the country. The appraiser's office was created more than 100 years ago, and it was evidently well thought out and very carefully considered.

The appraiser's office may be said to be similar to that of assessor which appraises property upon which taxes are collected by the collector, and for the same reason that the appraiser and collector should not be the same person, but one should be a check against the other.

If the office of the appraiser were consolidated with that of the collector, one can readily see there would be no such check; and it seems to us that such an arrangement would operate to the detriment of the Government, and we would find an opportunity open, perhaps, to colossal graft.

There seems to be no doubt but that the appraiser's office was meant as a safeguard, and surely it would be unwise and false economy to abolish this or any other department which safeguards the Public Treasury. And let us constantly keep in mind the fact that the office of the appraiser of merchandise is one of the revenue-producing units of our Government, and because of this fact it is my opinion that it should not be disturbed.

I have here a statement from Hon. Edmond Koeln, the collector of internal revenue for the city of St. Louis, in which he calls attention to the fact that some years ago the city of St. Louis, in adopting a new charter, provided that the appraiser and collector for water rates be the same person. Prior to that time they had been different persons. He says that it was but a few months after this took place that it was found in checking back the water department that there were discrepancies amounting to $140,000 a year or more. It seems that they got in a rut and it was practically all up to one man and one organization to handle both jobs, and they found after checking back the records, after they were taken over by the water commissioner and collector of revenue, that many water taps and meters in the city appeared on the records as being shut off for nonpayment and other reasons, which, in fact, were still on and water being supplied to the premises without any charge by the department. This was corrected only after the water commissioner simply assessed all water rates due and then turned over the bills for collection to the collector of revenue.

If we do not adopt this amendment, there will be no check on the work of the appraiser and the collector of customs at St. Louis. The bill provides that the employees, which are few in number, in the appraiser's office shall be transferred to the collector's office. The total expense of the appraiser's office in St. Louis does not amount to exceed $30,140, and they average two and a half million dollars collections annually for the Federal Government.

My amendment would not change the situation, except it would except the appraiser of St. Louis, who receives a salary of $4,600. That is all this would cost the Federal Government if it were agreed to. Is not that true, Mr. Chairman?

Mr. BYRNS. Yes; but may I interrupt the gentleman? The gentleman is speaking only of St. Louis. They have collected $1,594,320 customs. But let me call the gentleman's attention to offices where they have collected four or five million dollars, which have no appraiser and no surveyor.

Mr. DYER. Yes; those are places where they do not need an appraiser of merchandise.

Mr. BYRNS. But they collect four or five times as much money.

Mr. DYER. But I think on this one proposition the committee has gone too far. Of course, I take it that it is done under the guise of economy; but it surely is not economy, Mr. Chairman, to take this step and the danger in transferring these two positions in the Government into one, where there have been two officers for more than a hundred years, and it is bad legislation to place all this important work in the hands of one man.

The danger of mistakes, the danger of falsification, are very apparent to those who consider the situation as it would be under the proposed change. With a check provided between the two offices, at a very small expense, there is no danger of loss of money to the Government. I think it is mighty poor economy and that we ought not to permit it. It is going to the extent almost of the Appropriations Committee legislating people out of office. The gentlewoman from California [Mrs. KAHN] made the point of order, which unfortunately could not be sustained by the chairman because it comes under the Holman rule. It is going mighty far, however, when the Committee on Appropriations brings in legislation here putting people out of office and reducing the salaries of those who are in office. That is pretty close to legislating, and I think we ought not to permit it.

Mr. COCHRAN of Missouri. Mr. Chairman, I am interested in the action of the committee in abolishing the office of appraiser in St. Louis, but I do not propose to approach the question in the manner in which, at least in part, my colleague did. We have in the St. Louis appraiser's office probably a dozen or more men. I think the chief examiner has been in the St. Louis office for over 30 years. I can not bring myself to believe, even if this office is abolished, that there is any danger of anyone robbing the Government, and I do not feel the present appraiser would think so; in fact I am sure she would not. Men of the highest type are

employed in this office, and they will be a check upon the collector if you abolish this office.

The question involved here is whether or not this office should be abolished. The lady in charge of the office in St. Louis is a personal friend of mine. She has proved to be an excellent appraiser. She is always on the job. Naturally, I dislike to see her lose her position.

We collected in St. Louis last year $1,549,320. I think if gentlemen on the other side had not passed the Smoot-Hawley tariff law, we would have collected a great deal more.

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

Mr. COCHRAN of Missouri. Yes.

Mr. MEAD. Does the gentleman agree that the committee has shown no favors in this matter—that they have just arbitrarily eliminated these offices all over the country, with one exception.

Mr. COCHRAN of Missouri. I fully agree, and I brought that out when the chairman was making his statement on Saturday.

Mr. MEAD. The appraiser in my city is also abolished. Does the gentleman believe there are enough of us representing these cities to form a bloc to obstruct the progress of this wave of economy which so righteously comes upon us?

Mr. COCHRAN of Missouri. I do not. I can see it coming now, and the committee will stand by the recommendation of the Committee on Appropriations, as it has in every instance this year; all amendments offered are defeated. We will be smothered with noes in a few minutes when the question is put. Mr. Chairman, we are facing a situation that requires us to do a great many things now that we would not do if conditions were otherwise. I am sorry to see anyone lose their position, especially a personal friend, but how are you going to spend money when there is no money to be spent? The Internal Revenue Commissioner is receiving daily reports from collectors all over the United States. They are taking the income-tax returns for 1931 and comparing them with the income-tax returns for 1930, and they are able to see what is going to happen. We have a deficit to face, and it is getting larger all the time. I must admit that the Committee on Appropriations has not treated my city unfairly, as it has done the same to all cities in the country having such an office, with the exception of New York, and with good grace, I am compelled to take the medicine. [Applause.]

Mr. LUDLOW. Mr. Chairman, the Committee on Appropriations, of which I have the honor to be a member, proposes to lessen the burden of taxation by abolishing a number of high-salaried offices that are as useless in the public service as the fifth wheel is to a wagon or the appendix is to the human anatomy.

Among these are 29 presidential offices in the Customs Service, 15 appraisers of customs, 7 comptrollers of customs, and 7 surveyors of customs.

The least salaried of all of these officials draws $3,200 a year from the Public Treasury and the highest salaried $9,000 a year.

It was brought out in our subcommittee that by wiping these 29 useless officials off of the pay rolls we are able to make a sheer saving of $153,800 a year, and that is the purpose of this legislation.

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

Mr. LUDLOW. I would rather not at this moment.

Mr. DYER. The gentleman is making the statement that these offices are useless. I would like him to tell the committee where he got the information that the appraiser at St. Louis is useless.

Mr. LUDLOW. The information came from official sources.

Mr. DYER. What official? Name him.

Mr. LUDLOW. The total receipts of the Portland (Me.) customs office are now about $160,000 a year, according to the Bureau of Customs. Therefore, practically the equivalent of the entire income of that port is required to pay the very comfortable salaries of these 29 useless officials. That money ought to go into the Treasury of the United States instead of into the pockets of officials who do not earn it.

The offices in the Customs Service it is proposed to abolish and the salaries attached thereto are as follows:

Appraisers of customs: Philadelphia, Pa., $5,600; Boston, Mass., $6,000; San Francisco, Calif., $5,600; New Orleans, La., $5,200; Baltimore, Md., $5,000; Chicago, Ill., $6,000; Buffalo, N. Y., $4,600; Detroit, Mich., $4,600; Tampa, Fla., $3,800; Cleveland, Ohio, $4,600; Cincinnati, Ohio, $3,800; St. Louis, Mo., $4,600; Portland, Me., $3,800; Pittsburgh, Pa., $4,600; Portland, Oreg., $4,400; total, $72,200.

Comptrollers of customs: New York, N. Y., $9,000; Philadelphia, Pa., $5,800; Boston, Mass., $5,600; San Francisco, Calif., $5,600; New Orleans, La., $5,600; Baltimore, Md., $5,600; Chicago, Ill., $5,600; total, $42,800.

Surveyors of customs: New York, N. Y., $9,000; Philadelphia, Pa., $5,600; Boston, Mass., $5,800; San Francisco, Calif., $5,600; New Orleans, La., $4,600; Baltimore, Md., $5,000; total, $38,800.

It is no reflection on the very respectable and esteemed persons who occupy these offices to say that they do nothing to earn their salaries. That is not their fault. There is nothing for them to do. The work is so organized that they are absolute excess. If all 29 of them were to go to Europe and watch the whirling wheels at Monte Carlo, bask under the sunny skies of Italy, or cruise up and down the Mediterranean, the work would go on smoothly, methodically, and efficiently without a split second's difference.

Take, for instance, the appraisers of customs, who compose the most numerous class slated for abolishment. There are 15 of these superfluous officials, whose salaries are an annual charge of $72,200 on the taxpayers. There are 300 ports of entry. At 285 of these there is an acting appraiser, who is the real head and director of the appraisal force. At 15 ports where there is an appraiser there is a chief assistant appraiser, who directs the force. If this legislation passes and the appraisers are abolished the chief assistant appraiser will be called hereafter the acting appraiser and the work will go on exactly as it always has gone on. Enactment of this legislation will leave only one appraiser of customs in the service—the appraiser at New York City. Approximately 60 per cent of the entire customs revenue is collected at the port of New York, where the appraisal force consists of about 1,000 employees. The appropriations committee was advised by the Customs Bureau that in that instance it would be advisable to continue the appraiser on account of the peculiar circumstances surrounding the New York office.

There are seven comptrollers of customs, all as useless as a last year's bird's nest. The function of the comptroller's office is really that of an auditor. There are 48 customs districts, which are divided for auditing purposes into 7 groups under 7 comptrollers.

Auditing customs accounts is a highly specialized business, and the active man at the head is the deputy comptroller, who has been brought up in the auditing business and knows it from A to Z. He guides the work and is the authority on all points of administration, while the comptroller draws the big salary. On account of the technical and specialized nature of the work it is easy to realize how big a misfit in the comptroller's job is a politician who is picked up off of the street and appointed comptroller without any knowledge of the technicalities of auditing. It is a joke; a rather costly one, but a joke. Under the reorganization that will follow this legislation the name of the deputy comptrollers probably will be changed to auditors of customs and the work will go on just as usual, while the taxpayers will be relieved to the extent of $42,800 by the abolishment of the comptrollerships.

We now come to the surveyors of customs. There is another indefensible charge on the Treasury to the extent of $38,800 per annum in salaries paid to seven surveyors who are just as useful to the public service as the man in the moon. At every port where there is a surveyor there is an assistant surveyor who performs all of the duties of the

head of the office. He is a civil service appointee who is trained in the work. If this legislation passes and surveyors of customs go to join the dinosaur and other creatures of a forgotten age the title of deputy surveyors will be changed to deputy collectors and the work will proceed as usual.

The utter ridiculousness of maintaining these useless and expensive offices in the Customs Service is well known to everybody in that service. Detroit is a great port of entry and there is no surveyor of customs at Detroit although the volume of business there is fifteen or twenty times as great as other places where there is a surveyor. At Portland, Me., where, as I have said, customs receipts are running about $160,000 per annum, there are three presidential officials, all drawing sizable salaries, collector, appraiser, and comptroller. Again I say it is a joke—a costly joke.

Why is it necessary to have three presidential appointees at a small port like Portland, Me., where such a limited amount of customs revenue is collected, while at Galveston, Tex., where we collect close to $6,000,000 a year, there is no surveyor and no appraiser and only one presidential appointee, the official in charge?

The same question applies to Los Angeles, where $5,000,000 is collected annually in customs revenue and where there is but one presidential appointee, the collector.

I might state that there is but one customs official in charge at Winston-Salem, N. C., Savannah, Ga., Seattle, Wash., Norfolk, Va., Nogales, Ariz., Reidsville, N. C., Providence, R. I., Honolulu, Hawaii, Rochester, N. Y., and Houston, Tex., where customs collections run from one to five million dollars at each port. Now, it seems to me if no surveyor or appraiser is necessary at these latter ports, where customs collections run from ten to thirty times as much as those collected at Portland, Me., that the offices of surveyor and appraiser at Portland are absolutely unnecessary and involve a waste of public money. The same applies to these superflous officials who, I see from the record, are stationed at Pittsburgh, Pa., Buffalo, N. Y., Tampa, Fla., Detroit, Mich., St. Louis, Mo., Cleveland, Ohio, Cincinnati, Ohio, and Portland, Oreg.

The abolishment of these useless offices would tend to administrative efficiency, for the presence at any port of two or more officials, all of the presidential grade and jealous of their dignity, is bound to create friction. Therefore, while the appraisers, comptrollers, and surveyors are useless, they are a little worse than useless, for they create inharmony in the service.

If anyone were to propose, with the general distress that now prevails and in the temper of these times, to create these sinecures, he would get nowhere, and would bring upon himself a rebuke from the entire country. Let us do a real service to the country by abolishing these sinecures.

Neither is there any reason in sound administration why the assay offices at Carson City, Nev., Salt Lake City, Utah, Boise, Idaho, and Helena, Mont., should not be abolished, and there is every reason why they should be abolished.

Four distinct savings would be effected, as follows:

First. In salaries to personnel.

Second. In releasing for other Federal activities Government buildings that are now occupied by assay offices.

Third. In the cost of maintaining metallurgical laboratories and purchase of such supplies as crucibles, acids, fluxes, and fuels required to operate these assay offices separately.

Fourth. In savings on express charges on gold bullion.

The entire saving would considerably exceed $25,000 a year on personnel and supplies alone, to say nothing of the saving to be effected by releasing Federal buildings to other Government activities that now occupy leased quarters.

The Government owns the assay buildings at Carson City, Boise, and Helena. The Salt Lake City assay office occupies two rooms in a Government-owned building.

The chief function of the assay offices is to make assays of gold bullion sent in for purchase by the Government.

After the bullion is assayed it becomes the Government's property and is forwarded by express at Government cost to the mint at San Francisco or Denver.

By abolishing the assay offices the Government would save the express charges it now has to pay on bullion from the assay office to the mint. Under the new order the bullion would be assayed at the mint and would be shipped to the mint at the seller's cost.

Assaying ore for prospectors is a very minor part of the duties of the assay offices and no great hardship or hindrance would be imposed on prospectors if the assay offices were abolished, in which event they would send their samples by parcel post to Seattle to be assayed. In modern times the use of the assay offices for this purpose has been confined to small prospectors who usually send in a handful or two of ore to be assayed, and the Bureau of the Mint advises that not over 5 per cent of these samples show any producing value.

The assay offices are ancient institutions which once were helpful in developing mining of precious metals in the West but which long since outlived their usefulness. The Carson City assay office was established March 3, 1863; the Boise assay office February 19, 1869; the Helena assay office May 12, 1874, and the Salt Lake City assay office May 30, 1908. All are obsolete relics of the past, and in carrying out the economy program they should be abolished.

For further enlightenment I will read the following letter from R. J. Grant, Director of the Mint:

FEBRUARY 25, 1932.

MY DEAR CONGRESSMAN: In response to your letter of February 20, I am giving below a statement covering the number of bullion and ore assays made by the assay offices at Carson City, Salt Lake City, Boise, and Helena during the fiscal year 1931:

Institution	On bullion deposited for purchase by the Government	On samples of bullion and ore sent in
Carson City	1,111	162
Salt Lake City	400	240
Boise	1,177	667
Helena	976	41

If the facilities of the four assay offices named above were not at the disposal of the public, assays of ores and bullion could be made at the mint in New Orleans or at the assay office in Seattle. Deposits of gold forwarded for purchase could be shipped to San Francisco or to Denver.

Very truly yours,

R. J. GRANT.

Mr. WOOD of Indiana. Mr. Chairman, I rise in opposition to the proposed amendment. There are 29 of these offices that we propose to abolish in this bill, the aggregate pay of which is $153,000 a year. The committee was convinced beyond any question of doubt that there is about as much use for these offices, that we propose to abolish, as there is a cat having nine tails. They are purely political sinecures and have been for a hundred years. They were created in the first place as political sinecures, and they have maintained their individuality in that respect ever since. One of these some years ago was appointed at Chicago. At that time he was called the naval port officer. That did not seem to jibe very well with the rest of the offices, so they changed the name to comptroller, and he is still occupying that position and drawing his pay as such. It was suggested by the gentleman from Missouri [Mr. DYER] that the appraisal of these foreign, imported goods, is a very important function. That is true. Everything depends on a fair appraisal, but these appraisers do not do the appraising. That is done by the collector and under his supervision.

The same with reference to the comptroller. He does not control anything but his salary. All he does is draw his pay.

Then it was suggested there should be a check upon some of these other officers. The check is furnished by the auditors. No one is proposing to do away with the auditing of these accounts, and, in consequence, there is no danger in that respect.

So, as I have stated, it is the same character of office that the subtreasurers were. We tried a long time before we

succeeded in doing away with the subtreasurers, and after the adoption of the Federal reserve act there was absolutely no occasion for those officers. They then became purely sinecures, but they have gone, and nobody now contends for a moment that disposing of them has hurt the Treasury Department in any degree whatever. I remember very well when in every State in the Union, especially throughout the North, there were pension commissioners. I dare say there are few of you here to-day who remember what their duties were. They were pure political sinecures. It took years and years for this Congress to do away with them. These offices are in the same category. There is no one who has any excuse whatever for supporting this amendment except those who have these offices in their respective communities.

Mr. DYER. I can not agree with the gentleman.

Mr. WOOD of Indiana. If we felt for a moment that it would be a detriment in the least degree to the operations of the Government, none of us would be in favor of their abolishment.

Mr. DYER. Will the gentleman yield?

Mr. WOOD of Indiana. I yield.

Mr. DYER. If the gentleman is so sure that nobody can object to this except those who have these offices in their districts, I would like to ask the gentleman why, for a hundred years, most of which time the gentleman himself has been a member of the Committee on Appropriations, he has not brought this in before?

Mr. WOOD of Indiana. Well, it is somewhat like cutting off the pup's tail. We have to do it a little at a time so that it will not hurt so much. We have been trying for a long time to abolish some of these assay offices. We are going to try to do that again in this bill. We have succeeded in doing it time and time again in this House, but the gentlemen over at the other end of the Capitol, for some reason or other, think the whole fabric would fall to pieces if they did not retain them, and we will have that same trouble again. But when we are trying to economize, the best place to economize is where there is absolutely no excuse for the original expenditure.

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

The question is on the amendment offered by the gentleman from Missouri.

The amendment was rejected.

The Clerk read as follows:

BUREAU OF INTERNAL REVENUE

Collecting the internal revenue: For expenses of assessing and collecting the internal revenue taxes, including the employment of a Commissioner of Internal Revenue at $10,000 per annum, a general counsel for the Bureau of Internal Revenue at $10,000 per annum, an assistant to the commissioner, a special deputy commissioner, three deputy commissioners, one stamp agent (to be reimbursed by the stamp manufacturers), and the necessary officers, collectors, deputy collectors, attorneys, experts, agents, accountants, inspectors, clerks, janitors, and messengers in the District of Columbia, the several collection districts, and the several divisions of internal-revenue agents, to be appointed as provided by law, telegraph and telephone service, rental of quarters outside the District of Columbia, postage, freight, express, necessary expenses incurred in making investigations in connection with the enrollment or disbarment of practitioners before the Treasury Department in internal-revenue matters, expenses of seizure and sale, and other necessary miscellaneous expenses, including stenographic reporting services, and the purchase of such supplies, equipment, furniture, mechanical devices, law books and books of reference, and such other articles as may be necessary for use in the District of Columbia, the several collection districts, and the several divisions of internal-revenue agents, $33,650,000, of which amount not to exceed $9,122,560 may be expended for personal services in the District of Columbia: *Provided*, That no part of this amount shall be used in defraying the expenses of any officer designated above, subpœnaed by the United States court to attend any trial before a United States court or preliminary examination before any United States commissioner, which expenses shall be paid from the appropriation for "Fees of witnesses, United States courts": *Provided further*, That not more than $100,000 of the total amount appropriated herein may be expended by the Commissioner of Internal Revenue for detecting and bringing to trial persons guilty of violating the internal revenue laws or conniving at the same, including payments for information and detection of such violation.

Mr. STAFFORD. Mr. Chairman, I move to strike out the last word.

My purpose is to ascertain from the chairman of the committee whether the appropriation for the enforcement of the internal revenue acts has become static or whether there will be opportunity for the appropriation to be curtailed as the years go by. Some years ago they were back several years in the examination of the income-tax returns. Can the gentleman give any information as to the current condition of their work and whether this appropriation of $33,650,000 is likely to be the permanent appropriation, as long as we have the income-tax and corporation-tax provisions in the law?

Mr. BYRNS. No. Not necessarily. They are very nearly current in their work. The gentleman will note that the committee cut the appropriation in the sum of only $110,000. The committee did not seek to make any greater cut in the appropriation for the reason that it recognized that a new tax bill or a new revenue bill would be passed soon, and, of course, that will entail additional duties upon this particular office. For that reason the committee made no greater cut than it did.

Mr. STAFFORD. Were it not for the prospect of additional work being thrown upon the bureau by reason of the proposed income-tax measure, the gentleman's committee would have felt warranted in cutting this appropriation?

Mr. BYRNS. I think it possibly could have been cut to a considerable extent, but we did not cut it, for the reason stated.

The pro forma amendment was withdrawn.

The Clerk read as follows:

For compensation of civilian employees in the field, including clerks to district commanders, $105,220.

Mr. GOSS. Mr. Chairman, I move to strike out the last word for the purpose of asking the chairman of the committee if this reduction of $105,220 contains any reduction in wages?

Mr. BYRNS. No; none at all. There are the same number and at the same salary.

Mr. GOSS. Is there any reduction of wages anywhere through this bill?

Mr. BYRNS. No; except the provision that will be carried at the end of the bill. That does not reduce any wages, but it prevents increases in salaries.

The pro forma amendment was withdrawn.

The Clerk read as follows:

Total, Coast Guard, exclusive of commandant's office, $28,510,220.

Mr. GLOVER. Mr. Chairman, I move to strike out the last word to ask the chairman of the committee with reference to the Coast Guard School. I have had many requests from boys in my district who can not get into Annapolis or West Point, who are very anxious to know about the Coast Guard School. I know they have literature, but I would be glad if the gentleman from Tennessee would take a little time and give us, for the benefit of the RECORD, in order that the public may read it, something about what the Coast Guard is accomplishing in the school.

Mr. BYRNS. I will say to the gentleman that there has recently been established this school to which the gentleman refers, at New London, Conn. It is fashioned along the same lines as the West Point Military Academy and the Naval Academy at Annapolis. Its curriculum is about the same.

The appointments are made through competitive examinations. Applications are made to the Commandant of the Coast Guard, and he holds these competitive examinations. When this new academy is completed, which will be in the fall, it will have a capacity of about 200 students.

Mr. GLOVER. As I understand, the students graduate with the same degree as those who graduate at the other institutions?

Mr. BYRNS. Yes. The graduates are given commissions in the Coast Guard Service, and in war time they are covered into the Naval Service.

Mr. HASTINGS. Is any preference given to the States?

Mr. BYRNS. No.

Mr. HASTINGS. There is no allocation to the States?

Mr. BYRNS. No.

Mr. KELLER. Why not?

Mr. BYRNS. I do not know, but it just is not the law.

The pro forma amendment was withdrawn.

The Clerk read as follows:

White House police: Captain, $3,600; lieutenant, $3,050; three sergeants at $2,750 each; and for 43 privates at rates of pay provided by law; in all $116,299.

Mr. BLANTON. Mr. Chairman, I move to strike out the paragraph. In debate the other day I called the attention of our colleague from Indiana [Mr. WOOD] to the fact that the White House police, 48 in number, were on the Government pay roll, paid for by the United States Government. The gentleman from Indiana contended that they were a part of the Metropolitan police force, and paid for by the District of Columbia, under the District bill. I want to call the gentleman's attention—because he is present on the floor—to the fact that he was in error. These 48 policemen are paid for by the Government of the United States. They are provided for in this Government appropriation bill, and in the paragraph which I have moved to strike out—and which pro forma motion I will withdraw, because the White House must have police—it is specified as follows:

White House police: Captain, $3,600; lieutenant, $3,050; three sergeants at $2,750 each; and 43 privates at rates of pay provided by law.

The basic salary is $2,100 per year, with an increase of $100 for each year's service and after three years' service they get $2,400 a year, with all of their other privileges. And the next paragraph appropriates $3,500 additional for their uniforms for one year.

Mr. WOOD of Indiana. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. WOOD of Indiana. Does the gentleman know when it was they were transferred and their salaries paid out of this appropriation?

Mr. BLANTON. Yes; a change was made. They were originally taken from the park police. But the park police are United States policemen and are controlled by an Army officer who is designated as the superintendent of park police. And they are all under the supervision of another Army officer, Col. U. S. Grant, 3d. It was from this park police that White House police were originally transferred to the White House and they have always been charged to the Government of the United States.

Mr. WOOD of Indiana. The gentleman is mistaken and I will tell him wherein he is mistaken. The gentleman is correct in saying they were transferred from the park police, but the gentleman will find that the park police are paid out of District appropriations.

Mr. BLANTON. With the Federal contribution of $9,500,000 made for this fiscal year out of the United States Treasury.

Mr. WOOD of Indiana. And at the time the White House policemen were taken from the park police force they were paid out of that same fund.

Mr. BLANTON. How long is it since they have been paid wholly out of the United States Treasury? All of this $116,299 for their pay one year and the $3,500 for their uniforms contained in this bill comes out of the United States Treasury.

Mr. STAFFORD. If the gentleman will permit, it was done at the request of Mrs. Harding. They were transferred from the park police force to a separate force for service at the White House. It was at Mrs. Harding's special request that this change was made.

Mr. BLANTON. Then under President Harding they have been paid for by the Government; under President Coolidge they have been paid for by the Government; and under President Hoover they have been paid for by the Government. Then for 10 years of Republican rule these 48 policemen, who were transferred, as the gentleman says, at the request of Mrs. Harding, from the District pay roll to the Government pay roll, have been rendering service at the White House and have been paid for out of the Treasury of the United States?

If they were necessary, I would not hesitate at all to appropriate the money; but I do not believe 48 policemen are necessary to guard the White House in peace time.

Mr. BYRNS. Was there a reduction in the number of metropolitan policemen when these men were transferred to the White House force?

Mr. BLANTON. Certainly not. We have nearly 1,300 Metropolitan policemen right now, paid for partly by the United States Government, because we do contribute a great sum toward the expenses of the District. In addition to that, we have the park police force under Colonel Grant and that force is partly paid for by the people of the Government. And we have these additional special 48 White House policemen, in peace times, which for the last 10 years, ever since the Harding administration, have been paid for wholly by the Government of the United States.

[Here the gavel fell.]

Mr. BLANTON. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. TILSON. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. TILSON. Regardless of whether there are too many or not enough White House policemen, is it not a fact that the office of President of the United States is a Federal office, so that the police should be paid for by the Federal Government and not by the District?

Mr. BLANTON. I have made no contention that they should not be paid for by the Government. My contention is that 48 special White House policemen in peace time are entirely too many and are not needed, when we remember that we have nearly thirteen hundred Metropolitan policemen and about 100 additional park police, all partly paid for by the Government. It shows extravagance on the part of the last three Republican administrations in this regard.

In the President's Budget for the fiscal year ending June 30, 1932, he shows on page A17 thereof that he spent $2,547 for expenses at his "Executive Mansion, Mount Weather, Va." When he taeks an outing at his summer camp he ought to pay the expenses out of his $75,000 salary and his other allowances and not make the people pay for his outing. We have to pay the expenses for our outings.

I premised my statement with the remark that he did need policemen, and I am willing to appropriate for every one he needs, but he does not need 48 in peace time. Are we not mimicking royalty when we put 48 special policemen on guard at the White House in peace time? It is too many.

Mrs. KAHN. Will the gentleman yield? The 48 are certainly not on duty all the time. You have to guard your White House 24 hours a day, and it seems to me this is the least we can do.

Mr. BLANTON. I would expect that from a loyal Republican.

Mrs. KAHN. A loyal Republican; yes.

Mr. BLANTON. Three 8-hour shifts of 5 policemen each, totaling 15, ought to be sufficient in peace time. But President Hoover has 3 shifts of 18 each, or 48 policemen to guard the White House. The people are asking us to retrench. I wonder if our friend, the distinguished gentlewoman from California, heard the speech over the radio of Mr. Merle Thorpe, the editor of Nation's Business, the other night?

Mrs. KAHN. No; I did not. He does not happen to be a Member of the House.

Mr. BLANTON. He said Congress must reduce, it must retrench, it must cut down, because the people of the United States are not going to stand for anything else any longer.

Mr. TILSON, Mrs. KAHN, and Mr. COLE of Iowa rose.

Mr. TILSON. Did the gentleman vote for the $132,000,000 appropriation Saturday?

Mr. BLANTON. I want to first answer my friend, the gentleman from Connecticut, who, I believe, was the best Republican leader we ever had on the floor.

Yes; I voted for that bill, and I will tell the gentleman why.

Mr. COLE of Iowa. Was that retrenchment?

Mr. BLANTON. Please do not interrupt me until I answer the gentleman from Connecticut.

It is the only bill we have passed in this Congress that guarantees any real relief to the unemployed—the only one. The $250,000,000 moratorium bill does not help any. I voted against that. The $2,000,000,000 so-called reconstruction finance act that puts money into the coffers of busted railroads is not going to help the people. I voted against that. The $125,000,000 given to Federal land banks will not help a farmer. I voted against other measures here that will not help the people, but which place added burdens on them, but I did vote for the people's measure—one that will give some relief, and I saw distinguished Republicans on that side of the aisle get up here and try to defeat that bill, which is the only one that promises any real honest to God relief to the people out of jobs back home.

Mr. WOOD of Indiana. Will the gentleman yield?

Mr. BLANTON. I yield to the gentleman from Indiana.

Mr. WOOD of Indiana. Did not the gentleman vote in favor of reducing the appropriation for roads in the agricultural appropriation bill $10,000,000?

Mr. BLANTON. That was an entirely different proposition, and I want to say that I followed first my leader, the gentleman from Tennessee, Mr. BYRNS, chairman of the Appropriations Committee, and then my second officer, the gentleman from Indiana, Mr. WOOD.

Mr. WOOD of Indiana. The gentleman did well.

Mr. BLANTON. They made some unanswerable arguments, showing that the money, if appropriated, could not be spent, but you did not have an argument here last Saturday against the bill to relieve public unemployment. You voted against that bill. I helped to pass it.

Mr. WOOD of Indiana. The difference would be only one of degree. If we need $132,500,000 now, that $10,000,000 would have helped some.

Mr. BLANTON. We then had appropriated all the States could use, and the gentleman knows it.

Mr. WOOD of Indiana. Have they not more than they can use now?

Mr. BLANTON. No. When the Government advances this $120,000,000 to the States they will have the money to use. I was in favor of that bill because it is the only real relief that the people out of jobs back home are going to get out of this Congress, and I dare the gentleman's President to veto it.

[Here the gavel fell.]

Mr. STAFFORD. Mr. Chairman, I ask for recognition in opposition to the pro forma amendment.

The gentleman from Texas has seen fit to attack the number of policemen that guard the White House and he seeks to charge it up to Republican extravagance because, as he claims, this is the number that not only at present but for the past 10 years has been provided for guarding the White House.

I believe the gentleman from Texas was here when the same number of privates was appropriated for guarding the White House, but they were then park police.

As I stated in the discussion, it was at the instance of Mrs. Harding that the policemen guarding the White House were placed in a separate force. This act went through the House and provided, as I remember it, for 2 or maybe 1 additional private, and, as I recall, 3 additional officers, 2 sergeants and perhaps 1 lieutenant.

For the last quarter of a century there has been this number of privates guarding the White House. These privates are on an 8-hour scale and, certainly, the gentleman from Texas does not wish to compel them to work on a longer basis. He is a believer in the 8-hour scale for policemen as well as for other employees.

This only allows 14 privates to be distributed around the grounds. I know the gentleman on rare occasions has visited White House functions and has seen these policemen on guard, two or three at a gate, and if the gentleman will just picture the environs of the White House grounds he will realize that 14 policemen distributed about the spacious grounds and at the various gates at all times of the day, and particularly in the evening, are none too many to properly guard the official mansion of the President.

Mr. BLANTON. Will the gentleman yield?

Mr. STAFFORD. Always, to my friend, when I have the time.

Mr. BLANTON. This one item of White House police is costing the people $116,299, and their uniforms for one year an additional $3,500, and I want to call my friend's attention to the fact that for the year 1921, when President Wilson was in the White House, the total expenses for the White House, as pointed out by my friend from Tennessee [Mr. BYRNS], were $293,680 per annum, whereas for the present year, under President Hoover, they were $652,179.

Mr. STAFFORD. And never in the history of the Government has the Executive been doing so much executive work as is now being done by the present Executive. The gentleman may criticize the expenditure that has mounted from the time of President Wilson, nevertheless the gentleman knows that the present organization of the White House is the most efficient in the administration of the duties of the Executive that has ever been carried on in the history of the Government.

True, President Hoover has increased the number of his secretaries. At first there was but one. President Roosevelt's secretary was Mr. Loeb, a very capable man. He was with a dynamic President. We have now a dynamic President. [Laughter.] Oh, the Democrats may laugh and deride, but nevertheless if gentlemen were acquainted with the tremendous burden President Hoover has labored under and the manner in which he performs his onerous duties, they would know that he is a superhuman man. He has a full man's job on his hands. [Applause.]

Mr. BYRNS. Will the gentleman yield?

Mr. STAFFORD. Yes.

Mr. BYRNS. The gentleman from Wisconsin has made an unanswerable argument in regard to the police, but since he got on the subject of the President's three secretaries, when Coolidge and Harding and Wilson and all of his predecessors had but one, I think the gentleman is on thin ice.

Mr. STAFFORD. And yet the gentleman from Tennessee, when he had the opportunity, did not raise his voice in opposition to the increase of the number of secretaries.

Mr. BYRNS. I beg the gentleman's pardon. I did fight it at the time.

Mr. STAFFORD. Well, I think for once the gentleman was in error, for it has been proven that the two additional secretaries were necessary in the work of the President's office. But I am glad that the chairman of the committee approves of my position in regard to the police.

Mr. WOOD of Indiana. Mr. Chairman, we are getting far afield on a small matter. In order that you may know about the White House police, it was in July, 1930, that they were transferred from the park police of the District to the Secret Service of the Treasury Department.

Mr. HASTINGS. Then the gentleman from Wisconsin was mistaken about it.

Mr. WOOD of Indiana. No; that is when they were transferred. It has been demonstrated in tragedy three times that the protection to the President of the United States has not been sufficient. We have lost three Presidents at the hands of assassins because of the want of that protection.

Mr. Wilson realized the danger in which he was living while President of the United States, and was not content to rely on the police, but he had a great many soldiers in and about the White House, and was fearful that that would not be sufficient, so he had iron bars put up at the windows of the White House.

Mr. BLANTON. Will the gentleman yield? That was during war time.

Mr. WOOD of Indiana. Of course, it was war time.

Mr. BLANTON. I call the gentleman's attention to the fact that the President's Budget, the President's creature,

recommended to this Congress an appropriation for even an additional number of police. We were asked by the President and his Budget to give $121,200 for White House police, and the gentleman, who is always alive to the people's interest, would not do that, but he voted for only $116,299. In other words, the gentleman himself has voted to cut down in this bill the President's Budget nearly $5,000 for White House police because the gentleman did not think it necessary.

Mr. WOOD of Indiana. Well, it occurs to me that we are wasting more time than the matter is worth.

Mr. BLANTON. I simply wanted to call attention to the fact that we are paying this money out of the Federal Treasury, $116,299 for 48 White House police, and for an additional $3,500 for their uniforms for one year.

Mr. WOOD of Indiana. Yes; and it all comes out of the taxpayers of the United States.

Mr. BLANTON. Yes; the taxpayers are paying it, but they are getting tired of it.

Mr. Chairman, I ask unanimous consent to withdraw my pro forma amendment.

The CHAIRMAN. Without objection, it is so ordered.

The Clerk read as follows:

For the acquisition of sites or of additional land, commencement, continuation, or completion, of construction in connection with any or all projects authorized under the provisions of sections 3 and 5 of the public buildings act, approved May 25, 1926 (U. S. C., Supp. V, title 40, secs. 343–345), and the acts amendatory thereof approved February 24, 1928 (U. S. C., Supp. V, title 40, sec. 345), and March 31, 1930 (U. S. C., Supp. IV, title 40, secs. 341–349), within the respective limits of cost fixed for such projects, $108,000,000, of which not to exceed $15,000,000 may be expended for buildings in the District of Columbia: *Provided*, That no part of this or any other appropriation for the construction of public buildings shall be used for remodeling and reconstructing the Department of State Building under the authorization therefor contained in the act approved July 3, 1930 (46 Stat. 907): *Provided further*, That the building authorized for Seguin, Tex., by the act of March 4, 1931 (46 Stat. 1602), shall be constructed on the site owned by the Government on that date: *Provided further*, That no part of this appropriation shall be used for work on the building for the Coast Guard or some other Government activity (Apex Building), authorized by act of March 4, 1931 (46 Stat. 1605).

Mr. PATMAN. Mr. Chairman, I move to strike out the paragraph and ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. PATMAN. Mr. Chairman, I ask unanimous consent to extend my remarks and to insert as a part of my remarks a portion of a speech I delivered in Chicago in June, before the progressive Republican conference.

The CHAIRMAN. Is there objection?

Mr. STAFFORD. Mr. Chairman, reserving the right to object, is that the same speech that the gentleman delivered in my home city during the Christmas holidays?

Mr. PATMAN. It is an entirely different speech.

Mr. STAFFORD. I was not going to object to that speech being inserted in the RECORD, if the gentleman desired.

Mr. PATMAN. I hope the gentleman will listen to what I have to say now.

Mr. STAFFORD. Is it upon the same general subject?

Mr. PATMAN. No; it is not.

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

There was no objection.

Mr. PATMAN. Mr. Chairman, we have under consideration the appropriation for the Supervising Architect's Office. In the recent past we have had as Secretary of the Treasury a gentleman who has had a monopoly on aluminum. The Supervising Architect's Office is under the jurisdiction and control of the Secretary of the Treasury. The Supervising Architect can be either hired or discharged by the Secretary of the Treasury. Of course he is subject to the orders of the Secretary of the Treasury at all times. I do not believe that any Secretary of the Treasury should use his office for the purpose of furthering his own private business, and certainly not at the expense of the United States Government or the people of the United States. I have before me at this time a publication called the Federal Architect. This is volume 2, No. 1, issue of July, 1931, which indicates that the publication was not commenced until the big public-building program was inaugurated in the United States. Then, for some reason or other, there seemed to be a necessity for this particular publication. It is published by the Association of Federal Architects, 410 Treasury Building, Washington, D. C. Remember 410 Treasury Building is a public building and at the other end of Pennsylvania Avenue. It has as its editor Mr. Edward B. Morris, of the Treasury Department. If you will look at your Congressional Directory and look up Mr. Morris, or call the personnel clerk at the Treasury Department, you will discover that he is the chief architect.

This particular issue has on page 3, for instance, a picture of the United States post office at Kansas City, Mo. It shows a detail study of colonnade with high-lighted cast aluminum for the ornamental fillings between columns. Then there is an article on the subject of aluminum in modern architecture, showing how aluminum can be used in public buildings. On page 8, in the issue of July, 1931, there is another public building, and on page 9 we find the article, Aluminum in Modern Architecture. That article is written by Mr. McGill, of the Aluminum Co. of America, and shows how aluminum will be used for the ornamental fillings between columns of a certain building of which it shows a picture. On page 10 there is a continuation of that article and how aluminum can be used in public buildings. On page 11 there is a picture of the United States post office at Boston, Mass., showing how aluminum is used for all windows, spandrels, and doorways and stating that the exterior facing is granite, and so forth.

Of course, I do not say that this publication was primarily for the purpose of telling the architects that they should use aluminum. I do not say that it was a mandate to the private architects of America that they should specify aluminum in drawing their plans and specifications for public buildings, but I do say that it doubtless resulted in just exactly what I have suggested may have happened. On page 21 there is another article about aluminum. This edition is devoted largely, though not wholly, to showing the private architects in America how they can use aluminum in the construction of public buildings. Remember that the Supervising Architect is under the jurisdiction of the Treasury Department, under the Secretary of the Treasury, and the Secretary of the Treasury, of course, has gone out and employed many private architects in this building program in order that the work could be expedited. Along with the hiring of these additional architects this publication showed up and was sent to the architects of America in order that they may know that they could use aluminum for different purposes in the construction of public buildings in America.

I do not think the office should be used for any such purpose as that. Of course, this is only one of the small things, but should be mentioned in connection with this bill. In Pittsburgh, Pa., there is a Federal reserve bank building, and if you will notice the specifications for that building you will find that it has more aluminum in it, I suspect, than any other one building that has been erected anywhere in this section of the country. When contractors were asked to bid on the construction of that building, the Mellon-Steuart Co. was found to be the low bidder for the purpose of constructing the building.

The Mellon-Steuart Co. is largely owned by A. W. Mellon, who was Secretary of the Treasury at that time and was also chairman of the Federal Reserve Board. Other bidders could not compete with the Mellon-Steuart Co. There was too much aluminum used in the construction of that building, and they had a monopoly on aluminum, and if you will search the records you will find that the Mellon-Steuart Construction Co. received the contract to construct the building. In fact, I have a letter here from the Federal Reserve Board in Washington, D. C., and I ask unanimous consent that the letter be inserted in the RECORD.

The CHAIRMAN. Is there objection?

There was no objection.

The letter referred to is as follows:

FEDERAL RESERVE BOARD,
Washington, February 11, 1932.

Mr. H. H. B. MEYER,
Director Legislative Reference Service,
Library of Congress, Washington, D. C.

DEAR SIR: Receipt is acknowledged of your letter of February 10, and you are advised that the general contract for the construction of the building of the Pittsburgh branch of the Federal Reserve Bank of Cleveland was awarded to the Mellon-Steuart Co., of Pittsburgh, which was the low bidder.

While several comparatively small contracts were also awarded covering miscellaneous items not included in the general contract, it is understood that the inquiry made of you relates to the latter.

Very truly yours,

CHESTER MORRILL, *Secretary.*

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

Mr. PATMAN. Yes.

Mr. BACON. Of course the Federal Government has nothing to do with the building of Federal reserve bank buildings.

Mr. PATMAN. But the Federal Reserve Board, of which Mr. Mellon was chairman by virtue of his position as Secretary of the Treasury, passes on all plans and specifications, and the expenditure of such funds and all of the funds which the Federal reserve banks do not expend after a certain dividend is paid go into the Public Treasury.

Mr. BACON. I would like to call the attention of the gentleman to the fact that the Empire State Building in New York City has used more aluminum than any other building, and that is managed by Al Smith.

Mr. PATMAN. I agree there are some private buildings using aluminum, but nothing like the public buildings. The Secretary of the Treasury had charge of the construction of the public buildings, and the gentleman will discover that more aluminum has been used in the construction of public buildings since he became Secretary of the Treasury than ever before.

I know of a case in Hot Springs, Ark., where a man went there to bid on the screens for a public building. He wanted to put the screens on the building. He traveled 125 miles to make a bid. He discovered that the specifications called for aluminum frames and he could not possibly bid, and he had to go back home. In Florida there is another case like that, where aluminum was specified in place of wood and steel.

Mr. MORTON D. HULL. Will the gentleman yield?

Mr. PATMAN. In just a moment I will.

Remember that material is being specified, displacing wood and steel, where there is competition in the furnishing of those materials, but there is no competition in the furnishing of aluminum, and the aluminum price was controlled by the Secretary of the Treasury.

Mr. MORTON D. HULL. Will the gentleman yield?

Mr. PATMAN. I yield.

Mr. MORTON D. HULL. Is it possible that aluminum, as a building material, has very great merit and that it wins its place by merit?

Mr. PATMAN. Well, it should win by merit and not by political advantage.

Mr. GOSS. Will the gentleman yield?

Mr. PATMAN. I yield.

Mr. GOSS. In the post-office building in my district that specification was written, and we got them to change it and include brass and bronze.

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

Mr. PATMAN. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. WOOD of Indiana. Will the gentleman yield?

Mr. PATMAN. I yield.

Mr. WOOD of Indiana. The gentleman states aluminum is being used very generally now in the construction of buildings because it has become cheap. A few years before Mr. Mellon became Secretary of the Treasury you could hardly afford to buy an aluminum vessel. Now you can get the same vessel in the 5-and-10-cent store.

Mr. PATMAN. It is not as cheap as it should be. It is protected by a high protective tariff.

I have mentioned one of the small things in connection with Mr. Mellon's activities, because the discussion was in order in the consideration of the bill now before the House. I now desire to discuss briefly the impeachment charges against the Secretary of the Treasury. While the Judiciary Committee was considering the charges the President appointed Mr. Mellon ambassador to England. The appointment was made within 24 hours after the printed hearings before the Judiciary Committee were available. It also came on the heels of Mr. Mellon's answer to the committee that he had sold his bank stock to his brother, R. B. Mellon, just before accepting the office of Secretary. It was a violation of the law for him to hold that office and also own bank stock, so he claims to have sold his stock to his brother, but resigned before the committee had an opportunity to investigate. The Pittsburgh, Pa., telephone directory discloses that during the time he was Secretary the joint office of A. W. and R. B. Mellon was in the Mellon National Bank Building, Pittsburgh, Pa., telephone, Atlantic 5800. This was also the Mellon National Bank telephone number. In a lawsuit involving the Aluminum Co. of America Mr. Mellon was a witness. This was in 1928. He was asked if he received any of the additional stock that was issued. He replied that he did not know. He was then asked if his brother, R. B. Mellon, received any of it. His answer was, "I do not know, but if he did I received some of it, too." This shows the close relationship between the one who is supposed to have sold the bank stock and the one who was supposed to have purchased it.

The World's Work, a magazine for March, 1932, discloses in an article entitled "My Brother and I," that the Mellon family owns and controls about $8,000,000,000 worth of property. Remember, we have much less than half this much money in circulation in the entire United States today. Remember, too, that his companies are using their surplus funds to buy up distressed properties belonging to their competitors that are ruined by this man-made depression.

Aluminum is highly protected by the tariff for Mr. Mellon's benefit. Oil has no tariff for Mr. Mellon's benefit.

I will not enumerate the impeachment charges. The printed hearings before the committee are available. I will give you my conclusions, which are fully authorized.

The President's action in appointing Mr. Mellon ambassador to England while impeachment charges were pending in the House was equal to granting a pardon to the accused while the jury is out.

My object in bringing impeachment charges against the Secretary of the Treasury was to get him out of that office, believing that he is an enemy of the plain people and that his policies have destroyed and are destroying an equal opportunity for individual citizens. No cyclone, plague, or epidemic of disease has wrought such havoc and caused such misery and suffering among people of a civilized nation as have been caused by this man's policies practiced upon a helpless people while they were undefended by their Chief Executives.

President Hoover, it is said, is the best President England has ever had. Now President Hoover is sending to England as our ambassador one who is recognized as England's best friend in America—excepting, of course, the President. We naturally think of the debt England owes us on loans secured during and after the war. He will get the United States to cancel its debt against England. I do not know what his reward will be. He secured for one of his companies a two-billion dollar oil concession in Colombia while he was Secretary of the Treasury.

Everybody knows that the ambassadorship was given to Mr. Mellon to get rid of him. It represents flight under fire, which is typical of the Harding appointees. Not only is he being run out of office, but he is being run out of the country. He is succeeded by a man who is thoroughly schooled in Mellon principles.

Our country has been suffering from "Mellonitis." The President, in an endeavor to protect the "melon," has partly relieved our country of "Mellonitis" without the operation that was about to be performed. The appointment, however, is a subterfuge for the purpose of saving the President, the Secretary of the Treasury, and the Republican Party.

Our penitentiaries and jails are filled with people who have been convicted of offenses against the laws of the States and Nation on proof not so convincing and for crimes that were minor and insignificant compared with the proof against Mr. Mellon on serious offenses.

The President probably concluded that the people could not stand at this time the exposure of true conditions surrounding the activities of the Secretary of the Treasury.

The President has appointed himself a committee of one to exonerate Mr. Mellon, thereby removing the jurisdiction of the case from the House of Representatives.

The pardon has saved the Republican Party from a scandalous exposure that would rock the pillars of our Government. Teapot Dome was a molehill compared with the Mellon-acquired $2,000,000,000 Barco concession in Colombia.

Mr. Mellon has the consolation of knowing that he has violated more laws and that his policies have caused more suicides, undernourished children, and human suffering, and he has illegally acquired more property and done the most damage to the general welfare of the people than any other person on earth without fear of punishment, and with the sanction and approval of three Chief Executives of a civilized nation. As he goes to England with his bag of gold that has been wrenched from his innocent victims in America, our people may enjoy a sigh of relief and turn their thoughts to rebuilding our Nation for the benefit of the plain people—the ones who build our country in time of peace and who save our country in time of war.

Being successful of ridding our country of the active Mellon rule, it is almost as big a victory as wresting the Magna Charta from King John at Runnymede. Let us hope that his successor will not carry out his policies.

When Mr. Mellon was about to take the oath as ambassador he made this significant statement: "This isn't a marriage ceremony; it is a divorce."

The private debts of international bankers must be paid, according to the Mellonites.

Permission having been granted, I insert the following speech, delivered by myself, Member of Congress from the first congressional district of Texas, at Chicago, Ill., June 12, 1931, at 8 p. m., to a mass meeting arranged by the progressive Republicans of Illinois.

MELLONISM

Our country is suffering from an overdose of Mellonism. Our people are in the clutches of organized greed. The sponsors of the movement that brought on this depression and aggravated its condition upon the people are followers of the Secretary of the Treasury, Andrew W. Mellon. Let us call them by their proper name. They are "Mellonites," regardless of whether they call themselves Democrats or Republicans. The three M's, to wit, Mellon, Morgan, and Mills, rate about 99 per cent on the question of running and controlling our Government. The three M's may well be said to represent, so far as the plain people and good government are concerned, misery, misfortune, and malfeasance. With all due respect to the President of the United States—for he is a victim of the reactionary leaders of the party to which he belongs—he is not the man who controls the policies and principles of the present administration. So far as his power goes, he is very little more than a mere hireling. Mr. Mellon is running this country, so far as the administration in power is concerned.

If Mr. Mellon's policies had been submitted to a vote of the people they would have been defeated by almost a unanimous vote. However, his policies have been put into effect through the administration in power contrary to the people's wishes. His policies have carried thousands of good, honest men and women to premature graves, caused suicides and starvation, wrecked and ruined homes and business institutions, and have caused children in many sections of this country to be underfed and undernourished.

Predatory wealth is in control of our Nation, and will remain in control as long as the present Secretary of the Treasury remains in office. This man is often referred to as the greatest Secretary of the Treasury since Alexander Hamilton. Those deluded citizens who really believe that must consider causing misery and distress to millions and placing tens of millions of people in a half-starved condition a great achievement. If one uses such a false standard to measure greatness, the Secretary of the Treasury should be hailed as the savior of our Nation. According to my view, he is the wage earners', farmers', veterans of all wars', and plain people's worst enemy in official life. He has not served under three Presidents, as many would have you to believe, but three Presidents have served under him. He doubtless accumulated more money during the World War, and by reason of the country's misery and misfortune, than any other war profiteer. Mellonism is an issue in our country, and will remain the issue until the plain people are given an opportunity to work and earn a living, to enjoy comforts and necessaries of life, and are given the rights and privileges they are entitled to receive as American citizens. Mellonism represents the essence of organized greed.

If anyone makes a fight against monopolies, trusts, and predatory wealth—which is really Mellonism—in favor of wage earners, farmers, defenders of our country in time of war and their dependents, and the plain people generally, he will be compelled to submit to abuse in the way of unfavorable publicity from the Mellonites of the Nation.

Organized greed is blind. The thought of "killing the goose that laid the golden egg" never occurs to them because they have no vision. The Good Book says that where there is no vision the people perish. During the last 10 years of Mellonism our country has been drifting without leadership, but in charge of organized greed. He who serves his generation must be in advance of it. The Mellonites, thinking only of self and personal gain, care nothing for the future generation. They are blinded by a screen of gold.

In 1921, when Mr. Mellon entered office, we had plenty of money in circulation; wages and products of the farm, orchard, and ranch were high. He wanted the reverse to be true. He has succeeded in making it so. We now have cheap labor and products, but high money, thereby making the rich richer and the poor poorer. Such a course has caused debts contracted when times were good to be doubled because it requires doubly amount of work to pay the debts. Interest rates have been doubled because it requires doubly amount of work to pay the interest. Taxes have been doubled, although the figures remain the same, because it requires doubly the amount of work to pay the taxes. Telephone, electric-light, water, and gas bills are doubled because it requires doubly the amount of work to pay the bills. This error which has been so expensive to the people can be corrected.

IMPEACHMENT OF MELLON

I announced some time ago that when Congress meets I expect to file in the House of Representatives impeachment charges against the Secretary of the Treasury. The only constitutional and legal way to oust a public official from public office is for the House to impeach him and the Senate to sit as a jury for the purpose of trial and convict him of the charges. Much has been said in the past about the legal disqualifications of Mr. Mellon to hold the office of Secretary of the Treasury, but never before has anyone announced a plan for his impeachment, which, if carried out, would get results. Heretofore, such agitation has been in a body that was powerless to act—the Senate of the United States.

Section 243 of title 5 of the Code of Laws of the United States provides as follows:

"No person appointed to the office of Secretary of the Treasury * * * shall directly or indirectly be concerned or interested in carrying on the business of trade or commerce or be the owner in whole or in part of any sea vessel * * * and every person who offends against any of the prohibitions of this section shall be deemed guilty of a high misdemeanor and forfeit to the United States the penalty of $3,000 and shall, upon conviction, be removed from office and forever thereafter be incapable of holding any office under the United States * * *."

Senator MCKELLAR, March 5, 1929, introduced a resolution in the Senate, which was adopted, requiring the Committee on the Judiciary to inquire into and report to the Senate whether Andrew W. Mellon may legally hold the office of Secretary of the Treasury. No action was ever taken on the report of that committee. The reason is evident. The Senate could not adopt the report of the Members who believed Mr. Mellon to be qualified to hold the office because that would be, in effect, prejudging a case which they had no right to pass on. The Senate can only pass on the qualifications of a public official in the event articles of impeachment are presented by the House of Representatives. The Senate could not adopt the report or take any action on the report submitted by the members of the committee who reported that Mr. Mellon was holding office in violation of the law. The adoption of such a report would have no effect whatever and would merely be prejudging any case of impeachment that the House might later submit.

When the House is organized I expect to submit the question of impeachment of Mr. Mellon. Under the rules of the House of Representatives, such a resolution will be privileged. The customary gag rule of the reactionary Republicans can not be used. They will be compelled to face the issue.

Positive proof of Mr. Mellon's disqualifications will be presented to the House of Representatives. I do not see how any Member can vote against his impeachment without, at the same time, violating his own oath of office, because Mr. Mellon, in holding the office of Secretary of the Treasury, is violating the laws of the United States. As suggested in the report of Senators NORRIS, CARAWAY, WALSH, and BLAINE, holding Mr. Mellon disqualified, "Law enforcement should commence at the top." The following is a part of what they said on law enforcement in connection with this subject:

"LAW ENFORCEMENT

"Just at the present time a great deal is being said about law enforcement. From the public press it is learned that the President of the United States has appointed, or is about to appoint, a commission to study the subject with a view of bringing about better enforcement of our laws. If we expect to enforce the law generally as to the citizens of our country, why have we not the same right to ask that our statesmen and our public officials should be weighed in the same balance? And is it not true that the ordinary citizen will not have the same respect for law generally if he understands that a plain statute is being violated by those in control of the Government itself? Why not begin our law enforcement at the top?"

Without going into details I will say that it is admitted that Mr. Mellon and his brothers completely dominate and control one of the largest corporations of its kind in the world. Such corporation or holding company has a large number of subsidiaries not only in this country but in many foreign countries. This concern owns 34 sea vessels. No one can possibly contend that Mr. Mellon, as owner of one-third of this corporation, is not a part owner of a sea vessel in violation of section 243 of title 5 of the Code of Laws of the United States of America. Of course, the resolution calling for his impeachment will contain other charges and all of them will be well supported by facts.

Mr. Mellon was a director in more than 300 corporations at the time he was appointed Secretary of the Treasury. He resigned as director and contends that since he is only a voting stockholder of these corporations he is not interested or concerned in carrying on their business either directly or indirectly. Many of his concerns are interested directly in the tariff, in the levying and collection of Federal taxes, and in shipping products upon the high seas. He has granted to his corporations millions of dollars in tax refunds. Recently Hon. C. N. Haskell, former Governor of Oklahoma, made this statement: "Usually brothers and cousins of Mr. Mellon are known to the business as directors and managers of his numerous corporations. But he is the big share owner and presses the button."

If we are successful in ridding our country of Mr. Mellon's rule, it will be as big a victory as wresting the Magna Charta from King John at Runnymede.

CONCENTRATION OF WEALTH

Senator BORAH says that 80 per cent of the wealth of our Nation is owned by 4 per cent of the people. A cartoon was recently published in Labor, a newspaper of national wide circulation, as follows:

"Let five apples represent all the wealth in the Nation. Let 100 people represent the entire population of the United States. The 96 people would have one apple and four very rich people would have an apple apiece."

During the year of 1929, the last year we have a statistical income-tax report, the net earnings of 504 individuals in the United States amounted to as much as the total gross value of all the cotton and wheat produced in America during the year of 1930. Thirty-six of these individuals had a net income greater than the total gross value of all the farm products produced by all the farmers in Texas, the greatest agricultural State in the Union during 1930. Mr. Mellon is the head of the Federal reserve system. Money is to the body politic what blood is to the human body. We have in our Nation to-day $1,000,000,000 less money in circulation than we had in 1920, although we have 17,000,000 more people in the United States to-day than we had in 1920. The per capita circulation of money has reduced from $53 in 1921 to $36 now. One had just as well expect his body to remain well and efficient after the withdrawal of one-third of his circulating blood as to expect his country to remain prosperous after the withdrawal from circulation of one-third of the country's money. In 1873, during one of the hardest panics the United States has ever suffered, France was prosperous because she had more than $40 of money per capita in circulation. The people of the United States were hard pressed because they had a much smaller amount of money in circulation. Since 1929, France has been prosperous and has been importing laborers into her country because she had more than $50 per capita money in circulation. During the same time, the people of the United States have been suffering, and more laborers have been leaving our country than have been coming in, because our per capita circulation has been one-third less than the per capita circulation of money in France. Mr. Mellon, as the dominating and controlling power of the Federal reserve system, has more to do with the per capita circulation of money than any other one person in America.

EQUALIZING THE BURDENS OF THE LAST WAR

I am not, at this time, thinking so much about equalizing the burdens of the next war. Many of the large fortunes, from which incomes from $1,000,000 to $60,000,000 a year are now being made, were accumulated during the World War by reason of the country's misery and misfortune. During this time, 5,000,000 men were baring their breasts to enemies' bullets, and offering to give their last drop of blood for the cause of their country, without the payment of any profit whatsoever or without hope of financial reward. We have the names and addresses, and know the approximate amounts accumulated by these individuals during the World War. Why should we look to other sources of revenue to pay the expenses of the last war until this source of revenue that should be used for that purpose is, in a large measure, exhausted? It is yet possible to make the war profiteers of the last war pay the larger part, if not all, of the expenses of that war. If, in carrying out the purpose of making the profiteers of the last war pay its expenses, it is found to be expensive and burdensome upon the class that now holds the greater portion of the wealth of our Nation, a future war will be less likely. I believe that he who profits most should pay most.

DEPRESSION

The word "depression" is used while the Republicans are in power and the word "panic" is considered more fitting while the Democrats are in power. The following recently appeard in the Pathfinder, a national publication, written by J. G. Calhoun, Julia, Ga.:

"There are many Hoovercrats standing in the bread line. You can tell them by their foolish expression. Hoover had us on short rations once before. He has us there again and it looks like he is going to keep us there."

During the Hoover campaign, the people of the United States were led to believe that in the event of his election he would open up wonderful foreign markets and the people of the United States could produce twice as much and still not supply the demand. Consequently, the early part of 1929, people all over the United States commenced to put their money in the stock market. The big rich, the owners of the stock, knew that there were no foreign markets and fed their stocks to the anxious investors, who were fooled by the foreign-markets propaganda. The theme song of Wall Street is "Bringing in the Sheep." When the stocks were finally owned principally by the small investors and America's vast middle-class citizenship and they were forced to commence buying from one another, the market broke and now the ultrarich can repurchase their stocks for 10 per cent to 50 per cent of what they sold them for in the latter part of 1929.

Mr. Hoover recently made a speech in which he stated that the war caused the depression. Did the World War take money out of circulation? No. Did the World War destroy independent business institutions in this country, perpetrate monopolies and trusts, and destroy individual opportunity? No.

Mr. Mellon recently made a speech, which was devoid of any cure for the depression. The crowd that Mr. Mellon wants to see prosper is prospering now. He can't promise them any more prosperity than they are now enjoying. A famous card player used to say, when he was prospering and the losers were complaining about his cheating in a game of poker, "It is music to the gambler's ears to hear the suckers squeal." Doubtless it is music to Mr. Mellon's ears to hear the cries of men, women, and children in the agony of their distress and agony brought on by his activities, which is lining his pockets with gold.

TRUSTS AND MONOPOLIES

A trust is a combination to restrict competition and create a monopoly. A monopoly has such a control of a commodity as to allow prices to be raised.

Mr. Mellon's administration does not believe in enforcing the laws against his big companies that are violating the antitrust laws of our Nation. The Attorney General of the United States is another one of his satellites. The Attorney General never brings a suit against the violators of the antitrust laws in a way that anyone will be compelled to go to jail or pay a fine in the event the Government wins the suit. It is always one of these "friendly suits" to test the law—a law that has been tested in more ways than any other law upon our statute books. An Attorney General who doesn't know the antitrust laws after reading the numerous decisions that fill volumes of law books on the act should be impeached for incompetency. The Attorney General has engaged in a "wrist-slapping" campaign with trusts and monopolies and is using his office and the courts of the United States as an agency of convenience for their benefit.

WHAT A TRUST OR A MONOPOLY CAN DO AND WHAT THEY ARE DOING

1. Destroy independent business.
2. Cut wages and cause a lower standard of living.
3. Unduly increase the price that the consumer must pay.
4. Place their factories in different sections of the world or in different sections of the United States in order that labor may be effectively dealt with. In one plant where laborers demand better wages or better working conditions, they are told to be satisfied or that particular plant will be closed down and another one in a different section where the laborers can be more easily dealt with will be operated.
5. Pay the president of a company $2,000,000 a year and even directors $300,000 a year, entirely out of proportion to the value of the services rendered.
6. Set low prices on the raw materials so that these big salaries and other extravagant expenses can be paid.
7. Take money out of circulation and hoard it in the banks of New York. One certain monopoly has $400,000,000 on deposit in New York now. It is not in circulation. This concern represents what was formerly 5,000 different unit companies in the United States. If the 5,000 different units had this money now, it would be in circulation and not hoarded in the banks of one big city.
8. Inflate values of their properties and require the people to pay a return upon watered stocks and bonds.
9. Place property rights above human rights.

UNEMPLOYMENT

More than 7,000,000 people in the United States to-day are able, willing, and anxious to work, but can not find jobs. The American people are not lazy. They are accused of producing too much. It looks like they produce so much to eat they starve. They produce so much to wear they can not buy clothes. If the plain

people of our Nation are allowed to prosper, everybody will prosper. We can not longer depend upon prosperity coming from the billionaire class; it fails to percolate through on down to the masses. There is a feeling that a man has a right to steal rather than that he or his family should suffer the pains and penalties of hunger and poverty when he is anxious, able, and willing to work but can not find a job. If Congress would meet and the Members would forget political parties and think of their country's welfare, laws could be passed within a period of a few weeks that would give everybody a job who wanted a job and put our country back in a prosperous condition. The unemployed could be put to work building highways, waterways, and public buildings. This is not going to be done if the Mellonites can prevent it. It would possibly cost the 4 per cent who own the Nation's wealth a little money.

The appeals for a special session when made to Mr. Hoover are made to the wrong person. It is useless to present such appeals to Mr. Mellon. It would be much easier to convert Clarence Darrow to the cause of Christianity than it would be to convert Mr. Mellon to the cause of the plain people. Mr. Mellon and many of his coconspirators against the public welfare are reputed to be enjoying incomes of from thirty to fifty million dollars a year. This is reputed to be their net incomes. I doubt that Mr. Mellon ever witnessed people suffering distress or poverty. Any man who sees men, women, and children in distress has a soft heart. An income of $30,000,000 a year is equal to an income of $100,000 for each working day. Mr. Mellon's salary as Secretary of the Treasury is $15,000 a year.

COUNTRY ABOVE PARTY

Every good citizen should think more of his country than he does any political party. The Mellonites think more of the reactionary Republican crowd because they are using that organization to promote their selfish and organized greed to the detriment and distress of the plain people—the ones who build our country in time of peace and who save it during the time of war.

ADJUSTED-SERVICE CERTIFICATES

Three million five hundred thousand veterans of the World War, who served longer than 110 days, hold adjusted-service certificates. The average value of each certificate is $1,010. Congress recently passed an act which permitted each veteran whose certificate has been issued more than two years to borrow an amount equal to 50 per cent of the face value thereof. Under this act and under the old law which permitted the veterans to borrow a small sum each year, approximately a billion dollars have been borrowed by the veterans from the Government on their certificates. This money has relieved much distress among veterans and helped the country by increasing the circulating medium. Much is being said about our present deficit in the United States Treasury and some newspapers and periodicals are trying to lead the people to believe that the deficit is caused by the veterans' loan bill. This is absolutely false. Not one dime of this deficit was caused by the Government loaning to the veterans a part of their own money. There was already in the Treasury approximately $800,000,000 in a reserve fund to retire these certificates upon death of the holders or maturity, which doubtless was used to make these loans. That amount, together with what was borrowed from the war-risk insurance fund, was sufficient to make loans without going to the Treasury for a penny.

Do not call the adjusted-service certificates a "bonus" unless you call them a "so-called bonus." I will admit that the word "bonus" is the popular name, but a very misleading one. The word was coined by the enemies of the veterans. The adjusted-service certificates do not represent a bonus. They represent an honest debt, which has been publicly confessed by the Congress of the United States to these veterans of the World War for services rendered.

During the war the private soldiers received $30 a month for home service and a 10 per cent increase for service overseas. But each soldier had deducted from his pay each month allotments to dependent ones; deductions for altering and repairing his clothing and shoes; deductions for laundry, tailoring, and barber bills; deductions of an average of $6.60 a month for insurance; deductions for installments on Liberty bonds. A majority of soldiers drew only a few dollars a month after these deductions were made, and a large percentage did not draw anything at all.

During the war, alien slackers and alien enemies in America, who were exempt from military service, received from $15 to $70 a day working in Government shipyards and munition plants. More than 33,000 millionaires were made during the World War, and by reason of the country's misery and misfortune.

During the war, many soldiers worked on the public roads in America, side by side with civilians. Immediately after the war was over, Congress passed a law which adjusted the pay of these soldiers, sailors, and marines on road-construction work. The corporal, who drew $1.66½ a day, who was used as a tractor mechanic, side by side with a civilian, who drew $8 a day, had his pay adjusted and he received adjusted pay equal to $6.33 a day for each day he so worked, or $158.25 a month. I have in my possession a copy of one of the pay rolls. It is included in my remarks made in the House of Representatives, January 17, 1931.

The railroads were drafted into the service during the World War. They were guaranteed a profit equal to the average returns of the railroads during the preceding three years—the most prosperous time of railroading in America. This is a case of where property rights were guaranteed a return and a fair return. Not satisfied with this, the railroad owners persuaded Congress to give them adjusted pay after the war was over which amounted to money and property of the value of more than $1,500,000,000. Remember, this was adjusted pay for the railroads. They were paid in cash or its equivalent.

More than 7,000 war contractors, who did not hold legal contracts from the Government to make supplies during the war, but most of whom held verbal contracts from the dollar-a-year men, who represented in many instances the industries controlled and owned by these dollar-a-year men, persuaded Congress to adjust their pay. Congress passed a law which provided for the adjustment of their pay, and under this law billions of dollars of adjusted compensation was paid out to these war contractors. Mr. Mellon received his millions from these adjustments.

A large part of the money that was raised through Liberty loan drives in America during the war was loaned to our allies. After the war Congress adjusted these debts and gave to these foreign nations what was equal to an outright gift or subsidy from the Treasury of the United States equal to $10,000,000,000. These foreign countries used our own money to pay their World War soldiers not only adjusted compensation but bonuses aggregating in some instances as high as $7,290 each.

Congress felt disposed to give our soldiers adjusted compensation. A law was passed in 1924 confessing a debt to each veteran of the World War who served more than 60 days of a dollar a day for home service and $1.25 a day for service overseas for extra compensation or extra pay. Veterans who served more than 60 days but less than 110 days were paid in cash. By reason of false statements made by the Secretary of the Treasury, who is the present occupant of that position, Congress was led to believe in 1924 that our Nation could not afford to pay this debt in cash. Consequently, the veterans were given a Government's "I O U," or post-dated check, or due bill, due in 20 years—1945—sometimes referred to as the "tombstone bonus."

This debt should have been paid in cash, and had it not been for the false statements of the Secretary of the Treasury, I am sure it would have been. The railroads, war contractors, and foreign nations were well taken care of when our country owed a $26,000,000,000 national debt. No one suggested we were not able to take care of these payments. Years later, when our national debt had been decreased considerably, the Secretary of the Treasury contended that the Treasury of the country could not possibly stand the payment of the debt to the soldiers for services rendered.

Congress, more than 10 years ago, outlined, by law, how our national debt should be retired. Had Mr. Mellon followed this law, instead of having a billion dollar deficit in the Treasury today, we would have a two and one-half billion dollar surplus. I heard the Secretary of the Treasury admit, in answer to a question before the Senate committee in January of this year, that he had paid three and one-half billion dollars more on the national debt during the past decade than Congress, by law, said that he should pay. Our national debt has been reduced from $26,000,000,000 to $16,000,000,000 the last 10 years. We owe less than any country on earth in proportion to wealth. Three and one-half billion dollars is the amout of the aggregate face value of all the adjusted-service certificates. If we pay them in full now, our country will not be in debt one dime more than Congress said 10 years ago it should be in debt at this time.

Our Nation has a property valuation of more than $500,000,000,000. There is a balance due on the adjusted service certificates of about two and one-half billion dollars, equal to one-half of 1 per cent of our total property valuation.

During the last few years, Mr. Mellon has refunded to the United States Steel Corporation, Aluminum Company of America and other war profiteers billions of dollars in taxes claimed to have been overpaid during the World War. When the United States Steel Corporation was refunded more than a hundred million dollars, it was also paid interest on the amount alleged to have been overpaid from the time that it was overpaid at 6 per cent. If we will pay the veterans of the World War the amount that Congress confessed was due as of the time the services were rendered, with 6 per cent interest since that time compounded annually, the full face value of the certificates is due now. The veterans have been paying 6 per cent interest and more compounded annually for their own money. It would therefore not be unfair for the Government to pay them 6 per cent compounded annually.

The individuals who profited the most by reason of our country's misery and misfortune during the recent war should be compelled to pay this bill. It can be paid without changing our tax laws or increasing our taxes in any way. The money will go to every nook and corner of the United States. It will increase the circulating medium, which will carry with it increased purchasing power. It must be paid sometime. It is due now, and it will do the veterans and the country the most good if paid now.

One certain weekly magazine has bitterly opposed the Government paying this honest debt and has criticized Congress for permitting the veterans to borrow a part of their own money. The stockholders of this particular magazine received 71 per cent dividends on their original investment last year. The magazine was transported by the United States mails. For every 7 cents it cost the Government to transport these magazines the magazine company paid 2 cents and the people paid the other 5. By reason of this direct subsidy to this particular magazine its stockholders were enabled to make a profit of 71 per cent on their original investment. It is people like these who are always talking about the soldiers' bonus or subsidy and referring to their efforts to get an honest debt paid as a "bonus racket." The Government has lost each year tens of millions of dollars on the transportation of

the magazines that are now having so much to say in their columns about Congress authorizing the loan to the veterans of 50 per cent of their own money at 4½ per cent interest. The Government is making millions of dollars a year lending the veterans their own money. The interest charged them will practically consume the remainder of their certificates.

WIDOWS AND ORPHANS LAW

When the next session of Congress convenes a determined effort should be made by the veterans of the World War to secure the enactment of a widows and orphans' pension measure for widows and orphans of veterans of the World War. Under the present laws a widow of a Spanish-American War veteran draws $30 a month, although her husband died of a disability in no way connected with his service. A surviving widow of a veteran of the World War who died of a disability not connected with his service draws nothing. The same injustice prevails with reference to children of deceased veterans of the two wars. This should be corrected by giving widows and orphans of veterans of the World War the same benefits as those now enjoyed by widows and orphans of veterans of the Spanish-American War.

GIVE THE PEOPLE THE TRUTH

Voters are never so likely to settle a question rightly as when they discuss it freely. The Hon. CORDELL HULL, of Tennessee, recently made this statement:

"If the people, as in the better days of this Republic, would take one night off each week from pleasure and recreation and assemble in every schoolhouse and other convenient buildings in America for a full discussion of our Government—Federal and State and local—the political problems, the conduct and attitude of each public official, I guarantee that government in this Nation would be improved 100 per cent within three years."

Senator HULL is right. I, like Thomas Jefferson, believe in the honesty of the people and believe that all is to be won by appealing to the reason of the voters.

The people are very patient; they are reasonable; what they do after consideration and free discussion is right. They are not going to put up with conditions as they are without entering a serious protest. Several prominent citizens of our Nation have already suggested that we are going to have a revolution, either of ballots or bullets. If the President of the United States fails to call Congress in special session for the purpose of making an effort to remedy conditions, and if the heel of organized greed continues to crush the plain citizens of our country, I shudder to think of what the consequences might be. We have the greatest Government on earth. We are suffering by reason of the wrong governmental philosophy of those at the top. The serious questions we are confronting are not partisan questions and should not be considered in a partisan way. We should rise above party and make an honest effort to solve them. The best citizen thinks more of his country than he does of any political party.

The lines of Gerald Massey are applicable to present conditions:

"Oh men, bowed down with labor,
Oh women, young yet old,
Oh hearts oppressed in the toilers' breast
And crushed with the power of gold.
Keep on with your weary struggle
Against triumphant might;
No question is ever settled
Until it is settled right."

Mr. TILSON. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, the gentleman from North Carolina [Mr. ABERNETHY] has to some extent taken the edge off the attack made by the gentleman from Texas [Mr. PATMAN] upon Mr. Mellon and has completely exonerated Mr. Wetmore as Acting Supervising Architect of the Treasury.

It was simply Mr. Wetmore's great ability that caused him to be retained in his present position year after year and through administration after administration of both parties. It was his ability as an executive and his thorough understanding of the building business that caused him to be retained in office, but under a technicality of the law, requiring an architect, he could not be appointed supervising architect. So he has continued as Acting Supervising Architect, but it amount to the same thing so far as his duties are concerned.

Mr. BYRNS. Will the gentleman yield?

Mr. TILSON. Yes.

Mr. BYRNS. My recollection is, it was in 1916 that a vacancy occurred in the Office of Supervising Architect. Mr. Wetmore had been there a number of years, and I think his profession originally was that of law. He was made Acting Supervising Architect and has been in that position ever since.

Mr. TILSON. And he has been a very capable official, as everyone knows who is acquainted with his work.

Mr. BYRNS. And I happen to know that he has served with particular ability.

Mr. TILSON. I think almost everybody recognizes that fact.

Mr. BYRNS. We have found that to be the fact.

Mr. VINSON of Kentucky. Will the gentleman yield?

Mr. TILSON. Just for a question, because I wish to turn to another subject for a moment.

Mr. VINSON of Kentucky. Does the gentleman mean to say that if somebody does not qualify under the law that he should be permitted, because of other qualities that may be very superior, to do that which he can not do under the law?

Mr. TILSON. Oh, as Acting Supervising Architect Mr. Wetmore does just the same work he would do as Supervising Architect. It is simply a difference in name and that is all it amounts to.

Mr. VINSON of Kentucky. Does not the gentleman think when the law was passed that it was expected, while the law was permitted to remain on the books, that an architect should fill that position?

Mr. TILSON. The law has remained ever since.

Mr. VINSON of Kentucky. And that he should possess technical knowledge and experience in that line of work.

Mr. TILSON. I think his ability has been proven.

Now, Mr. Chairman, I wish to revert for a moment to the statement of the gentleman from Texas [Mr. PATMAN].

I think the gentleman from Texas puts his talents to very poor use in attacking Andrew W. Mellon. It happens that Mr. Mellon for 11 years served this Nation as Secretary of the Treasury. That his service in that capacity was not only honest, faithful, and efficient, but to a notable degree outstanding in its character is gratefully acknowledged by millions of his fellow citizens.

Before he came to that high position he was engaged in very large business enterprises. He had accumulated a large fortune, so that the amount of his salary as Secretary meant nothing to him, and yet he gave up active connections with all private business in order to serve his country. He came into office with the highest possible qualifications for the duties of the office because his entire business career had been the best possible training for it. The results have been so satisfactory to the people of this country, and especially to the Treasury, that he has been hailed all over the country as one of the greatest Secretaries of the Treasury in all our national history.

He has served this Government for 11 years unstintedly, to the sacrifice of his own business; although perhaps this meant less to him than to most men because of his age and because he had already reached that degree of private fortune that left him no worries so far as a competence is concerned. At any rate, it can not be denied that he gave himself unselfishly and most effectively to his country's service.

As a most fitting recognition of Mr. Mellon's services as Secretary of the Treasury, he has been promoted, as it were, to be ambassador to the Court of St. James. His name went to the Senate for confirmation, and almost without a dissenting voice, certainly without a call for a record vote, he was confirmed by the Senate, the very body that would have had to sit as a court in the trial of the impeachment charges brought by the gentleman from Texas, in his 1-man attack upon the Secretary of the Treasury, had they been presented by the House.

Mr. PATMAN. Will the gentleman yield?

Mr. TILSON. I prefer not to yield. The gentleman had 10 minutes, and I think he used the time for an unworthy purpose.

[Here the gavel fell.]

Mr. TILSON. Mr. Chairman, I ask for three minutes more.

The CHAIRMAN. Is there objection?

Mr. PATMAN. Reserving the right to object, if the gentleman will yield for a question.

Mr. TILSON. I shall not promise. The gentleman may object if he wishes.

The CHAIRMAN. The gentleman from Connecticut asks for three minutes more. Is there objection?

Mr. PATMAN. Reserving the right to object, and I will not object, but I hope the gentleman will yield to me to ask one question.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. TILSON. I made no promise to yield, but I will yield to the gentleman for one question.

Mr. PATMAN. The same law that disqualified Mr. Mellon as Secretary of the Treasury did not disqualify him as ambassador to the Court of St. James. I hope the gentleman will take that into consideration.

Mr. TILSON. There has never been a law to disqualify Mr. Mellon as Secretary of the Treasury. It seems that the gentleman has worked himself up into such a state of mind in connection with his proposed impeachment charges that his attack hardly deserves answer. It reminds me of an old Yale professor, under whose tutelage I sat for some time. He said that many formidable questions and apparently plausible statements might be answered and completely disposed of by the Yankee device of asking two other questions, and I think the gentleman's argument could very largely be answered in the same way. The two questions are, first, Is what the gentleman states true? If by any means he should be able to establish the truth of the statement or any substantial part of it, then the second question is, What of it?

In the present instance the gentleman has failed to bring a scintilla of evidence that any of his charges or any of his insinuations or innuendos are true; and, in the next place, even if it were true, for instance, that aluminum has been recommended by a certain group of architects as good material for use in building, what of it? Aluminum in its production and use has had a wonderful development. It has proved itself to be a fine material for building, but Mr. Mellon has not been giving his attention to aluminum. He has given himself unstintedly and wholly to the duties of his great office. The idea that Andrew W. Mellon with his record, reputation, and prestige before the American people and the whole world, for that matter, would stultify himself and prostitute the high office of Secretary of the Treasury to the ignoble purpose of private greed is simply too preposterous to be seriously entertained for a moment by any fair-minded person.

Mr. PATMAN. If I did not make a sufficient case against Mr. Mellon before the Judiciary Committee, why did he leave at the time he did?

Mr. TILSON. Because it was just at this time he received the great honor of promotion to the highest position in the diplomatic corps. Evidently neither the President, Mr. Mellon, nor anyone else regarded as worthy of serious attention the vague charges brought by the gentleman. Whether or not the gentleman's attack was calculated to amount to anything if taken to the Senate in the form of impeachment proceedings was pretty thoroughly settled by the same Members of this tribunal who would have had to hear and decide the case, when they almost unanimously—Democrats, Republicans, and others—joined in confirming Mr. Mellon for the highest position in the Diplomatic Service.

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

Mr. TILSON. Yes.

Mr. PATMAN. The gentleman should remember that the committee had to quit the case, because there was nothing else to do. The President appointed him to this office, which was equal to a presidential pardon during trial. The committee could not do anything else.

Mr. TILSON. The gentleman's attack had nothing to do with the appointment; but if all the things charged by the gentleman had been true, or it had been believed that there was any foundation whatever for them, the Senate of the United States would not have confirmed him.

Mr. COCHRAN of Missouri. Mr. Chairman, I move to strike out the paragraph for the purpose of getting recognition. We are on a section having to do with the Supervising Architect. About four years ago the Congress, seeing the necessity for it, authorized an appropriation of $3,825,000 for the purchase of a site and construction of a public building in St. Louis. The present Federal building was constructed over 50 years ago. We are paying $70,000 a year in rent to the owners of private buildings in St. Louis to house Government agencies. As time went on and the architect worked on the plans, it was discovered that they would need an additional $1,245,000 to construct a building sufficient in size to care for the present Government agency in St. Louis. Last summer I took this matter up with the Supervising Architect's Office, and it was placed before the Bureau of the Budget. I was informed that it was approved by the Bureau of the Budget. Later on, in view of the condition of the Treasury, the President saw fit to issue orders that no additional legislation was coming down from the Bureau of the Budget at this session of Congress with reference to public buildings. I made some investigation and found that there are 19 projects in the country somewhat similar to the one in St. Louis, and that additional funds will be needed for some of them in order to construct the proper kind of buildings and additional legislation for others. I invited the Members representing the cities where the 19 projects are located to discuss the matter. We went to the Bureau of the Budget and stated our case. The director promised to take the matter up with the President. I then appeared before the Committee on Appropriations and told that committee the situation with reference to these projects, of course especially with reference to my own. I asked the committee if it would not discuss the matter with Mr. Martin, the assistant to Mr. Heath and Mr. Wetmore, when they came before the committee, because, as you all know, the officials of the Government are not permitted to discuss matters not in the Budget recommendations unless the committee brings the subject up. The Committee on Appropriations did as I suggested. I will place the hearings in my extension of remarks. They showed that these are old projects, not new projects, and showed that all that is asked is an authorization, in some instances, for additional money, in others for legislation simply to change the location of the site or something like that. The total amount involved in the 19 projects is $5,000,000, and not one dollar is asked until 1934; but in order to proceed properly with the plans and specifications, authorization is needed now.

I say, in the interest of economy the Bureau of the Budget should have sent down the recommendation, because if they do not construct the buildings now, especially in St. Louis, where they are going to construct a 6-story building, later, when they provide for the other four stories it will cost much more than $5,000,000 to complete the work.

Mr. Chairman, it is not only a foolish piece of business, as far as the St. Louis office is concerned, but it is a foolish piece of business as far as every one of the 19 projects are concerned. They are old projects. We do not want a dollar, I say, until 1934. In no way does it affect the balancing of the Budget in 1933. I hope the administration will bring down this recommendation when the deficiency bill is pending. There is one more thing I would like to say about the St. Louis building. When that building is constructed in St. Louis it will cost $5,000,000 completed. The old building will be sold, and the appraisers say it will bring about $5,000,000. It is the most valuable block of ground in St. Louis, and the new building is not, in the end, going to cost the Government of the United States one penny.

Mr. HARDY. Will the gentleman yield?

Mr. COCHRAN of Missouri. I yield.

Mr. HARDY. Since this does not cost any money, why does the gentleman not offer an amendment to put this item in the bill at this time?

Mr. COCHRAN of Missouri. I will say to the gentleman that the expert parliamentarian of the Committee on Appropriations, Mr. Shield, has advised me that it would be subject to a point of order. Therefore I will not offer the amendment.

Mr. Chairman, I ask unanimous consent to extend my remarks and to include therein a brief from the St. Louis Chamber of Commerce upon this subject.

The CHAIRMAN. Without objection, the request of the gentleman is granted.

There was no objection.

Mr. COCHRAN of Missouri. Mr. Chairman, under leave to extend my remarks I include the record of the hearings before the Committee on Appropriations. You will see the department thinks the legislation necessary, as do the members of the committee, Mr. BYRNS and Mr. WOOD included.

PROJECTS WHICH REQUIRE AMENDED LEGISLATION

The CHAIRMAN. I understand there are some 15 large buildings with respect to which a limit of cost has been fixed, but conditions have arisen requiring either additional plans or changes in limits of cost. The St. Louis project was brought to our attention by Congressman COCHRAN of Missouri.

Mr. MARTIN. We have 19 projects which, in the opinion of the department, will require some form of amended legislation sooner or later. These projects are scattered all over the country. I can give you an example of the different categories into which they fall.

The CHAIRMAN. You might tell us where they are.

Mr. MARTIN. I have them in a statement which I am going to furnish for the record. We report those every month.

We have a project in St. Louis and another in St. Paul, very large projects. The estimate of cost which has been authorized contemplated a 6-story building in St. Louis and a 6-story building in St. Paul. As the plans were started, the several departments made a material increase in their space demands. In one of these cities the increase was 37 per cent and in the other 48 per cent. The department has in mind so designing these two buildings that you can add additional stories at some later date, because we can not, of course, exceed the authorization.

At St. Louis it will be necessary to put four additional stories on at some later date, and St. Paul five additional stories.

Of course, there is a further matter; there will be an additional cost by doing the jobs in two bites, but sooner or later you will need some form of amended legislation to allow us to complete the job to meet the requirements.

Then we have several places where we are about to select the site, but we can not acquire title until we get authority from Congress to accept title subject to rights to mine minerals under the site or an easement that requires the maintenance of a sewer that runs across the site, and so forth.

The absence of that authority is likely to hold up those jobs until we get amended legislation.

Then we have several projects where the present legislation contemplates an addition to the present building. A more thorough study by the architects indicates that that is not the best way to meet that problem, that you probably should consider a new building rather than to expend a large sum on extending and remodeling an old structure.

At Grand Rapids, Mich., we have authority for an extension of the present building of $300,000. The extension was limited because of the area we had on the Government site to the rear of the present building. The present building is a beautiful building, not so very old. However, we could obtain enough space to meet the requirements at this time. As we started the plans, the city advised us that it was their intention to widen that street at the rear 25 feet and it would have to come off the Government side. That fact absolutely made it necessary to consider some other plan, because we should not expend money for small additions like that, and the building being of marble I believe it would be a very costly proposition. So the more forward-looking solution there is to acquire a site and build a work-type building for the parcel post of the post office and utilize the remaining space in the present building for all other activities. Such a project will take care of the city for a long time.

The CHAIRMAN. Would it be possible, Mr. Martin, for you to take each one of those projects and make a statement as to just why each one is being held up?

Mr. MARTIN. Yes, sir.

"ST. PAUL, MINN.

"Limit of cost authorized, $2,700,000. Federal activities proposed to be housed in the new building have increased their requirements 37 per cent above the amount on which the present limit of cost was based. To provide this additional space, change facing of building to all stone and install mail-handling apparatus will require an increase in the present limit of cost of $1,000,000. In the absence of amended legislation, the department will construct a 6-story building so designed that five additional stories may be added at some future date.

"PHOENIX, ARIZ.

"Limit of cost, $1,080,000. Under this legislation it was proposed to acquire a site and construct a building for a post office and a number of other Federal activities excepting the courts, and five other activities which were to remain in the present Federal building after remodeling. Since the estimate for the new building was prepared, Federal activities have increased their requirements 1,400 square feet, and the architectural plans developed show an increase over the original estimate of 11,000 square feet. The courts have requested air conditioning and space in the proposed new building which can not be furnished unless the present limit of cost is increased $545,000. The several amounts which would offset this increase would be the cost of remodeling present building, $40,000; rented quarters during remodeling, $20,000; sale value of Federal property estimated at $250,000, and additional cost of adding additional stories at some later date, $35,000. In the absence of amended legislation, the department proposes to construct a 3-story building so designed that three additional stories may be added at some future date.

"HAVRE, MONT.

"Original limit of cost was $200,000. Amended to provide for courts under limit of cost of $250,000. The contract was awarded under the original limit in advance of amended legislation, and bids for the additional court space exceeded the new limit by approximately $46,000. Deduction changes were made in an amount to complete the building within the new limit. Major deductions considered eliminated two wings at the second floor level and the installation of the elevator. A further increase of $40,000 is necessary to reinstate these omissions.

"GRAND ISLAND, NEBR.

"Limit of cost for additional land and extension $95,000. Federal activities have increased their space requirements nearly 5,000 square feet, necessitating a much larger extension than contemplated under the present legislation. Estimate for additional land was $25,000. Report of condemnation commission, $34,500. Increase necessary to furnish all space, $90,000.

"HUNTINGTON, W. VA.

"Limit of cost for additional land and extension, $390,000. Federal activities have increased their space requirements approximately 9,000 square feet since legislation was obtained. In order to provide this additional space, it is estimated that an increase of $75,000 in the limit of cost is necessary.

"PEORIA, ILL.

"The present legislation contemplates acquisition of additional land and extension to the present building under a limit of cost of $320,000. Since the legislation was obtained a more thorough examination of the building has been made and the Office of the Supervising Architect considers that the more economical and forward-looking solution at this place is for the acquisition of a larger block of additional land, demolition of the present structure, and the construction of a new building on the present site extended. An increase of $630,000 will be necessary in the limit of cost to carry out this scheme.

"GRAND RAPIDS, MICH.

"Limit of cost of $300,000 contemplated the extension and remodeling of the present building. The city of Grand Rapids proposes to widen the street in the rear of the present post office, which will require a strip off the rear of the present Federal site. Work has been held up on the plans of this extension because of this fact, and it is recognized that the obvious method for accommodating all activities at Grand Rapids is to acquire a site and construct a building thereon for postal activities, the present building to be remodeled for other activities. To accomplish this change will require an increase of $425,000 in the present limit of cost.

"ALAMOSA, COLO.

"Limit of cost of $90,000 contemplates the construction of a building on a site to be donated. Site offered as a donation is not suitable. To carry out this project it is necessary to acquire a site by purchase, which will necessitate an increase in the limit of cost of $15,000.

"DUQUESNE, PA.

"Limit of cost of $100,000 provided for a building on a site to be donated. Site offered by the city is an interior plot of insufficient frontage. This location is suitable and the purchase of the adjacent corner property will make it a very satisfactory site. To proceed with this project, it will be necessary to increase the present limit of cost by $45,000.

"HIBBING, MINN.

"Limit of cost, $135,000. A site has been selected but title to same can not be accepted because of reservations to mine coal and other minerals. In order to proceed with this project, it is necessary that legislation permitting the Secretary of the Treasury to accept title subject to such reservations be enacted.

"RENO, NEV.

"Legislation contemplates a site and building. A part of the site selected is subject to easements for the maintenance, repair, and replacement of a sewer and an irrigation ditch extending across the entire site. In order to acquire all the land comprising the site, it is necessary that the Secretary of the Treasury be authorized to accept title to a certain portion of the site subject to easement.

"CALUMET, MICH.

"Legislation contemplates acquisition of a site and the construction of a building under a total limit of cost of $120,000. Site selected by Treasury and Post Office agents is the location of the present leased postal quarters, the entire site, building, and equipment being offered to the Government for $19,000. The purchase of this property, refacing and remodeling of the building, is estimated to cost $45,000. No action can be taken toward this purchase until present legislation is amended.

"JACKSON, MISS.

"Project at this place temporarily held pending disposition of a bill permitting the use of the present site in conjunction with property already purchased.

"SAN DIEGO, CALIF.

"Limit of cost for project is insufficient to permit of the purchase of a site favored by Treasury and Post Office Departments. An increase of $70,000 in the limit of cost would permit the acquisition of this first choice.

"CINCINNATI, OHIO

"Limit of cost of $1,000,000 for a site is not sufficient to acquire a site in the immediate business area. Unless this amount is increased, it will be necessary to purchase a site on the edge of business and maintain a small postal station in the business section.

"WACO, TEX.

"Present legislation authorizes acquisition of a new site under a limit of cost of $150,000. Post Office Department considers the present site a better location for its activities than any of the new sites offered. In order to acquire sufficient land to make the present site suitable in area it is necessary that present legislation be amended.

"POTTSVILLE, PA.

"Legislation contemplates the acquisition of a new site and the construction of a new building under a limit of cost of $325,000. The shape and topography of the sites offered has caused the Post Office Department to recommend the acquisition of additional land, demolition of the present building, and a new building on the present site extended under a limit of cost of $315,000. Until amended legislation is obtained, no action can be taken toward carrying out the scheme approved by the Post Office Department.

"SALT LAKE CITY, UTAH

"Limit of cost for additional land and extension $1,315,000. The driveway at the rear of the present building is 26 feet wide on one street and 48 feet on the other. Additional land permitting the widening of the driveway can be purchased for $48,000, although originally held for $80,000. Had the present limit of cost been sufficient, this additional property would have been purchased. In order to acquire this land an increase of $48,000 would be necessary.

"There are several other projects which are being temporarily held on account of site complications and no definite statement can be made at this time as to whether or not these cases will ultimately require amended legislation.

"ST. LOUIS, MO.

"Limit of cost $3,825,000. Federal activities have increased their space requirements 48 per cent since the limit of cost was established. To provide this additional space will necessitate an increase in the limit of cost of $1,245,000. In the absence of amended legislation, the department proposes to construct a 6-story building so designed that four additional stories may be added at some future date."

The CHAIRMAN. Take the situation at St. Louis, for instance. I understood you to say that it was first contemplated to put up a 6-story building and ultimately to add four more. Is it the purpose now, and is that what is causing the delay, to arrange for the erection of the whole 10 stories?

Mr. MARTIN. No, sir.

The CHAIRMAN. What is it that is causing the delay?

Mr. MARTIN. The delay up to this time was caused by the courts demanding top-floor or top-building space.

Mr. WETMORE. To get away from the noise.

Mr. MARTIN. Obviously in a 6-story building they would have to be pretty close to the ground, probably on the third, fourth, and fifth floors. The courts were loath to approve a plan of a smaller building, because they were looking forward eventually to a 10-story building and they did not want to be tied down to the third, fourth, and fifth floors when they wanted, say, the seventh, eighth, and ninth floors. But finally, in order to get the job started, a number of conferences were held with the judges and the Department of Justice and the architect and the Treasury officials and we finally reached an agreement as to space assignments and we will have the foundations on the market within a short time. The foundations will be so designed that we can add additional stories at some later date and the design of itself will be such that architecturally it will be a proper building when the final four stories are added.

The CHAIRMAN. Then it is not the intention to hold that up altogether?

Mr. MARTIN. It is not the intention to hold up on that building or on any building where we can go as far as possible under the authorization.

The CHAIRMAN. That applies to St. Paul, also?

Mr. MARTIN. Yes, sir.

The CHAIRMAN. Have you any idea when you will start that building in St. Louis or be in a position to start it?

Mr. MARTIN. I think the foundation plans are getting very close to the market now, are they not, Judge Wetmore?

Mr. WETMORE. Yes.

Mr. MARTIN. And the same thing is true of St. Paul.

The CHAIRMAN. After your foundation plans are ready, what will be necessary?

Mr. MARTIN. Then you will put the superstructure job on the market for the 6-story building, the smaller building, within the limit of cost.

Mr. WOOD. How soon after the foundation is in?

Mr. MARTIN. The superstructure job ought to be on the market a couple of months before the foundations are completed in order that the construction may be continuous.

The CHAIRMAN. Can you tell us about when you think the foundation will be completed?

Mr. MARTIN. The present indications are that the foundations should be completed about October 1, 1932.

Mr. ARNOLD. How long do you think it will be before these other four stories will be necessary?

Mr. MARTIN. They are necessary right now.

Mr. ARNOLD. What would be the additional cost if you completed your six stories, then stopped, and then at a later date added four stories, over what it would be if you went right ahead and built your 10-story building in one operation?

Mr. MARTIN. I would say that if the judges are agreeable to stay on the third, fourth, and fifth floors, the estimated additional cost would be in the neighborhood of $100,000 by doing it in two bites.

The CHAIRMAN. That is over and above the actual cost?

Mr. MARTIN. Yes, sir. The judges demand being on the top floor when the other four stories are completed, the cost of remodeling the judges' quarters down below, in addition to the roof changes, and what not, will run a considerable sum above that.

The CHAIRMAN. It would seem to me, inasmuch as these 19 buildings have already been authorized by Congress and already acted upon, they are in a rather different category than new buildings.

Mr. MARTIN. There is no question about that.

Mr. WOOD. Why would it not be more economical to wait a little while and get an authorization to erect your 10 stories at one time? If, as you say, they need the space now, it is only a question of a very short time until you will have to put up the additional four stories, and it seems to me that would be a very uneconomical way of doing it.

Mr. THATCHER. You ought to do one of two things, either defer building this structure altogether until you are ready to go ahead with all of it, or else erect all of it at this time.

Mr. WOOD. Yes.

Mr. ARNOLD. If this is erected now as a 10-story building, what will be the value of the release from other property?

Mr. MARTIN. The post office and courthouse in St. Louis, which it is proposed to vacate, is estimated to be worth in the neighborhood of four to four and a half million dollars, and that building would either be vacated and the activities that could not be placed in the smaller new building would have to rent quarters, or you would have to retain the present post office and courthouse.

Mr. THATCHER. Would there be any market for that old site now?

Mr. MARTIN. You see, in any event, we are thinking about the market about two years from now.

Mr. ABERNETHY. Of course, you are going to use the building up to that time.

Mr. MARTIN. Yes.

Mr. ABERNETHY. What is the cost of the St. Louis building as it is proposed to complete it in 10 stories?

Mr. MARTIN. The total limit of cost for site and building is $3,825,000. We have approximately $2,700,000 available for construction.

Mr. ABERNETHY. Could you build it within that estimate?

Mr. MARTIN. We can build a 6-story building within the $2,700,000.

Mr. ABERNETHY. How much would it cost you to build the 10-story building?

Mr. MARTIN. It is estimated that it would cost $1,245,000 more.

Mr. ABERNETHY. I can not see why you should not go along and finish it at this time.

Mr. THATCHER. The six stories will be inadequate to house all the Federal activities?

Mr. MARTIN. Yes, sir; by some 100,000 square feet.

Mr. THATCHER. Representing a rental of about how much?

Mr. MARTIN. That would be hard to state, Mr. Congressman. At a dollar a foot it would be $100,000.

Mr. THATCHER. Annually?

Mr. MARTIN. Yes, sir.

Mr. THATCHER. If you erected your 10-story building, then you could house all the Federal activities.

Mr. MARTIN. All the Federal activities requiring space at this location and dispose of the old building.

Mr. THATCHER. About how much would it cost to do that; $1,500,000 more, you say?

Mr. MARTIN. $1,245,000 is the estimate.

Mr. WOOD. What stands in the way of erecting your 10-story building?

Mr. THATCHER. A Budget estimate.

Mr. WOOD. But if you get an authorization, that will remove the obstacle and I should think it would be worth while to get that and save the amount of money that you have indicated it would cost to do it as it is now proposed.

Mr. ABERNETHY. These 19 projects you are now discussing would come in under the sixth installment. What is the total amount of those 19 projects?

Mr. MARTIN. The increases in limits of cost of all of the 19 will be less than $5,000,000 and a number of them would not involve any increase in limit of cost.

Mr. ARNOLD. I should think the thing to do would be to hold up the contract on this general construction of these projects until the sixth installment comes along and do now what you know you will have to do eventually at a very much increased cost.

Is it not true that building costs are at a minimum now?

Mr. WETMORE. Yes; the costs are as low as they have been at any time since the war, I think.

Mr. MARTIN. We have contractors coming in and asking us to please take early action on the awarding of contracts because they want to hold their subcontractors to present prices. Several contractors have brought that to my attention.

Mr. ARNOLD. Inasmuch as this space is absolutely needed it would seem to me the proper thing to do would be to go ahead and do the whole job at this time.

Mr. MARTIN. We think so; yes, sir.

Mr. WOOD. If that is all there is standing in the way, an authorization for an additional appropriation, it strikes me, from all the facts you have given us, it would be the part of folly to put up a 6-story building and then wait until you get an authorization for another building, repair the roof or change the roof and then put on your additional face. It seems to me that would be a foolish piece of business.

STATEMENT OF ST. LOUIS CHAMBER OF COMMERCE

The St. Louis Chamber of Commerce is publicly on record for governmental economy. It will maintain that position by refusing to be a party to any attempt to increase Federal appropriations or expenditures for any project, unless definite economies can be shown as the result of the proposed outlay of Federal funds.

In line with this general policy, we believe, here is a case of "false economy" in which to "pinch" is to pay greater in some other more concealed fashion, a case where it's just as good business to spend in order to save, where such expenditure can be almost covered through the sale of assets already owned by the United States Government in this city, and not a large out-of-Treasury expense, a case where spending now will save considerable money because of present low building costs.

These chief reasons justify and compel the submission of this statement.

STATEMENT OF THE CASE

There is now before the Bureau of the Budget the question of an additional authorization for a Federal office building in St. Louis. No money is asked nor will be needed until 1934 or 1935.

Two plans have been advanced.

The first is for a 5-story building. An appropriation of $3,825,000 has been made to buy the ground and erect a building in which to house the offices, departments, agencies, and bureaus now quartered in the present Federal building and the old customhouse. The value of the ground has been fixed at $1,060,000; the preliminary expenses for plans, deeds, etc., have been estimated at $190,000, leaving approximately $2,575,000 for the cost of a building, with 181,500 square feet of floor space.

The second is for a 10-story building. An additional authorization of $1,250,000 is needed for the erection of a larger building adequate to house not only the bureaus, agencies, and departments located in the present two old buildings, but also a number of other Federal agencies now quartered elsewhere and for which the Government is paying a large annual rental. This plan also contemplates sufficient space for the expansion of existing agencies, as well as for new departments as they may be hereafter created.

Because of the present condition of the Federal Budget, there is some apprehension that the smaller-building idea might prevail. Therefore a thorough study has been made of all the factors involved.

We are submitting certain facts pertinent to the case and contending for the additional authorization primarily for reasons of economy.

ECONOMIC REASONS

The United States Government now owns three pieces of property in St. Louis which are an important factor in the present discussion of a new Federal building, i. e., (1) the old Federal building, Eighth and Olive Streets; (2) the old customs building, Third and Olive Streets; (3) a lot on the southeast corner of Fourth and Chestnut Streets.

The old Federal building at Eighth and Olive Streets was erected by the Treasury Department in 1874—58 years ago. Even though construction and land valuation at that time were low, the total cost was $5,686,854.68, of which $368,882.65 was paid for the site. Its total floor area totals 163,891 square feet.

In it at the present time are housed: Central post-office station, district court and clerk, court of appeals and clerk, district attorney and Department of Justice, marshal, grand jury, commissioner, customs collector, internal-revenue office, secret-service agents, Naturalization Bureau, Immigration Bureau, narcotic agents, prohibition agents, Engineer Corps, Bureau of Animal Industry, and veterans' employment bureau.

Three qualified appraisers have placed a sale value of $4,849,560 on this building.

The old Customs Building, located at Third and Olive Streets, has 51,893 square feet of floor area, and in it are now housed: Customs appraiser, food and drug administrators, locomotive inspection, Veterans' Bureau examiner, Civil Service Commission, Navy, Marine, and Coast Guard recruiting, Lighthouse Service and Steamboat Inspection, special prohibition agents, One hundred and second division of the Organized Army Reserve, fruit and vegetable inspectors, Market News Service, and the Interstate Commerce Commission's valuation service.

The sale valuation placed on this property by the appraisers is $48,195.

The lot at Fourth and Chestnut was purchased by the Government on June 27, 1911, as a site for a new Federal building, following the complaints of officials, merchants, and manufacturers that the then existing quarters were inadequate because departments and agencies were increasing and the then existing ones expanding. At that time Congress appropriated $1,600,000 to erect a building on this site, but it was never built.

The sale value of this property, according to the appraisers, is $180,808.80.

Thus the sale values of these three Federal Government-owned pieces of property totals $5,078,563, while the floor space of the two existing buildings totals 215,784 square feet.

Then came the World War in 1917, which probably doubled the number of agencies, materially increased the number of officials and assistants, as well as the volume of work to be done. A study of the situation following the war showed that the ground area at Fourth and Chestnut was inadequate, and the appropriation too small for the erecting of a building large enough to accommodate the then existing Federal agencies and bureaus, so the Treasury Department selected a new site at the southeast corner of Twelfth Boulevard and Market Street.

An investigation made by the Federal Business Association of St. Louis, an organization composed of the heads of departments, bureaus, and agencies of the United States Government stationed in St. Louis, revealed that a sizable number of Federal agencies in this city were not headquartered in the old Federal building or the old customhouse, and that provisions for these activities were not included in the plans for the proposed new structure on Twelfth Boulevard and Market Street.

Furthermore, it was found that the rental for the space occupied by them amounts to a considerable annual outlay of Federal money. A list of these agencies, their location, floor space occupied, and annual rental follows:

Agency	Location	Square feet	Annual rent
Veterans' Bureau	4030 Chouteau Avenue	19,280	$26,028
Engineer Corps	Victoria Building	11,589	17,383
Prohibition laboratory	1126 Title Guaranty	2,367	4,303
Bureau of Investigation	Title Guaranty Building	1,900	3,814
Weather Bureau	Railway Exchange Building	1,858	3,600
Bureau of Foreign and Domestic Commerce.	Mississippi Valley Transportation.	1,652	3,180
National-bank examiners	Federal Commerce Transportation Building.	1,500	3,060
Federal grain supervision	Merchants Exchange	2,600	2,907
Bureau of accounts, Interstate Commerce Commission.	1721 Railway Exchange Building.	1,000	2,160
Ordnance Office	Telephone Building	240	720
Total		43,986	67,160

The Government, therefore, in addition to maintaining the old Federal building and old customhouse, pays $67,160 annually in rentals for an additional 43,986 square feet of space.

Thus the total floor space the Government now has in St. Louis for the agencies so far mentioned is 259,870 square feet (including the old Federal building space, customhouse, and that which is now rented).

SUMMARY

1. The 5-story plan for the new Federal building, if carried through, would provide only 181,500 square feet of floor space.

But the present floor space in the two existing old buildings is 215,784 square feet, to which must be added, to determine the space now in use, the 43,986 square feet rented by the Government, or a total of 259,870 square feet.

Manifestly, therefore, the floor space contemplated in the 5-story plan is wholly inadequate, not only to house existing Federal agencies, but also to provide for their future expansion and to house any new departments, bureaus, or agencies which may be created in the future.

2. Present rent ($67,160) for space occupied outside of the two existing buildings is large enough of itself, but if carried over a period of years the amount becomes a serious consideration. Furthermore, unless adequate space is provided, any new agencies created, or any expansion of existing departments will swell the rental bill. This could be saved by the erection of the larger building. In these hectic days a dollar saved is a dollar earned.

3. The real estate now owned by the United States Government—the old Federal building, the old customhouse, and the lot at Fourth and Chestnut Streets—when sold will almost equal the cost of erecting the new 10-story office building. So the Government would in reality be paying a comparatively small extra sum for doing the job right.

4. Present building costs are low, perhaps lower than they will again be for years to come. It would be economy to build the large building now rather than wait until later and be penalized with higher costs.

It is therefore obviously good business to build the 10-story building rather than the smaller one for reasons of economy, and in order to provide an edifice where all present Government offices

can be housed and new agencies and the expansion of present ones can be properly cared for.

VALUE OF CENTRALIZATION

Central headquarters are a public convenience. When important activities move from place to place every few years, as renters are bound to do, confusion results and irritation develops. Local business constantly utilizes the facilities of Federal agencies. Only loss of time and money follows when one has to move from office to office, located widely apart, to transact business.

But with all offices established in one building, that fact soon becomes fixed in the public mind, stimulates increased use of their services, and establishes a beaten path between business houses and Government offices.

ST. LOUIS, PAST AND PRESENT

Fifty-eight years ago, when the old Federal building at Eighth and Olive was erected, the population of St. Louis was 310,864. There was practically no suburban population.

The picture to-day is quite different. In 1930 the population, as given by the United States Census Bureau, was 821,960, with a suburban population of 211,593, while the metropolitan area—which didn't exist in 1874—contains 1,293,516 people within its confines.

The Federal operating bureaus in 1874 were fewer and their duties relatively less, because the volume of business was not to-day's equivalent by hundreds of millions of dollars annually. There was, therefore, proportionately a lesser need for Government service and supervision.

Business in this district has increased even at a larger rate than the population, because the area has become one of the industrial centers of the country. St. Louis, city and suburban, will continue to grow, and with it the need for the expansion of existing Federal agencies and the location of the headquarters of new ones as created.

ADDITIONAL REASONS FOR A 10-STORY BUILDING

The site:

St. Louis voted an $87,000,000 bond issue for public improvements. One item in the issue provides for a memorial plaza, with plans for a group of buildings which, from the standpoint of architectural beauty, will be symbolic of the progress and greatness of the city.

All of these structures have been, or will be, erected from public funds raised through taxation. Millions of dollars have been and additional millions will be invested in them. Here will be transacted the business of the municipality.

The site of the proposed Federal office building, at Twelfth Boulevard and Market Street, was selected so that when completed the structure will front on this memorial plaza. Twelfth Boulevard and Market Street is the junction of two of the most traveled boulevards under a system of improved boulevards and streets prepared by the City Plan Commission.

The ends of Twelfth Boulevard, running north and south, verge to the southwest and the northwest. The central and south divisions of this widened thoroughfare have been completed, while the northern has been condemned, and the work of widening is now in process.

Market Street is being similarly widened, and commissioners have assessed the damages and benefits for the necessary right of way for widening, and by the time the Federal building is completed this street likewise will be finished. This boulevard will connect with the proposed improved Mississippi River waterfront and will join the boulevards and parkways extending along the river with the commercial and financial districts in the heart of the city and the residential sections.

Like the northern and southern extensions of Twelfth Boulevard, Market Street will connect with the State and Federal highway leading to the West, the Northwest, and the Southwest, as well as to the North and South. It likewise has direct connection with the bridges across the Mississippi River, and thereby connects directly with the Federal highways converging at St. Louis from all sections east of the river.

As a matter of fact, the Memorial Plaza, on which the proposed Federal building will be located, is the focal point of extensive city planning, on which St. Louis has already spent millions of dollars, and the work is only well in hand. A building which houses the offices of the United States Government should harmonize in monumental importance with the plans of the municipality.

CHARACTER OF BUILDINGS ON PLAZA

The type of buildings, public and private, erected on the Memorial Plaza, or immediately adjacent thereto, is a factor which should not be overlooked.

North of the new Federal building, across Market Street, is the new Civil Courts Building, which, when finally completed, will cost about $5,000,000. The City Hall, immediately west, across Twelfth Boulevard, was finished years ago, before the period of high construction costs, at $2,000,000. On the north side of the plaza is the Public Library, erected 20 years ago, for $1,500,000. On the south side of the plaza is the Municipal Courts Building, costing $2,083,000 for ground and building. A block south of the plaza on Twelfth Boulevard is the Police Administration Building and Gymnasium, costing $2,165,519. Northeast of the Civil Courts Building is the $6,000,000 Telephone Office Building, and across the street from the Public Library and facing the plaza is the $4,000,000 Missouri Pacific Building.

The Government of the United States, with an outstanding location in such a group, should not erect a building inferior in size, design, or needs to those erected by the city. If for no other reason, although there are others, national officials should not invite invidious comparisons that will follow failure to erect an edifice commensurate to its purpose and surroundings.

But that viewpoint is based on a consciousness that the dignity of the Federal Government, when erecting a building where its various officials in charge of local and district affairs will be housed, shall not permit its quarters to appear secondary to those of a municipal corporation.

CONCLUSION

The St. Louis Chamber of Commerce urges approval of an additional authorization now, large enough to enable the erection of a new 10-story Federal office building in St. Louis.

(1) Because it will save the Government $67,160 annually in rentals, plus the cost of maintaining the present two old buildings, to say nothing of increased rentals which may become necessary due to enlargement of present activities or the creation of new departments.

(2) Because it will adequately house all existing Federal agencies, bureaus, and departments in St. Louis, and take care of their future expansion and that of any new agencies created.

(3) Because the property now owned by the United States Government can be sold for an amount almost equal to the cost of erecting the new 10-story building.

(4) Because now is the time to build right as building costs are low.

(5) Because of the convenience of centralized location for business users of governmental facilities.

(6) Because the United States Government certainly should erect a structure in harmony with other buildings surrounding it, both in size and architectural beauty, so that invidious comparisons can not follow, and in order that its quarters may not be secondary to those of municipal corporations.

Respectfully submitted.

ST. LOUIS CHAMBER OF COMMERCE,
C. W. GAYLORD,
Chairman of the Board.

ST. LOUIS, Mo., *February 23, 1932.*

The pro forma amendment was withdrawn.

Mr. GLOVER. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I did not rise to make a defense for Mr. Mellon nor to make any attack upon him. I have never seen the old gentleman but a few times in my life. The other gentleman who was mentioned this afternoon, Mr. Wetmore, the Supervising Architect, and for whom my friend, who happens to be a thirty-second degree brother, made an honorable defense, I happen to know myself. I was glad he did make that defense for him, because I happen to have that honor, the thirty-second degree, myself, and if he had not done it I would.

It has been my pleasure a few times to have visited Mr. Wetmore, the Supervising Architect, with reference to business connected with his office. I want to say for him, whether he is an architect or not, he has more knowledge of the architectural work going on by this Government in the United States than any man in it. There is not a job that you can inquire about but what this Supervising Architect is perfectly familiar with it and can give you any information you desire with reference to it.

I had the privilege of conferring with him not more than a week ago with reference to a matter, and I soon found out that he knew more about what I was inquiring about than I did, and it was in my own locality. I think he is the right man in the right place.

But, Mr. Chairman, that is not what I wanted this five minutes for. My good friend, the gentleman from Texas [Mr. PATMAN], has had his grievance against Mr. Mellon, and presumably the attack that he made this afternoon on the article of aluminum was leveled against Mr. Mellon. It happens that the great bauxite mines of America, next to the largest one in the world, I presume, are located in my district, in the county adjoining the county where I have lived all of my life. I have lived within 25 miles of those mines for my entire life. Aluminum is made from that article, and, as some gentleman said this evening, you will find that ware now in every 10-cent store in America. What I want to say is that the gentleman from Texas [Mr. PATMAN] ought not to reflect against a great ware of that kind when it is used in the construction of buildings and mined in Arkansas. I want some aluminum used in Federal

buildings, because it is produced down in Hot Springs County, Ark. [Laughter and applause.] It is the finest polished metal to be had. It is as cheap as anything to be had. It is cheaper than brass or some of those things that they want to use as a substitute. Somebody might have a prejudice against it, but not justly so. The bauxite mines in my district employ from 1,000 to 1,500 men all the time.

On this lead of bauxite there has recently been discovered, within 6 miles of where I live, some tripoli mines that will be developed soon, that enter into the making of Dutch Cleanser polish and other polishes for ware and which also enters into automobile tires and such things as that. That is right in connection with it, and it all is found right down in Hot Springs County, Ark., where I live. [Applause.] I am proud of it.

Mr. HARDY. Will the gentleman yield?

Mr. GLOVER. I yield.

Mr. HARDY. You have a diamond mine down there too?

Mr. GLOVER. We have a diamond mine there, too, the only one in the world. Arkansas is no longer called the "hoozier" State, but is called the "diamond" State. You can go down there and get your diamonds. You can go down there and get your baths. The truth of the matter is that down there you can get almost anything you want, if you want something dry. [Laughter and applause.]

Mr. STAFFORD. Mr. Chairman, I ask recognition for five minutes.

Mr. Chairman, the gravamen of the complaint of the gentleman from Texas is that, in certain specifications of the Treasury Department for public buildings, aluminum in some form or other is required in the material furnished, either in the frames or in the furnishings. I listened attentively to the address of the gentleman, and noted the interpolation of the gentleman from New York as to the use of aluminum in the Empire State Building. The membership would have been led to believe that aluminum was not in use in the construction of large buildings, but that the Treasury Department was attempting to force aluminum as a material in the construction.

If the gentleman from Texas had been fortunate in his peregrinations about the country in advocacy of the bonus to have had the time, as for example, on his visit to my home city in Milwaukee during the Christmas holidays, to have gone to the plant of the A. O. Smith Co., which Arthur Brisbane describes, in the method of producing pipes and chassis for automobiles, to be the ninth wonder of the world, he would have seen there a most modern office building, erected by the A. O. Smith Co., 12 stories of construction, entirely faced with aluminum. That was finished more than two years ago.

It has been stated to the gentleman that the Empire State Building, constructed under the direction of that great leader of Democracy, Alfred E. Smith, also has aluminum prescribed as its finishings. Does the gentleman contend that the Treasury Department should hold back in the pace of progress and refuse to recognize the value of aluminum with its intrinsic merits as a necessary building material?

Why not be fair? Why does he not call the attention of the country to the fact that aluminum is now being generally accepted as the finest type of material in office construction? The gentleman is only telling a half truth, and a very small half truth at that, when he reads from the architects' magazine which is limited entirely to public buildings. Why did not the gentleman go further and investigate architects' publications as to private buildings? If he had done that he would have found, I dare say, numerous instances where aluminum is to-day the accepted article for outside finish?

I think the gentleman owes an apology to this House for only giving half truths in trying to show that Mr. Mellon used the high privileges of his office, through the Supervising Architect, in prescribing aluminum as a necessary material for public-building construction?

Mr. PATMAN. Will the gentleman yield?

Mr. STAFFORD. Certainly.

Mr. PATMAN. In prescribing aluminum, does not the gentleman think the Secretary of the Treasury should also give wood and steel a chance?

Mr. STAFFORD. I am not living in the age of 100 or 200 years ago. We must move forward; and I know this much about fixtures, that when the building in which I have my office was remodeled it was provided, so as to keep out dust, that aluminum weather strips be used. I know that much. I am very sorry indeed the gentleman did not have time to visit our breweries on his visit to Milwaukee so that he might have gotten some liberal ideas, and also that the gentleman did not have time to visit the A. O. Smith plant in order to get modern ideas as to modern construction. We are all modern in Milwaukee.

I hope the gentleman, who has so often said he reflects the ideas of the war veterans, will go to the desk and sign the petition for the discharge of the Judiciary Committee in the matter of the repeal of the eighteenth amendment, because then he will surely be carrying out the will and wishes of the war veterans of the World War. [Applause.]

[Here the gavel fell.]

Mr. PATMAN. Mr. Chairman, I ask unanimous consent to withdraw the pro forma motion I made to strike out the paragraph.

The CHAIRMAN. The gentleman from Texas asks unanimous consent to withdraw his pro forma motion to strike out the paragraph. Is there objection?

There was no objection.

Mr. FERNANDEZ. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Louisiana offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. FERNANDEZ: On page 35, after line 10, insert:

"New Orleans, La., post office and courthouse: For acoustical treatment in the court room, $2,000."

Mr. BLANTON. Mr. Chairman, I reserve a point of order against the amendment.

Mr. FERNANDEZ. Mr. Chairman and gentlemen of the committee, the amendment I have offered simply provides that $2,000 be made available for acoustical treatment in the Federal court room in the city of New Orleans. Unless this amendment prevails the judges and counsel will be forced to continue the practice of shouting above the whine of traffic that passes on Camp Street. There are three Federal court rooms on the second floor of the post office building. The central room is used by United States Judge Wayne G. Borah, and the court room on the Magazine Street side is used by the Fifth United States Circuit Court of Appeals. The third room, on the Camp Street side, is used only in emergencies on account of the lack of acoustical treatment.

It is impossible, gentlemen of the committee, for counsel or witnesses to hear what is going on in the court room under the conditions which prevail there to-day. I submit to the committee that is not decorum and is not in keeping with the dignity of a United States court.

Let me call the attention of the committee to page 625 of the hearing:

ACOUSTICAL TREATMENT, NEW ORLEANS (LA.) COURTHOUSE

The CHAIRMAN. There is an item here in reference to the New Orleans post office and courthouse, for acoustical treatment in the court room, $2,000. Tell us about that.

Mr. WETMORE. I want to say, in the first place, that our maintenance appropriation "for repairs and preservation" are not permitted by the comptroller to be used for acoustical treatment in public buildings. The appropriation is in terms for repairs and preservation, and we would have money enough to do this work out of our annual appropriation, if the comptroller would allow us. But he holds, and I suppose properly, that this character of expenditure is neither a repair nor a preservation. It is in the nature of an improvement, and he draws the line on us there.

The district engineer, Mr. Richly, stated:

"This room has been but little used on account of this trouble (that is, the acoustical defects), but since two additional judges have been appointed it will be necessary to use all the court rooms. I have conferred with several of the judges and recommended that consideration be given to the correction of the acoustics as requested, and which are very bad."

Further, in the hearings there is a letter from Judge Bryan addressed to the custodian of the building, complaining about the same situation.

The committee to-day cut out about three positions down in New Orleans, amounting to thousands of dollars, and I think at least the committee can be charitable enough to give New Orleans this $2,000 so as to repair the acoustics of this court room, which, as I have said, is something that is badly needed.

Certainly, it is not in keeping with the dignity of a Federal court to have witnesses crowding around the attorneys' tables and around the judge's stand to hear what is going on.

I hope the committee will restore this item to the bill.

Mr. BYRNS. Mr. Chairman, I would like very much indeed to agree to the gentleman's amendment. The gentleman has made a very earnest effort to have it included in the bill and it was a part of the Budget estimate. The reason it is omitted from the bill is because the committee felt it is one of those expenditures that can easily be deferred for another year. We eliminated many expenditures on this ground.

For years they have not had this improvement down there in New Orleans, and they have been getting along pretty well, and it seems to me on account of the present situation of the Treasury, we might well defer it for one more year at least.

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

Mr. BYRNS. Yes.

Mr. FERNANDEZ. I might call the gentleman's attention to the fact that they have not been using this particular court room that they have to use now. The fact they recently appointed two additional judges down there has made it necessary that they should use this additional court room. It is a small matter and I sincerely hope the committee will agree to the amendment.

Mr. BYRNS. It is a small sum, but I will say to the gentleman that consistent with the policy of the committee with reference to other appropriations, this being in our opinion not an absolutely essential appropriation, we eliminated it, and I think in order to be fair the committee must insist that the amendment ought to be defeated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Louisiana.

The question was taken; and on a division (demanded by Mr. FERNANDEZ) there were—ayes 4, noes 14.

So the amendment was rejected.

Mr. McKEOWN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I want to call the attention of the committee to the fact that in the authorization of funds for public buildings there was authorized an appropriation of $580,000,000 as a total, out of which the District of Columbia was allotted $150,000,000.

I want to show you what is happening. The department committee went ahead and made its allocation with respect to the smaller towns, but the Bureau of the Budget has refused to pass it up to Congress, and the thing which I predicted would happen when the large cities and the District of Columbia received their money to build their buildings, the smaller cities would be left out. I stated at that time that the small towns throughout the United States would be shut out, and that is what has happened already.

The District of Columbia was to get $150,000,000 and $40,000,000 more for land, or $190,000,000 out of a total of $580,000,000. The District of Columbia has already received over $100,000,000, and to the credit of the Committee on Appropriations it may be said that they cut them down to $15,000,000 in this bill; but the Bureau of the Budget was willing to give more money for the District of Columbia and yet refused appropriations for the buildings that will take them now 6 or 7 or 8 years to finish, and they are the buildings that are needed in the smaller cities all over the United States.

As soon as they get the buildings in the District of Columbia and in the large cities of the country, then the smaller cities of the country can go. They are through with them.

This is not the fault of the Treasury Department nor the Post Office Department, but it is the fault of the Bureau of the Budget. After having granted $100,000,000 to the District of Columbia and $40,000,000 to buy land in the District of Columbia, they then refused to ask Congress to appropriate the money for buildings in the small cities, amounting to something like $154,000,000.

I am here to protest and to serve notice on the Bureau of the Budget and the committee, that if they expect large appropriations to the District of Columbia they are going to go through with the allocations made to the small cities, or we will see the reason why.

The pro forma amendment was withdrawn.

The Clerk, proceeding with the reading of the bill, read to the bottom of page 35.

Mr. BYRNS. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. HOWARD, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 9699, the Treasury and Post Office appropriation bill, and had come to no resolution thereon.

THE CONGRESS OF NICARAGUA

The SPEAKER laid before the House the following communication:

MANAGUA, NICARAGUA, VIA TROPICAL RADIO,
New Orleans, La., February 23, 1932.

SECRETARIES OF THE FEDERAL CONGRESS,
Washington, D. C.

The Congress of Nicaragua congratulates the Congress of the United States of North America and the dignified American people on the occasion of the National Bicentennial of the great General Washington whose name and glorious actions are intimately bound with the institutions of the American Republic.

L. RAMIRES, *President.*
PABLO J. JIMINEZ, *Secretary.*
ALEJANDRO ASTACIO, *Secretary.*

ENFORCEMENT OF CRIMINAL LAW—BANKRUPTCY (H. DOC. NO. 262)

The SPEAKER laid before the House the following message from the President of the United States, which was read, referred to the Committee on the Judiciary, and ordered printed.

(For text of message of the President see Senate proceedings, p. 4920.)

LEAVE OF ABSENCE

Mr. GILLEN, by unanimous consent, was given leave of absence for six days, on account of important business.

NATIONAL DEFENSE

Mr. HOLADAY. Mr. Speaker, I ask unanimous consent to insert in the RECORD a speech by my colleague, Hon. WILLIAM E. HULL, before the American Legion Post, No. 2, Peoria, Ill., on February 18, 1932.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. HOLADAY. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following:

SPEECH OF HON. WILLIAM E. HULL, OF ILLINOIS

Honorable Commander and members of Peoria Post, No. 2: It was with a special pleasure that I received your kind invitation to be your guest to-night and to speak to you briefly upon matters of national importance.

Recently I have received numerous letters from the American Legion posts throughout the district and the Nation urging me to stand for a liberal policy toward national defense, and I want to say to-night that I stand before you, as I have always stood, a firm believer of the principle of maintaining defense adequate to assure the peace and tranquillity of our Nation.

Great strides are being made in scientific achievements toward perfection of instruments of destruction to be used in war, and no nation can sit calmly by and ignore the preparations made by the scientists of other Nations and not take some step toward meeting them.

The time has not yet come, in my opinion, when the lion and lamb can lie down in safety together. Nations are still jealous of each other; and while this condition exists the United States should have at least a nucleus of an Army, trained to the last minute in all modern methods of warfare, and our young men

should have an opportunity to at least have some slight vision of the training that is necessary for them to have in order to protect themselves if called upon to defend their country.

We should have a navy efficient and capable to at least match the navy of any other country in the world. That is the only sure way that I know of to enable us to keep our peace and integrity among the nations.

Our country was born in battle. When the Colonies, in 1775, rebelled against the mother country, it was in defense of the principle taxation without representation was tyranny, and they simply were fighting for equal rights as citizens of England; but, as the struggle continued, the great colonial leaders had a vision. It came to them that this was the day that men had looked forward to for thousands of years, and they came to the decision that they would at once and for all strike for the great principle that all men are created equal; that they are endowed by their Creator with certain inalienable rights; that among these are life, liberty, and the pursuit of happiness; and when George Washington received the surrender of Cornwallis at Yorktown, a new nation was born, and for the first time in the world's history there was a flag under whose folds was guaranteed to its citizens equal rights and equal justice.

George Washington, the great Commander in Chief of the victorious Continental Armies, became our first President, and under his matchless wisdom the United States took its place among the nations of the world and hoped for years of peace and tranquillity but it was not long before it became necessary to declare war against England in order to protect the rights of our American seamen, who were being impressed into service on British ships.

This War of 1812 gave birth to the American Navy and was practically won upon the high seas in a naval campaign that challenged the admiration of the world, the war being brought to a sudden close by the spectacular victory of Andrew Jackson and his straight-shooting mountaineers at the Battle of New Orleans.

In 1846 it became necessary to declare war upon Mexico in order to protect our southwestern boundary and settle the boundary dispute between the two countries, and as a result of the victory of Zachary Taylor at Buena Vista the boundary line between the two countries was definitely settled for all time to come.

In 1861, the great crisis of American history appeared. After many years of heated controversy and debate, the time had come to settle forever whether a government such as ours could maintain its integrity, half free and half slave.

In this great crisis, God gave us Lincoln.

Four years of frightful struggle ensued and when General Grant received the sword of Lee at Appomattox, it was determined beyond a peradventure of a doubt that this country of the people, by the people, for the people, should not perish from the earth.

In 1898, it became necessary to declare war against the Kingdom of Spain, not only to maintain our national integrity, but in order to rescue the citizens of our next-door neighbor, Cuba, who were being ground into the dust under the tyranny of the iron heel of Spain. When Teddy Roosevelt planted the Stars and Stripes on the San Juan Hill and the smoke of battle had cleared from the decks of Dewey's fleets in Manila Bay, freedom took another breath of life, and tyranny, such as was practiced in the islands of Cuba and the Philippines, disappeared from the face of the earth.

Then came the World War, and I bow my head with reverence and respect before you men who, by your heroic deeds, wrote so clearly the final chapters of that great conflict. No one can ever know, as well as you, the sacrifices that were made, the hardships that were endured in order to bring peace once more to a war-torn world. A greater man than I has told you that when you laid aside your steel-clad helmet, that when you hung up your khaki uniform, you had only performed a part of the responsibilities that were yours to perform. An even greater task lay before you in solving the problems of peace and making the adjustments that were necessary to bring about harmony out of the chaos caused by this great war. These problems confront you on every hand to-day, more serious in some respects than war; and in the solution of these problems, it is my hope that you will be guided by the wisdom of Washington, by the great human kindness of Lincoln, and by the conciliatory methods of the martyred President, McKinley. The drive recently started by the American Legion posts throughout the country to find jobs for a million of the unemployed is a worthy step in this direction; I bid you Godspeed in this good work and stand ready at all times to assist you in all your undertakings.

You are all more or less familiar with my activities in Congress in behalf of the veterans of our different wars and especially in behalf of the veterans of the World War, because all the legislation in their behalf took things up at the beginning and consequently had to be original, and many of the plans had to be worked out to meet new conditions. I gave eagerly and willingly all my best thought to the preparation of this legislation and have supported every practical effort that has been made to compensate and reimburse the soldiers of the World War as far as it is humanly and practically possible.

The legislation that was passed could not represent the opinion of any individual but had to reflect the composite thought of the entire Congress.

I was one of those who thought in the beginning that if we were going to pay the veterans an adjusted compensation, we ought to pay it in cash. I have never thought that it was common sense to postpone the payment of this compensation for 20 years because we all knew by that time pension legislation would be enacted to take care of those who were disabled, afflicted, and needed help. I felt that this act of Congress should provide for giving the boys a start after they came back from the war and in some measure to equalize their position with those who were not called to the colors. For this reason I will be glad to see the balance paid on these compensation certificates just as soon as some financial arrangement can be made to take care of them.

I realize that arrangements must be made in the near future, if it is not possible to do it at this time, to take care of the widows and orphans of the veterans of the World War as has been done in regard to the veterans of our other wars.

Economic conditions at the present moment are in a sort of chaotic condition, and these conditions must be taken into consideration. However, I think we should meet this matter in a courageous manner and as soon as it is possible make arrangements to fulfill in a full measure our obligations to these veterans.

During the time that I have served as your Representative in Congress, I have in a careful and painstaking and sympathetic manner handled individual cases for the veterans of the sixteenth district amounting now into the thousands.

The adjustments of these compensation claims are fixed by law; there is no way whereby a Member of Congress can wave a magic wand and cause a compensation claim to be allowed out of hand, but it is possible for a Member of Congress, if he so desires, to render valuable assistance to the soldiers and their dependents by finding out what is necessary in order to perfect a claim and then painstakingly help the soldier to secure the necessary evidence and see that it receives the proper consideration by the bureau official. This, I have tried to do and I take advantage of this opportunity to gratefully acknowledge the assistance that has come to me in this connection from the American Legion posts, not only here in Peoria but throughout the district. No soldier boy or his dependents need ever to hesitate or apologize for writing me in behalf of any matter with which they are concerned, because their communication will find a welcome at my office and it will receive the best attention that it is possible to give it.

I have been given the honor of presenting to you a bust of George Washington, sponsored by the George Washington Bicentennial Commission to commemorate the two hundredth anniversary of the birth of this great American, whose great achievements time has not dimmed but have come down through the ages, gathering additional luster through the years. George Washington—the great general but a kind husband, a great statesman but a humble citizen, a man of great achievements but a kind and faithful neighbor! It is exceedingly fitting that his bust should find a place in the lodge room of your post—he was the first American Legionnaire.

THE OIL SITUATION IN OHIO

Mr. LAMNECK. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the oil situation in Ohio.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. LAMNECK. Mr. Speaker, I think most Democrats are getting tired of our tariff position being misrepresented. I noted in the Washington Post for Saturday, February 27, this concluding paragraph in an editorial:

> Democrats in the oil-producing States plead with no less vociferation for a duty on petroleum. The "iniquities of the tariff" soon melt away when it is applied to industries of Democratic States. In the face of these organized drives to tax two imports that are now admitted free the howl of the central Democratic organization against the Smoot-Hawley Act sounds like a wind blowing through an empty barrel.

Here is the official statement of our party as set forth in the platform of 1928:

> The Democratic tariff legislation will be based on the following policies:
>
> (a) The maintenance of legitimate business and a high standard of wages for American labor.
>
> (b) Increasing the purchasing power of wages and income by the reduction of those monopolistic and extortionate tariff rates bestowed in payment of political debts.
>
> (c) Abolition of logrolling and restoration of the Democratic conception of a fact-finding tariff commission, quasi-judicial and free from the Executive domination which has destroyed the usefulness of the present commission.
>
> (d) Duties that will permit effective competition, insure against monopoly, and at the same time produce a fair revenue for the support of government. Actual difference between the cost of production at home and abroad, with adequate safeguard for the wage of the American laborer, must be the extreme measure of every tariff rate.
>
> (e) Safeguarding the public against monopoly created by special tariff favors
>
> (f) Equitable distribution of the benefits and burdens of the tariff among all.

When the whole Nation is interested in our attempts to restore prosperity there can be little justification for the utterly false charges being continuously leveled against Democratic Members of Congress who are loyally following the principles officially enunciated by our national convention.

It might be interesting to know just why the paper making this attack has been so ardently misrepresenting the Democratic Party and the American petroleum industry. Why should it oppose this tariff only? What sinister or at least concealed motives lie behind its desperate efforts to whitewash the monopoly now being developed by the great oil-importing corporations at the expense of American labor and to the ruin of American prosperity?

This question is purely rhetorical. While you and I may guess the cause of the trouble, we do not know it positively and we can have no reasonable expectation that it will be revealed by those most interested.

The manner in which Ohio is being looted to-day for the benefit of the great oil-importing corporations and to the ruin of our industry and to the destitution of our workers, is suggested by the fact that every barrel of Pennsylvania oil produced in the 17 counties in southeastern Ohio is not only given away, but a $2 bill is taken out of the producer's pocket and pinned to every barrel sold. Over the rest of the State in the other three fields—Corning, Lima, and Wooster—the producer not only gives his oil away, but pins a $1 bill to every barrel sold at present prices. These facts are being widely disseminated through my State by the oil companies, who are informing the people concerning the facts underlying the poverty and distress which are the natural result of our free admission of cheap foreign oil produced by cheap foreign labor, while American workers starve.

At present 60 counties in Ohio are oil producing, while the other 28 counties are potential oil fields, according to A. E. Faine, statistician of the Ohio Penn Grade Oil Producers Association, whose carefully compiled statistics I am utilizing in these remarks. The potential territory thus far undeveloped in Ohio will also enter the producing field, with the resulting employment of thousands of men who are now jobless, whenever we give the American petroleum industry an equal chance at our own markets with foreigners whom we are to-day favoring to our ruin. Ohio contains 11 per cent of all the oil wells in the United States. Over one-half of the number of men normally employed in this industry in my State are without employment to-day.

The general discontent naturally produced by this unemployment, which is artificially caused and which could be easily remedied if simple justice were applied to the oil problem, is being capitalized and fomented by those elements which are eager to destroy our political institutions and our economic system. No one need be surprised that men who realize that their poverty has been created and is being continued in order that a few great oil-importing concerns may add a billion dollars or so per year to their profits should question the worth of a system which deliberately continues such a state of affairs.

The State itself is suffering from this situation. Oil production pays a tax rate of 10 per cent throughout the country. Ohio taxes gasoline 110 per cent. The Ohio producer ultimately pays all these taxes by lowered prices for crude oil, which is his product, because of the importation of foreign oil either already admitted or poised as a menace in case the American producer proves refractory.

Oil wells are being abandoned, to the great economic loss of the State. In the past two years 3,179 oil wells have been closed, causing a taxable valuation loss of many millions of dollars per year and a direct tax loss of thousands of dollars, while the loss in wages to employees who formerly operated those wells is a staggering total. Meanwhile, the closing of those wells means the loss forever of millions of barrels of oil, which can never be recovered. Every friend of conservation of our natural resources should note this effect of our unwise and costly policy of admitting foreign oil duty free.

There is no future for the petroleum industry in Ohio, and I see little promise in fact for the industry in other States of the Union if we are to continue the policy of granting such costly favors to a few oil importers or to a comparatively small number of manufacturers who prefer to save a cent or two on fuel oil while they wreck their own potential market in this Nation.

Those who suggest that the American petroleum industry can solve its problem by limiting production can know, if they do not already know, that this industry has involved private agreement, State regulation and even bayonets in order to reduce production well within the limits of demand, only to see the importers of foreign oil increase those imports until they had flooded the market which the American producer had tried to stabilize. This Nation is suffering to-day from overimportation of foreign oil and not from overproduction of American oil. It is suffering from the greed of those who are reckless whether their profits are stained with the tears and the blood of American workers while they continue to employ increasing numbers of peons and alien laborers for the sake of the possible profits.

Judas Iscariot got only 30 pieces of silver for his betrayal; Benedict Arnold got only a major general's rank and pension; but the oil importers are reaping hundreds of millions of dollars per year as the price of wreckage of American prosperity and their favoritism displayed toward foreign lands and foreign flags and foreign labor.

REPORT OF THE NATIONAL EMPLOYMENT COMMISSION

Mr. KVALE. Mr. Speaker, I ask unanimous consent to print in the RECORD the latest report of the national employment commission, which shows that the total to date is 117,535 men employed. I ask unanimous consent to include a telegram giving the result of the splendid work thus far attained in the State of Minnesota.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

NEW YORK, N. Y., *February 29, 1932.*

ED HOLLENBACK,
National Chairman Child Welfare,
Assistant to Mark T. McKee, Executive Director:

Nation-wide total to date 117,535. Following Minnesota towns credited men put to work as follows: Albert Lea, 80; Anoka, 5; Benson, 5; Brooten, 11; Cambridge, 37; Cloquet, 75; Columbia Heights, 105; Crookston, 50; Detroit Lake, 7; Duluth, 1,854; Eveleth, 139; Excelsior, 5; Faribault, 39; Fergus Falls, 164; Hanley Falls, 3; International Falls, 17; Isle, 15; Jackson, 9; Lesueur, 178; Marshall, 29; Minneapolis, 744, in addition over $5,000,000 pledged; Motley, 5; Osseo, 4; Pequot, 5; Perham, 10; Pipestone, 25; Red Wing, 44; Redwood Falls, 15; Robbinsdale, 150; Rochester, 230; Springfield, 4; Stillwater, 50; Tacomite, 65; Truman, 20; Wabasha, 4; Wadena, 24; Waterville, 34; Windom, 11; in addition following money pledges: Fergus Falls, $80,000; Ortonville, $8,000; Duluth, almost $2,000,000.

MILLER.

ABRAHAM LINCOLN

Mr. O'CONNOR. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting therein a speech delivered by my colleague from New York [Mr. CELLER] over the radio on February 12 relating to Abraham Lincoln.

The SPEAKER. Is there objection?

There was no objection.

Mr. O'CONNOR. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following speech delivered by my colleague, Hon. EMANUEL CELLER, over the radio, on February 12, relating to Abraham Lincoln:

ADDRESS OF HON. EMANUEL CELLER, OF NEW YORK

Abraham Lincoln, the sixteenth President of the United States, was born February 12, 1809, in a log cabin in the hills of Kentucky.

A half century later, when he had received the nomination for the Presidency, a biographer asked him for some details of his early life. "Why," he said, "it is a great folly to attempt to make anything out of me or my early life. It can all be contained in a single sentence; and that sentence you will find in Gray's Elegy—

'The short and simple annals of the poor.'

That's my life and that's all you or anyone else can make of it."

Truly enough his whole life was dedicated to an attempt to rescue the American under dog and to pull the poor and lowly from between the upper and nether stones of oppression.

His life is also typical of American opportunity—the America that has permitted a barefoot boy like Lincoln to rise to the Presidency. During the last presidential election the two men who ran for President and the two men who ran for Vice President in the major parties were also the products of American opportunity. Smith was the son of a blacksmith. Curtis was born in an Indian Kaw village. Robinson and Hoover were farmer boys.

When Lincoln was 7 years of age, his family moved from Kentucky to Indiana and there for 10 years he was engaged in laborious work of all sorts—farming, rail splitting, running errands for shopkeepers. He only had a year's schooling, at intervals, but his love of learning was insatiable. His mother had taught him to read and he chose as his reading the Bible, Æsop's Fables, Pilgrim's Progress, and Robinson Crusoe. Out of these seeds of reading grew the great ardor that Lincoln had for books. He would walk 20 miles to borrow a book and 20 miles to return it.

At the age of 19, while employed on a river boat, he took a cargo down the Mississippi River to New Orleans. There he got his first awful impression of slavery. The scenes he saw at the New Orleans slave market were ineffaceable, and he then vowed to strike a telling blow at this nefarious traffic. He brooded much over slavery, and that brooding culminated in his greatest act of charity and beneficence, the Emancipation Proclamation, which, although only a militia measure put forth during the Civil War, had far-reaching effects and practically broke the shackles of slavery in this country.

He had a fierce love of honesty. They called him Honest Abe. The story is often told of his walking 3 miles to return a few pennies of overcharge.

In 1834 Lincoln was elected a member of the Illinois Legislature. He was reelected several times, and then was licensed to practice law. He was generous by nature. He was always more anxious to win his client's case than to get his client's money.

His skill at law and in the legislature caused him to be nominated for Congress. He was elected and was Representative from the central district of Illinois. His activity in Congress was noteworthy, and he gained a national reputation for his clear-cut speeches denouncing slavery.

It is difficult in a 15-minute address to give any detail of the life of this great man. One can only touch the high spots and mention but a few of the jewels in the diadem of his splendid character.

We often hear much said of Lincoln's kindly humor. It was the humor of the common people. He knew their aims and their aspirations and reflected their views, consequently, in the quiet and plaintive tales he told of them. When he was in the White House he was afflicted with a slight attack of varioloid or smallpox. Speaking of this, he said: "Now that I have something to give, no one wants to take it from me."

In his famous debates with Douglas on the question of slavery, he often used ridicule and humor to wither the Douglas arguments. Douglas once twitted him for having been a dramseller at Springfield. (Lincoln had obtained a license as an inkeeper for the sale of liquor.) Lincoln quickly replied, "When I was a liquor seller at Springfield, you were one of my best customers. I have since relinquished my stand on the one side of the counter, but you have never relinquished your stand on the other."

In an endeavor to squelch a loud and verbose opponent in one of his famous debates, he told of a traveler. The traveler had lost his way, and, as he went along, a storm broke forth, the rain came down in torrents, the sky was split with lightning, and the world seemed to come apart with deafening thunder. He sank deep in mud and mire and could see only the slight traces of his path in the intermittent flashes of lightning. Not being a praying man, he was, nevertheless, forced to his knees by a dreadful clap of thunder and in his praying said, "Dear God, let us have a little more light and a little less noise."

When the Sons of Temperance called upon Lincoln in the White House and indignantly denounced Grant on the score of his heavy drinking, Lincoln, who had great faith in Grant because of his recent victories, said to the dry brethren, "Please let me have the name of the brand of whisky that Grant drinks, as I want to send a barrelfull of it to my other generals."

We love Lincoln because of his great humility, his great magnanimity. Salmon P. Chase had been his Secretary of the Treasury. He was a great man and a great Secretary, but he often spoke ill of Lincoln. Lincoln knew that he went around peddling his grief in private ears in an endeavor to sow dissatisfaction with Lincoln; nevertheless when a vacancy occurred in the Supreme Court as a result of the death of Chief Justice Roger Taney, Lincoln, realizing Chase's fitness for the position, and disregarding his personal grievance, gave him the appointment.

While he was President thousands of applications came to him for the exercise of clemency in behalf of soldiers who were doomed to die because of desertion or other offenses. William Scott was a lad from Vermont who, after a tremendous march in the peninsular campaign, volunteered to do double duty to spare a sick comrade. He slept at his post. He was caught and sentenced to death. Lincoln heard of it and visited him and, placing his hands on the boy's shoulders, said, "My boy, you are not going to be shot. I believe you when you tell me that you could not keep awake. I am going to trust you and send you back to the regiment. Now, what I want to know is how are you going to pay my bill?" Scott thought that Lincoln meant how he, Scott, was going to repay him in money, and he said he could give him all his pay. Lincoln said, "My bill is a large one, and the only way you can repay me is by doing your duty." Scott promised to do his duty. Not long after he was desperately wounded and died, but not before he could send a message to the President that he had tried to be a good soldier; that he had paid his debt in full, and that he had died thinking of Lincoln's kind face and thanking him for the chance he had given him to fall like a true soldier in battle.

Lincoln showed his merciful nature in his attitude toward the vanquished South. Lincoln had desired, if possible, to bring about a gradual abolition of slavery and through local State action. He did not wish, for example, that the right to vote should be given in a wholesale manner to all negroes, the literate and the illiterate. He desired that the franchise at first be restricted to a few educated negroes. In this attitude Lincoln incurred the enmity of the radicals in Congress who claimed he was not sound on slavery.

He desired in all available ways to give the people of the South a chance to express their own wishes at their own elections. He refused to send a group of Northern carpetbaggers to the South and have them elected as Representatives and Senators in Congress from those States. He was afraid lest in the Southern elections to Congress that very thing should happen which after his death did happen, namely, the election of scalawags and carpetbaggers from the North as Representatives from the Southern States, whose elections were secured at the point of Federal bayonets. He wished to declare a general amnesty to all Southerners and wanted to welcome them back to the Union, provided, of course, that they respected the Constitution and all forms of law and order, and on condition, further, that they would respect the rights of the liberalized negroes.

Undoubtedly, had Lincoln escaped the assissin's bullet and lived, he would have met the fate of Andrew Johnson, who succeeded him to the Presidency at his death. Johnson was impeached because he sought to carry out Lincoln's policy of mercy to the South. Lincoln, too, would have been impeached had he lived. A band of fanatical radicals ruled Congress. They were headed by Thaddeus Stevens, of Pennsylvania. They seemed bent upon utterly destroying the South and ushered in the "tragic era" of reconstruction. There is a current play in New York entitled "If Booth Had Missed." It seeks to continue the life of Lincoln as if the bullet John Wilkes Booth fired in Ford's Theater had missed its mark and Lincoln had served out his term. It then goes on to state that his benevolence to the South incurred the extreme hostility of the radicals and they impeached him. The impeachment in the Senate failed of but one vote and then Lincoln was shot by an editor. This, of course, is but the imagination of the playwright; it catches, however, the spirit of liberality of Lincoln's program for Southern reconstruction.

If time would permit, I could tell you of his great addresses, particularly of his Gettysburg address at the dedication of the national cemetery. His remarks there are immortal. Curiously enough, the speech of the occasion was delivered by Edward Everett. Lincoln was to say but a few words at the close of the exercises. Everett's oration lasted two hours. It was a fine specimen of Civil War oratory, which, however, charms no more. Lincoln spoke for a little over five minutes, but his words sank deep. Nevertheless his hearers were unaware that a classic had been spoken which will endure forever in the English language.

All through his life Lincoln suffered much. His whole career seemed to be a struggle against insurmountable odds. His perseverance, however, always ended in victory. Trouble chastened him and made him great. The more severe the storms and the snows and sleet of the winter of the Northwest the finer and harder and more wholesome is the wheat. The more intense the white heat of the flame the more finely tempered becomes the steel. "Sweet are the uses of adversity." Trial and tribulation bent and tempered the mind of Lincoln and made him indeed one of our great immortals.

During the cataclysm of the Civil War, with death and destruction all around him, with his own ministers caballing against him, with his many erstwhile friends denouncing him as a traitor, he seemed to stand alone in the dark. His patience, his pitifulness, his courage, his sense of justice, all stand out in bold relief. Well did Stanton say at his death, "He belongs to the ages."

Although he was a man of no pronounced creed or belief, he nevertheless had a deep religiosity, and we can safely say in the words of the great Hebrew prophet Micah that Lincoln did justice, loved mercy, and walked humbly before his God.

BILL AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, a bill and joint resolution of the House of the following titles:

H. R. 268. An act to excuse certain persons from residence upon homestead lands during 1929, 1930, 1931, and 1932 in the drought-stricken areas; and

H. J. Res. 292. Joint resolution to authorize the Secretary of Agriculture to aid in the establishment of agricultural credit corporations, and for other purposes.

ADJOURNMENT

Mr. BYRNS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 24 minutes p. m.) the House adjourned until to-morrow, Tuesday, March 1, 1932, at 12 o'clock noon.

COMMITTEE HEARINGS

Mr. RAINEY submitted the following tentative list of committee hearings scheduled for Tuesday, March 1, 1932, as reported to the floor leader by clerks of the several committees:

COMMITTEE ON EXPENDITURES IN THE EXECUTIVE DEPARTMENTS

(10 a. m.)

Public works administration, H. R. 6665 and H. R. 6670.

COMMITTEE ON THE POST OFFICE AND POST ROADS

(10 a. m.)

A bill to amend the air mail act of February 2, 1925, as amended by later acts, further to encourage commercial aviation (H. R. 8390).

COMMITTEE ON IMMIGRATION AND NATURALIZATION

(10.30 a. m.)

Bills dealing with general suspension, restriction, further restriction, and prohibition of immigration into the United States.

A bill to authorize increased expenditures for the enforcement of the contract-labor provisions of the immigration law (H. R. 9598).

COMMITTEE ON IRRIGATION AND RECLAMATION

(10.30 a. m.)

A bill for the temporary relief of water users on irrigation projects constructed and operated under the reclamation law (S. 3706).

A bill for the rehabilitation of the Stanfield project, Oregon (H. R. 8164).

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

458. A letter from the Secretary of the Navy, transmitting a draft of bill to authorize the Secretary of the Navy to accept donations and contributions for use in providing for recreation, amusement, and contentment of enlisted men; to the Committee on Naval Affairs.

459. A letter from the Secretary of the Navy, transmitting a draft of a bill to permit disbursing officers of the Navy and Marine Corps to use for current expenditures public money received by them from sales and other sources; to the Committee on Naval Affairs.

460. A letter from the treasurer of the Washington Rapid Transit Co., transmitting one copy each of balance sheet and list of stockholders of the Washington Rapid Transit Co. as of December 31, 1931; to the Committee on the District of Columbia.

461. A letter from the executive officer of the Personnel Classification Board, transmitting a request for permission to dispose of obsolete survey material and questionnaires, so that they may be sold as waste paper or otherwise disposed of in accordance to law; to the Committee on the Disposition of Useless Executive Papers.

462. A letter from the secretary of the National Institute of Arts and Letters, transmitting official report of 1931 of the National Institute of Arts and Letters; to the Committee on the Library.

463. A letter from the Secretary of War, transmitting a report dated February 26, 1932, from the Chief of Engineers, United States Army, on Willamette River, Oreg. (H. Doc. No. 263); to the Committee on Rivers and Harbors and ordered to be printed, with illustrations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. LEAVITT: Committee on Indian Affairs. H. R. 8691. A bill authorizing the Secretary of the Interior to sell certain unused Indian cemetery reserves on the Wichita Indian Reservation in Oklahoma to provide funds for purchase of other suitable burial sites for the Wichita Indians and affiliated bands; with amendment (Rept. No. 639). 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. CLARK of North Carolina: Committee on Claims. H. R. 3725. A bill for the relief of the First National Bank of Brenham, Tex.; without amendment (Rept. No. 634). Referred to the Committee of the Whole House.

Mr. CLARK of North Carolina: Committee on Claims. H. R. 3726. A bill for the relief of the Farmers State Bank of Georgetown, Tex.; without amendment (Rept. No. 635). Referred to the Committee of the Whole House.

Mr. MILLER: Committee on Claims. H. R. 4910. A bill for the relief of Gust J. Schweitzer; with an amendment (Rept. No. 636). Referred to the Committee of the Whole House.

Mr. SMITH of Virginia: Committee on Claims. H. R. 5922. A bill for the relief of W. A. Peters; with an amendment (Rept. No. 637). Referred to the Committee of the Whole House.

Mr. MILLER: Committee on Claims. H. R. 5933. A bill for the relief of John Evans; with an amendment (Rept. No. 638). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. JAMES: A bill (H. R. 9916) to authorize the conversion of a storage hangar at Fairfield Air Depot, Fairfield, Ohio, into a paint, oil, and dope warehouse at that station; to the Committee on Military Affairs.

Also, a bill (H. R. 9917) to authorize the conversion of the Air Corps shops at Langley Field, Va., into a post exchange at that station; to the Committee on Military Affairs.

By Mr. MOORE of Kentucky: A bill (H. R. 9918) to provide for the commemoration of the death of Granville Allen, first blood shed on soil of State of Kentucky in the Civil War; to the Committee on Military Affairs.

By Mr. JAMES: A bill (H. R. 9919) to authorize appropriations for construction of buildings, utilities, and appurtenances thereto at Chanute Field, Ill.; to the Committee on Military Affairs.

Also, a bill (H. R. 9920) to authorize appropriations for construction at military posts, and for other purposes; to the Committee on Military Affairs.

By Mr. GOSS: A bill (H. R. 9921) to require contractors on public-building projects to name their subcontractors, material men, and supply men, and for other purposes; to the Committee on Expenditures in the Executive Departments.

By Mr. GRANFIELD: A bill (H. R. 9922) authorizing the erection of a memorial to Brig. Gen. Casimir Pulaski at Savannah, Ga.; to the Committee on the Library.

By Mr. LEAVITT: A bill (H. R. 9923) to provide funds for cooperation with the school board at Brockton, Mont., in the extension of the public-school building at that place to be available to Indian children of the Fort Peck Indian Reservation; to the Committee on Indian Affairs.

By Mr. LEWIS: A bill (H. R. 9924) to stabilize the coal-mining industry; regulate interstate and foreign commerce in coal; provide for cooperative marketing; require the licensing of corporations producing and shipping coal in interstate commerce; to secure fair prices to the operators and to consumers, and fair living and working conditions for the miners concerned; and to create a coal commission; and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. HOCH: A bill (H. R. 9925) to provide emergency reductions in the payments of salaries or other pay by the United States; to the Committee on Expenditures in the Executive Departments.

By Mr. GARBER: A bill (H. R. 9926) providing for the purchase of a site and the erection of a public building thereon in the city of Boise City, Okla.; to the Committee on Public Buildings and Grounds.

By Mr. LEWIS: A bill (H. R. 9927) amending section 23 of the Federal reserve act; to the Committee on Banking and Currency.

Also (by request), a bill (H. R. 9928) to provide that transferors for collection of negotiable instruments shall be preferred creditors of national banks in certain cases; to the Committee on Banking and Currency.

By Mr. McCLINTIC of Oklahoma: A bill (H. R. 9929) to provide for immediate payment of adjusted-service certificates without interest deductions; to the Committee on Ways and Means.

Also, a bill (H. R. 9930) providing regulations governing the sale of foreign securities in the United States; to the Committee on the Judiciary.

By Mr. MONTAGUE: Joint resolution (H. J. Res. 320) to authorize an appropriation for the American group of the Interparliamentary Union; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANDREWS of New York: A bill (H. R. 9931) granting a pension to Frederick F. MacCleverty; to the Committee on Pensions.

By Mr. AYRES: A bill (H. R. 9932) granting an increase of pension to James Elmer Mulford; to the Committee on Pensions.

By Mr. BARTON: A bill (H. R. 9933) granting a pension to Etta Janes; to the Committee on Invalid Pensions.

By Mr. BUCKBEE: A bill (H. R. 9934) for the relief of Ross P. Beckstrom Co.; to the Committee on War Claims.

Also, a bill (H. R. 9935) for the relief of Michael H. Lorden; to the Committee on War Claims.

Also, a bill (H. R. 9936) granting an increase of pension to Mary A. West; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9937) granting an increase of pension to Charity West; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9938) for the relief of Charles Samuelson; to the Committee on War Claims.

Also, a bill (H. R. 9939) for the relief of John August Johnson; to the Committee on War Claims.

By Mr. CABLE: A bill (H. R. 9940) to authorize reinstatement of war-risk insurance of John D. Deardourff, deceased; to the Committee on Claims.

By Mr. CAMPBELL of Iowa: A bill (H. R. 9941) granting a pension to Emma J. Eberly; to the Committee on Invalid Pensions.

By Mr. CARDEN: A bill (H. R. 9942) granting an increase of pension to Martha R. Henderson; to the Committee on Invalid Pensions.

By Mr. CHASE: A bill (H. R. 9943) granting an increase of pension to Annie I. Love; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9944) granting an increase of pension to Margret E. Siford; to the Committee on Invalid Pensions.

By Mr. COLLIER: A bill (H. R. 9945) for the relief of William D. Wilson; to the Committee on War Claims.

Also, a bill (H. R. 9946) for the relief of Joe Vivian Wood; to the Committee on Naval Affairs.

Also, a bill (H. R. 9947) for the relief of Thomas A. Smith; to the Committee on Military Affairs.

Also, a bill (H. R. 9948) for the relief of Jack L. Madden; to the Committee on Military Affairs.

Also, a bill (H. R. 9949) for the relief of Johnnie J. Jones; to the Committee on Military Affairs.

Also, a bill (H. R. 9950) for the relief of Oliver Phillips; to the Committee on Naval Affairs.

By Mr. CULKIN: A bill (H. R. 9951) granting an increase of pension to Anna E. Tyler; to the Committee on Invalid Pensions.

By Mr. HASTINGS: A bill (H. R. 9952) granting a pension to Annie R. C. Owen; to the Committee on Pensions.

By Mr. JENKINS: A bill (H. R. 9953) granting a pension to Sarah S. Shumate; to the Committee on Invalid Pensions.

By Mr. LONERGAN: A bill (H. R. 9954) authorizing the erection of a memorial to Brig. Gen. Casimir Pulaski at Savannah, Ga.; to the Committee on the Library.

By Mr. McCLINTIC of Oklahoma: A bill (H. R. 9955) for the relief of Lucius K. Osterhout; to the Committee on Military Affairs.

By Mr. MARTIN of Oregon: A bill (H. R. 9956) granting a pension to William H. Graham; to the Committee on Pensions.

By Mr. MILLIGAN: A bill (H. R. 9957) granting an increase of pension to Sarah A. Cunningham; to the Committee on Invalid Pensions.

By Mr. MOORE of Kentucky: A bill (H. R. 9958) granting an increase of pension to Decatur D. Kinser; to the Committee on Pensions.

By Mr. PARSONS: A bill (H. R. 9959) for the relief of Glenna F. Kelly; to the Committee on Claims.

By Mr. SHREVE: A bill (H. R. 9960) granting an increase of pension to Mary A. Beers; to the Committee on Invalid Pensions.

By Mr. STEWART: A bill (H. R. 9961) for the relief of John J. Flanagan; to the Committee on Military Affairs.

By Mr. STRONG of Kansas: A bill (H. R. 9962) for the relief of Percy C. Wright; to the Committee on Military Affairs.

By Mr. SWICK: A bill (H. R. 9963) granting an increase of pension to Samantha R. Freed; to the Committee on Invalid Pensions.

By Mr. TARVER: A bill (H. R. 9964) for the relief of Bonnie S. Baker; to the Committee on Claims.

By Mr. TEMPLE: A bill (H. R. 9965) granting an increase of pension to Nancy Hartsoc Carr; to the Committee on Invalid Pensions.

By Mr. TURPIN: A bill (H. R. 9966) granting a pension to Gwilym T. Lewis; to the Committee on Pensions.

By Mr. WYANT: A bill (H. R. 9967) for the relief of Jacob King; to the Committee on Military Affairs.

PETITIONS, ETC.

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

3050. By Mr. ANDREWS of New York: Resolution adopted by Western New York League of Savings and Loan Associations, urging opposition to the bill authorizing the creation of Federal home-loan banks when it comes before the House; to the Committee on Banking and Currency.

3051. Also, petition of 25 citizens of the fortieth congressional district urging support of the prohibition law; to the Committee on the Judiciary.

3052. Also, resolution adopted by Niagara Lodge, 330, of the International Association of Machinists, urging support of the anti-injunction bill when it comes before the House; to the Committee on the Judiciary.

3053. By Mr. BOEHNE: Petition of Robert H. Kelly and others, protesting against the repeal, resubmission, or modification of the eighteenth amendment to the Constitution; to the Committee on the Judiciary.

3054. By Mr. BUCKBEE: Petition of the Woman's Christian Temperance Union, branch of Streator, Ill., opposing the resubmission of the eighteenth amendment; to the Committee on the Judiciary.

3055. Also, petition of William C. Gridley, Rockford, Ill., and others, opposing the Sunday observance bill; to the Committee on the District of Columbia.

3056. By Mr. BURDICK: Petition of Helen A. Thomas, and 16 other citizens of West Barrington and Barrington, R. I., opposing the repeal, resubmission, or any modification of the eighteenth amendment; to the Committee on the Judiciary.

3057. By Mr. CARTER of California: Petition of the South Berkeley Union, Woman's Christian Temperance

Union, opposing the resubmission of the eighteenth amendment; to the Committee on the Judiciary.

3058. By Mr. KELLER: Petition of Group No. 1678 of the Polish National Alliance of the United States of North America, urging that October 11 of each year be set aside as General Pulaski's memorial day; to the Committee on the Judiciary.

3059. By Mr. CHASE: Petition of citizens of Port Matilda, Pa., urging enforcement of prohibition law; to the Committee on the Judiciary.

3060. Also, petition of citizens of Kane, Pa., urging enforcement of prohibition law; to the Committee on the Judiciary.

3061. Also, petition of citidens of DuBois, Pa., urging enforcement of prohibition law; to the Committee on the Judiciary.

3062. By Mr. CONDON: Resolution of the Touro Fraternal Association of Rhode Island, composed of over 700 citizens of Rhode Island, opposing the passage of House bill 7436, providing for registration of aliens and a certificate of identification; to the Committee on Immigration and Naturalization.

3063. By Mr. CULKIN: Petition of Harbor and Dock Commission, Oswego, N. Y., protesting against the proposed change in administration and method of procedure in improvement of rivers and harbors; to the Committee on Rivers and Harbors.

3064. Also, petition of sundry citizens of Pulaski, N. Y., and vicinity, protesting against the enactment of Senate bill 1202, providing for the closing of barber shops on Sunday in the District of Columbia; to the Committee on the District of Columbia.

3065. By Mr. CURRY: Petition of citizens of California, opposing the resubmission of the eighteenth amendment to be ratified by State conventions or State legislatures; to the Committee on the Judiciary.

3066. By Mr. EVANS of Montana: Resolutions of the Montana State branch of the National Woman's Party, urging submission to the States for ratification the equal-rights amendment; to the Committee on the Judiciary.

3067. By Mr. GARBER: Petition of the Chappell Oil Co., Enid, Okla., opposing the levying of a Federal tax on gasoline; to the Committee on Ways and Means.

3068. Also, petition of the business men and taxpayers of the city of Ringwood; of members of Lone Wolf Post, No. 57, American Legion, Lone Wolf; of Lowery Post, No. 29, American Legion, Lawton; and of Argonne Post, No. 4, American Legion, Enid, all of the State of Oklahoma, urging payment of the adjusted-compensation certificates; also telegram from Clark Moss, commander, Hanes Finley Post, No. 153, American Legion, Wagoner, Okla., urging, on behalf of the post, payment of the adjusted-compensation certificates, and advising said post has gone on record through resolutions favoring enactment of such legislation; to the Committee on Ways and Means.

3069. By Mr. GIBSON: Petition of the Woman's Christian Temperance Union of Newport, Vt.; to the Committee on the Judiciary.

3070. By Mr. GILCHRIST: Petition of Elmer Shockey and 60 other citizens of Jefferson, Iowa, asking that House bill 1, being the adjusted-compensation bill, be made a law; to the Committee on Ways and Means.

3071. By Mr. GREENWOOD: Petition of J. B. Thayer, of Bloomington, and 126 other citizens of Monroe County, Ind., protesting against the passage of House bill 8092 or any other compulsory Sunday-observance bill; to the Committee on the District of Columbia.

3072. Also, petition of J. A. Crary and 53 other citizens of Daviess County, Ind., protesting against the passage of House bill 8092, Sunday observance bill; to the Committee on the District of Columbia.

3073. By Mr. GRISWOLD: Petition of Elsie McGuffey and 136 other citizens of Markle, Ind., protesting against any change or modification of the prohibition law, and urging strict enforcement of this law; to the Committee on the Judiciary.

3074. Also, petition of Rev. M. Vayhinger and 27 other citizens of Fairmount, Ind., protesting against any modification of the prohibition law, and urging the strict enforcement of such law; to the Committee on the Judiciary.

3075. By Mr. HOOPER: Petition of numerous citizens of Battle Creek, Mich., and vicinity, protesting against the enactment of House bill 8092 or any other compulsory Sunday observance bills; to the Committee on the District of Columbia.

3076. By Mr. JENKINS: Petition signed by 52 citizens of Nelsonville, Ohio, urging Congress to reduce expenses and to not increase taxes, and that Congress give the wheat that is stored by the Government to feed the people that are unemployed; to the Committee on Ways and Means.

3077. Also, petition signed by 30 adult residents of Jackson, Ohio, protesting against compulsory Sunday observance bill now before Congress, S. 1202; to the Committee on the District of Columbia.

3078. By Mr. JOHNSON of Oklahoma: Petition of approximately 535 citizens of Union Chapel, Hennessey, Kingfisher, Omega, Altoona, and Cashion, Okla., opposing repeal, modification, or resubmission of the eighteenth amendment; and of approximately 400 members of the Woman's Christian Temperance Union and Sunday schools of Duncan, Kingfisher, Geary, Sterling, Yukon, and Anadarko, Okla., urging strengthening and rigid enforcement of the prohibition laws, as well as protesting against repeal, modification, or resubmission; to the Committee on the Judiciary.

3079. Also, resolution adopted by Lowery Post, No. 29, Lawton, Okla., American Legion, Department of Oklahoma, declaring stability and prosperity of country dependent upon regular remunerative employment, ability to adequately protect and defend ourselves from domestic disorders and foreign aggression, calling attention to strife and unrest throughout the world, and favoring recommending to Representatives in Congress the immediate increase of our standing armed forces to 1,000,000 men; to the Committee on Military Affairs.

3080. By Mr. JOHNSON of Texas: Petition of Mrs. Lex Smith, of Teague, Tex., favoring Senate bill 1234, for rural sanitation; to the Committee on Interstate and Foreign Commerce.

3081. By Mr. JOHNSON of Washington: Petition of Adam Dziedzie, president Group No. 480, Polish National Alliance, Wilkeson, Wash., urging the enactment of House Joint Resolution 144, establishing October 11 of each year as Gen. Casimir Pulaski memorial day; to the Committee on the Judiciary.

3082. By Mr. KELLER: Petition of Group No. 1892 of the Polish National Alliance of the United States of America, urging October 11 of each year to be set aside as General Pulaski's memorial day; to the Committee on the Judiciary.

3083. By Mr. KVALE: Petition of Ogmar Post, No. 268, Farwell, Minn., urging enactment of House bill 1; to the Committee on Ways and Means.

3084. Also, petition of System Federation, No. 75, St. Paul, Minn., urging enactment of Senate bill 935; to the Committee on the Judiciary.

3085. Also, petition of Northwest Pay Bonus Now Organization of Hibbing, Minn., urging enactment of House bill 1; to the Committee on Ways and Means.

3086. Also, petition of 10 district presidents of the Minnesota Woman's Christian Temperance Union, urging enforcement of the eighteenth amendment; to the Committee on the Judiciary.

3087. Also, petition of Farmers Union, Thorpe Local No. 174, Lake Lillian, Minn., urging enactment of Senate bill 1197; to the Committee on Banking and Currency.

3088. Also, petition of Farmers Union, Thorpe Local No. 174, Lake Lillian, Minn., urging enactment of House bill 7797; to the Committee on Agriculture.

3089. Also, petition of Farmers Union, Thorpe Local No. 174, Lake Lillian, Minn., urging enactment of Senate bill 2487; to the Committee on Agriculture.

3090. Also, petition of workers in the stone industry in Minnesota, urging use of native stone and fabrication in Federal construction work; to the Committee on Public Buildings and Grounds.

3091. Also, petition of United Veterans, Swift County Unit, Benson, Minn., urging enactment of House bill 1; to the Committee on Ways and Means.

3092. Also, petition of National Association of Letter Carriers, Branch No. 1058, Hibbing, Minn., opposing any decrease in the salaries of the postal employees; to the Committee on the Post Office and Post Roads.

3093. Also, petition of Northern Wholesale Hardwood Lumber Association, Minneapolis, Minn., opposing continuation of the National Government in private business and insisting upon a wise expenditure of public funds; to the Committee on Ways and Means.

3094. Also, petition of Central Co-Operative Association, South St. Paul, Minn., asking loaning of money by the Government on a long-time basis through Federal land banks in sufficient amount to pay present farm indebtedness at interest rate not in excess of that fixed on loans made to foreign countries during the World War; to the Committee on Banking and Currency.

3095. Also, petition of Central Co-Operative Association, South St. Paul, Minn., asking for tariff on importations of oils and fats, etc., from the Philippines, and on all competitive farm commodities imported; to the Committee on Ways and Means.

3096. Also, petition of Alta Vista Farmers Union, Local 116, and Wergeland Farmers Union, Local 120, asking that a sales tax be established on all products manufactured for food and clothing; to the Committee on Ways and Means.

3097. Also, petition of Central Co-Operative Association, South St. Paul, Minn., asking investigation into methods and policies of the Federal Farm Board, etc.; to the Committee on Agriculture.

3098. Also, petition of Rod and Gun Club of Forada, Minn., favoring Federal tax on shells instead of the Federal hunting license; to the Committee on Ways and Means.

3099. Also, petition of residents of the seventh district of Minnesota, protesting against compulsory Sunday observance; to the Committee on the District of Columbia.

3100. Also, petition of Malta Local, No. 158, Clinton, Minn., urging enactment of Senate bill 1197; to the Committee on Banking and Currency.

3101. Also, petition of Malta Local, No. 158, Clinton, Minn., urging enactment of Senate bill 2487 and House bill 7797; to the Committee on Agriculture.

3102. By Mr. LAMBERTSON: Petition of Mrs. I. Livingood and 33 other persons of Corning, Kans., urging the maintenance of the prohibition law and its enforcement, and opposing any measure of repeal, modification, or resubmission to the States; to the Committee on the Judiciary.

3103. Also, resolution of the Woman's Christian Temperance Union Institute of Corning, Kans., urging the maintenance of the prohibition law and its enforcement, and opposing any measure of repeal, modification, or resubmission to the States; to the Committee on the Judiciary.

3104. Also, resolution of the Tonganoxie Friends, Tonganoxie, Kans., opposing the resubmission to the States of the repeal of the prohibition law, and urging adequate appropriations for law enforcement; to the Committee on the Judiciary.

3105. By Mr. LANKFORD of Georgia: Petition of citizens of Monroe County, Ga., protesting against removal and abandonment of airport at Forsyth, Ga.; to the Committee on Naval Affairs.

3106. Also, petition of citizens of Ware County, Ga., protesting against increased tax on tobacco, and requesting that a reduction be made in this tax; to the Committee on Ways and Means.

3107. By Mr. LINDSAY: Petition of John Foster, United States veterans' hospital, Fort Bayard, N. Mex., favoring the passage of House bill 1; to the Committee on World War Veterans' Legislation.

3108. Also, petition of American Federation of Full-Fashioned Hosiery Workers, Philadelphia, Pa., favoring the passage of the LaGuardia-Norris anti-injunction legislation; to the Committee on the Judiciary.

3109. Also, petition of United States Building & Loan League, Pittsburgh, Pa., favoring the passage of home loan bank legislation; to the Committee on Banking and Currency.

3110. Also, petition of the Propeller Club of the United States, port of Pittsburgh, Pa., opposing the passage of House bill 9390; to the Committee on Rivers and Harbors.

3111. By Mr. MARTIN of Massachusetts: Petition of sundry residents of Bristol County, Mass., protesting against enactment of Senate bill 1202; to the Committee on the District of Columbia.

3112. By Mr. MEAD: Petition of the Propeller Club of the United States, opposing House bill 9390; to the Committee on Interstate and Foreign Commerce.

3113. By Mr. MITCHELL: Petition of Vergil Lambert and others, of Westmoreland, Tenn.; to the Committee on Appropriations.

3114. Also, petition of Mrs. C. R. Hickerson, president Woman's Christian Temperance Union of Coffee County, Tenn.; to the Committee on the Judiciary.

3115. By Mr. NIEDRINGHAUS: Petition of the John J. O'Neill Branch, No. 343, National Association of Letter Carriers, urging support of Sweeney bill (H. R. 6183); to the Committee on the Post Office and Post Roads.

3116. Also, petition of the John J. O'Neill Branch, No. 343, National Association of Letter Carriers, opposing any reduction in the wages of Government employees; to the Committee on Appropriations.

3117. Also, petition of Helen Whitfield and 90 other citizens, of St. Louis, Mo., protesting against the passage of House bill 8092 or any other compulsory Sunday observance bills; to the Committee on the District of Columbia.

3118. By Mr. O'CONNOR: Petition signed by 292 citizens of the city of New York, protesting against the passage of House bill 8092; to the Committee on the District of Columbia.

3119. By Mr. PARKER of Georgia: Petition of the Benefit Association of Railway Employees, Savannah (Ga.) Local, No. 214, urging the enactment of Senate bill 2793, providing for the regulation by the Interstate Commerce Commission of busses and trucks carrying passengers and freight; to the Committee on Interstate and Foreign Commerce.

3120. Also, petition of Savannah (Ga.) Aerie, No. 330, Fraternal Order of Eagles, urging the enactment of House bill 7230, providing uniform pensions for the widows and orphans of the veterans of all wars in which the United States has participated; to the Committee on Pensions.

3121. Also, petition of Georgia Federation of Women's Clubs, urging the enactment of legislation that will provide pensions for the widows and orphans of World War veterans on the same footing as the widows and orphans of the veterans of other wars in which the United States has engaged; to the Committee on World War Veterans' Legislation.

3122. Also, petition of the grand jury for Monroe County, Ga., protesting against the contemplated removal and abandonment of the airport now located in said county near the city limits of Forsyth, Ga.; to the Committee on Interstate and Foreign Commerce.

3123. Also, petition of H. D. Solomon and 11 other citizens of Savannah, Ga., urging the enactment of Senate bill 2793 providing for the regulation by the Interstate Commerce Commission of busses and trucks carrying passengers and freight; to the Committee on Interstate and Foreign Commerce.

3124. By Mr. PRATT: Petition of Mrs. W. J. Whiston, Mrs. E. C. Quimley, Mrs. J. D. Van Kleeck, and 32 other residents, of Kingston, Ulster County, N. Y., praying for maintenance of the eighteenth amendment, and opposing repeal, modification, or resubmission to the States; to the Committee on the Judiciary.

3125. Also, petition of Frank S. Howland, E. E. Brady, John Slattery, and 24 other citizens of Athens, Greene

County, N. Y., praying for passage of the Beck-Linthicum resolution; to the Committee on the Judiciary.

3126. Also, petition of 47 members of the Woman's Christian Temperance Union of Canaan, Columbia County, N. Y., praying for opposition to the resubmission of the eighteenth amendment to the States; to the Committee on the Judiciary.

3127. By Mr. RICH: Petition of citizens of Potter County, Pa., favoring House bill 8092; to the Committee on the District of Columbia.

3128. By Mr. ROBINSON: Resolutions sent in by Mrs. F. L. Collis, and signed by Mildred Wheatman, secretary, Iowa Falls Parent-Teachers' Association, Iowa Falls, Iowa; Church of the Nazarene, representing 21 people; Four-Square Gospel, representing 75 people; 50 men and women of the Iowa Falls Christian Church; Iowa Falls Woman's Club, representing 60 people; Congregational Ladies' Bible Class, representing 20 ladies; and First Baptist Church, representing 85 people, opposing the resubmission of the eighteenth amendment to be ratified by State conventions or State legislatures, and urging adequate appropriations for law enforcement and for education in law observance; to the Committee on the Judiciary.

3129. Also, resolution adopted by the union evening service of the Methodist, Presbyterian, and United Brethren Churches, representing 800 people, on February 23, 1932, and sent in by Rev. Roscoe C. Jerrell, pastor of the Methodist Church, Toledo, Iowa, opposing the resubmission of the eighteenth amendment to be ratified by State legislatures or State conventions, and urging adequate appropriations for law enforcement and for education in law observance; to the Committee on the Judiciary.

3130. By Mr. RUDD: Petition of the Propeller Club of the United States, port of Pittsburgh, opposing the passage of House bill 9390; to the Commitee on Interstate and Foreign Commerce.

3131. Also, petition of United States Building and Loan League, favoring the passage of home loan bank legislation; to the Committee on Banking and Currency.

3132. Also, petition of Medical Society of the State of New York, opposing the passage of Senate bill 2146 to prohibit experiments upon living dogs in the District of Columbia; to the Committee on the District of Columbia.

3133. Also, petition of American Federation of Full-Fashioned Hosiery Workers, Philadelphia, Pa., favoring the Norris-LaGuardia anti-injunction bills; to the Committee on the Judiciary.

3134. Also, petition of Pennsylvania Grade Crude Oil Association, favoring a reasonable tariff on crude petroleum; to the Committee on Ways and Means.

3135. Also, petition of J. Loveland, Forest Hills; Mary S. Vatter, of Maspeth, Long Island, and C. Rom, of New York City, N. Y., opposing the proposed Federal gasoline tax; to the Committee on Ways and Means.

3136. By Mr. SCHUETZ: Petition of Group No. 633 of the Polish National Alliance of the United States of North America, memorializing Congress to proclaim October 11, as General Pulaski's memorial day; to the Committee on the Judiciary.

3137. Also, petition of Group No. 1450 of the Polish National Alliance of the United States of North America, memorializing Congress to proclaim October 11 as General Pulaski's memorial day; to the Committee on the Judiciary.

3138. Also, petition of Group No. 996 of the Polish National Alliance of the United States of North America, memorializing Congress to proclaim October 11 as General Pulaski's memorial day; to the Committee on the Judiciary.

3139. Also, petition of Group No. 594 of the Polish National Alliance of the United States of North America, memorializing Congress to proclaim October 11 as General Pulaski's memorial day; to the Committee on the Judiciary.

3140. Also, petition of Group No. 2435 of the Polish National Alliance of the United States of North America, memorializing Congress to proclaim October 11 as General Pulaski's memorial day; to the Committee on the Judiciary.

3141. By Mr. SELVIG: Petition of Anna Dudley and 18 others and Lelah Presnall and 2 others, of Detroit Lakes; and Mathilde Davis and 8 others, of Rochert and Detroit Lakes, all of the State of Minnesota, protesting against the Sunday observance bill; to the Committee on the District of Columbia.

3142. Also, petition of State Senator Carl M. Iverson, of Ashby, Western Grain & Coal Co., Winona, Hjalmar Nilsson, St. Paul, and Petroleum Service Co., Minneapolis, all of the State of Minnesota, opposing enactment of a Federal gasoline tax; and L. M. Olson, Lake Park, Minn., urging reduction in taxes to prevent farmers from losing homes; to the Committee on Ways and Means.

3143. By Mr. SNOW: Petition of J. A. Olander and other citizens, of New Sweden, Me., requesting the enactment of appropriate legislation to place highway trucks and bus lines under regulation; to the Committee on Interstate and Foreign Commerce.

3144. By Mr. SWANSON: Petition of Helmer Reyelt Post, American Legion, Harlan, Iowa, favoring immediate cash payment of balance of adjusted-compensation certificates; to the Committee on Ways and Means.

3145. By Mr. SWING: Petition of 72 citizens of San Fernando, Calif., supporting the maintenance of the prohibition law and its enforcement, and protesting any measure looking toward its modification, resubmission to the States, or repeal; to the Committee on the Judiciary.

3146. By Mr. TARVER: Petition of T. B. Owens and sundry other citizens of Rome, Ga., protesting against the passage of House bill 8092; to the Committee on the District of Columbia.

3147. By Mr. TAYLOR of Colorado: Petition of members of the Christian Church, the Methodist Church, and the Business and Professional Women's Club, of Clifton, Colo., opposing any measure of resubmission to the States of the eighteenth amendment, and urging adequate appropriations for law enforcement and for education in law observance; to the Committee on the Judiciary.

3148. Also, petition from members of the First Baptist, Methodist, and Church of God Churches, of Olathe, Colo., opposing any measure of resubmission to the States of the eighteenth amendment, and urging adequate appropriations for law enforcement and for education in law observance; to the Committee on the Judiciary.

3149. Also, petition of Mrs. W. H. Cutler and 42 other citizens of Durango, Colo., opposing repeal, modification, or resubmission to the States of the eighteenth amendment; to the Committee on the Judiciary.

3150. By Mr. TEMPLE: Petition of First Presbyterian Church of Canonsburg, Pa., supporting the eighteenth amendment, and protesting against submission of an amendment to the States repealing the eighteenth amendment; to the Committee on the Judiciary.

3151. By Mr. THOMASON: Petition of El Paso business men, protesting a tax upon the automotive industry; to the Committee on Ways and Means.

3152. By Mr. TIMBERLAKE: Petition of First Presbyterian Church, Loveland, Colo., protesting against submitting eighteenth amendment to the States for a referendum vote; to the Committee on the Judiciary.

3153. Also, petition of Willard (Colo.) Woman's Christian Temperance Union, protesting against submitting eighteenth amendment to the States for a referendum vote; to the Committee on the Judiciary.

3154. Also, petition of Loveland (Colo.) Woman's Christian Temperance Union, protesting against submission of eighteenth amendment to the States for a referendum vote; to the Committee on the Judiciary.

3155. By Mr. WELCH of California: Resolution of California Farm Bureau Federation, advocating a tariff on all foreign vegetable oils and products from which those oils are derived, and that the importations from the Philippine Islands be subjected to the same restrictions either by granting independence to the islands or by special provision of law; to the Committee on Ways and Means.

3156. By Mr. WIGGLESWORTH: Petition of sundry residents of the fourteenth Massachusetts congressional district,

protesting against the passage of Senate bill 1202 providing for the closing of barber shops on Sunday in the District of Columbia; to the Committee on the District of Columbia.

3157. By Mr. WITHROW: Memorial in the nature of a joint resolution of the Legislature of the State of Wisconsin in special session, relating to a preferential excise tax on tobacco products manufactured from tobacco purchased from a cooperative marekting association; to the Committee on Ways and Means.

3158. By Mr. WYANT: Petition of Woman's Christian Temperance Union of Scottdale, Westmoreland County, Pa., representing 500 citizens, opposing resubmission of the eighteenth amendment; to the Committee on the Judiciary.

3159. Also, petition of Woman's Christian Temperance Union of New Kensington, representing 30 citizens, opposing resubmission of the eighteenth amendment; to the Committee on the Judiciary.

3160. Also, petition of Group No. 1211, Polish National Alliance, of Mount Pleasant, Westmoreland County, Pa., urging enactment of legislation proclaiming October 11 of each year as General Pulaski's memorial day; to the Committee on the Judiciary.

3161. Also, petition of Group No. 1760, Polish National Alliance, of New Kensington, Pa., urging enactment of legislation proclaiming October 11 of each year as General Pulaski's memorial day; to the Committee on the Judiciary.

3162. By Mr. HOOPER: Petition of residents of Climax, Mich., protesting against the enactment of Sunday observance bill S. 1202, or any other compulsory religious measures; to the Committee on the District of Columbia.

3163. By Mr. WYANT: Petition of Group No. 2213, Polish National Alliance, of Monessen, Pa., urging legislation to proclaim October 11 of each year as General Pulaski's memorial day; to the Committee on the Judiciary.

3164. Also, petition of officers of the First Lutheran Sabbath school, of Vandergrift, Pa., representing 700 members, opposing any change in eighteenth amendment, Volstead Act, and other enforcement measures; to the Committee on the Judiciary.

3165. Also, petition of Propeller Club of the United States, port of Pittsburgh, against House bill 9390; to the Committee on Interstate and Foreign Commerce.

SENATE

TUESDAY, MARCH 1, 1932

(Legislative day of Wednesday, February 24, 1932)

The Senate met at 12 o'clock meridian, 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:

Ashurst	Couzens	Kean	Schall
Austin	Cutting	Kendrick	Sheppard
Bankhead	Dale	Keyes	Shipstead
Barbour	Dickinson	King	Smith
Barkley	Dill	La Follette	Smoot
Bingham	Fess	Lewis	Steiwer
Black	Fletcher	Logan	Stephens
Blaine	Frazier	Long	Thomas, Idaho
Borah	George	McGill	Thomas, Okla.
Bratton	Glass	McNary	Townsend
Brookhart	Glenn	Metcalf	Trammell
Broussard	Goldsborough	Morrison	Vandenberg
Bulkley	Gore	Moses	Wagner
Bulow	Hale	Neely	Walcott
Byrnes	Harrison	Norbeck	Walsh, Mass.
Capper	Hatfield	Norris	Walsh, Mont.
Caraway	Hayden	Nye	Waterman
Carey	Hebert	Oddie	Watson
Connally	Howell	Patterson	Wheeler
Coolidge	Hull	Reed	White
Copeland	Johnson	Robinson, Ark.	
Costigan	Jones	Robinson, Ind.	

Mr. JOHNSON. I announce that my colleague the junior Senator from California [Mr. SHORTRIDGE] is still detained from the Senate by reason of continued illness. I ask that the announcement may stand for the day.

Mr. GEORGE. My colleague the senior Senator from Georgia [Mr. HARRIS] is still detained from the Senate because of illness. I will let this announcement stand for the day.

Mr. TOWNSEND. I wish to announce the unavoidable absence of my colleague the senior Senator from Delaware [Mr. HASTINGS]. I shall let this announcement stand for the day.

Mr. HULL. My colleague the senior Senator from Tennessee [Mr. MCKELLAR] is necessarily detained from the Senate. This announcement may stand for the day.

Mr. GLASS. I wish to announce that my colleague the senior Senator from Virginia [Mr. SWANSON] is absent in attendance upon the disarmament conference at Geneva, Switzerland.

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

DISPOSITION OF USELESS PAPERS

The VICE PRESIDENT laid before the Senate a letter from the executive officer of the Personnel Classification Board, reporting, pursuant to law, relative to an accumulation of papers on the files of the board not needed in the conduct of business or having any historical interest, and asking for action looking toward their disposition, which was referred to a Joint Select Committee on the Disposition of Useless Papers in the Executive Departments.

The VICE PRESIDENT appointed Mr. DALE and Mr. MCKELLAR members of the committee on the part of the Senate.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate a cablegram from the speaker of the House of Representatives of Porto Rico, which was referred to the Committee on Pensions and ordered to be printed in the RECORD, as follows:

[Cablegram]

SAN JUAN, P. R., *February 24, 1932.*

HON. CHARLES CURTIS,
President of the Senate,
Washington, D. C.:

House of Representatives of Porto Rico, met in regular session, resolved to respectfully request Congress to pass H. R. 7230, introduced by Congressman GASQUE, to increase pensions of widows of Spanish-American War veterans.

MANUEL F. ROSSY, *Speaker.*

The VICE PRESIDENT also laid before the Senate a letter in the nature of a petition from H. M. Haley, of Goodland, Kans., praying for the passage of the bill (S. 3677) to provide for the establishment of a system of pensions for railroad and transportation employees and for a railroad pension board, and for other purposes, which was referred to the Committee on Interstate Commerce.

He also laid before the Senate a resolution adopted by the Friendship Citizens' Association of the District of Columbia, protesting against the passage of legislation to decrease the salaries of Government employees, which was ordered to lie on the table.

He also laid before the Senate resolutions adopted by the Friendship Citizens' Association of the District of Columbia, protesting against the appointment of retired military personnel and persons not citizens of the District to positions in the municipal offices of the District of Columbia, which were referred to the Committee on the District of Columbia.

Mr. FESS presented a petition of sundry citizens of the State of Ohio, praying that the coal specifications of Ohio Federal institutions may be so amended as to make possible the purchase of coal mined in Ohio, which was referred to the Committee on Military Affairs.

Mr. SHEPPARD presented memorials of sundry citizens of Tulia and Friona, in the State of Texas, remonstrating against the passage of compulsory Sunday observance legislation, which were referred to the Committee on the District of Columbia.

Mr. HARRISON presented petitions of sundry citizens of the State of Mississippi, praying for amendment of the World War Veterans' adjusted compensation act, so as to provide that veterans may secure relief within a shorter